



**CORVALLIS
CITY COUNCIL AGENDA**

**July 5, 2011
12:00 pm ONLY**

(Work Session at 7:00 pm)

**Downtown Fire Station
400 NW Harrison Boulevard**

COUNCIL ACTION

PLEDGE OF ALLEGIANCE

I. ROLL CALL

II. CONSENT AGENDA [direction]

The following items are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a Council member (or a citizen through a Council member) so requests, in which case the item will be removed from the Consent Agenda and considered separately. If any item involves a potential conflict of interest, Council members should so note before adoption of the Consent Agenda.

- A. Reading of Minutes
 - 1. City Council Meeting – June 20, 2011
 - 2. For Information and Filing (Draft minutes may return if changes are made by the Board or Commission)
 - a. Airport Commission – May 3, 2011
 - b. Bicycle and Pedestrian Advisory Commission – May 6, 2011
- B. Confirmation of reappointments to various Advisory Boards, Commissions, and Committees
- C. Confirmation of appointment to Arts and Culture Commission (Daniels)
- D. Announcement of appointments to various Advisory Boards, Commissions, and Committees
- E. Schedule a public hearing for August 15, 2011, to consider a Land Development Code text amendment (LDT11-00001 – Downtown Commission-recommended legislative amendment)
- F. Approval of an application for a "Full On-Premises Sales" liquor license for Rod Edel, owner of Comfort Suites, 1730 NW Ninth Street (Name Change)

- G. Approval of an application for a "Limited On-Premises Sales" liquor license for Allan Stuart and Stephanie Black, President and Vice President of Allann Brother's Coffee Company, dba The Beanery, 922 NW Circle Boulevard, Suite 130 (New Outlet)
- H. Approval of an application for a "Full On-Premises Sales" liquor license for Sadami Sakamoto, owner of Sada's Sushi Bar, 151 NW Monroe Avenue (Change of Ownership)
- I. Approval of an application for a "Limited On-Premise Sales" liquor license for Lana and Mitch Dong, owners of Mr. D's Market, 300 SW Fourth Street (Change of Ownership)
- J. Approval of an application for a "Full On-Premises Sales" liquor license for Matthew Otten and Katherine Otten, members of Second Home Brewing Co., LLC, dba Terminus, 603 NW Second Street (Change of Ownership)
- K. Approval of Amendment to Notice of Municipal Interest between City of Corvallis and Boys & Girls Club of Corvallis
- L. Authorization to enter into and for the City Manager to sign an Intergovernmental Agreement with Benton County Natural Areas and Parks and Greenbelt Land Trust for integrated trails public website development
- M. Schedule an Executive Session following the regular noon meeting under ORS 192.660(2)(d) (status of labor negotiations)

III. ITEMS REMOVED FROM CONSENT AGENDA

IV. UNFINISHED BUSINESS

- A. City/Corvallis School District 509J facilities use agreement termination [direction]

V. MAYOR, COUNCIL, AND STAFF REPORTS

- A. Mayor's Reports
 - 1. Proclamation of Enhancing Community Livability – Walt Schmidt – July 2, 2011
 - 2. Proclamation of Jon S. Nelson Appreciation Day – June 29, 2011
- B. Council Reports
- C. Staff Reports [information]
 - 1. Council Request Follow-up Report – June 30, 2011
 - 2. City Manager recruitment update

VI. VISITORS' PROPOSITIONS – 12:30 pm (*Note that Visitors' Propositions will continue following any scheduled public hearings, if necessary and if any are scheduled*) [citizen input]

VII. PUBLIC HEARINGS – None.

VIII. & IX. STANDING COMMITTEE REPORTS, ORDINANCES, RESOLUTIONS, AND MOTIONS

A. Human Services Committee – None.

B. Administrative Services Committee – None.

C. Urban Services Committee – June 23, 2011

1. Airport Base Lease Rates Adjustment [direction]
2. Airport Lease – Skoro [direction]
3. Airport Lease Addendum – Hand [direction]

D. Other Related Matters

1. *A resolution relating to Workers' Compensation insurance coverage for City volunteers, to be read by the City Attorney* [direction]

X. NEW BUSINESS

XI. ADJOURNMENT

For the hearing impaired, a sign language interpreter can be provided with 48 hours' notice prior to the meeting. Please call 541-766-6901 or the Oregon Communications Relay Service at 7-1-1 to arrange for TTY services.

A LARGE PRINT AGENDA CAN BE AVAILABLE BY CALLING 541-766-6901

A Community That Honors Diversity



CITY OF CORVALLIS
ACTIVITY CALENDAR

JULY 4 - 16, 2011

MONDAY, JULY 4

- ▶ City Holiday - all offices closed

TUESDAY, JULY 5

- ▶ Airport Commission - 7:00 am - Madison Avenue Meeting Room, 500 SW Madison Avenue
- ▶ City Council - 12:00 pm only - Downtown Fire Station, 400 NW Harrison Boulevard
- ▶ Downtown Parking Committee - 5:30 pm - Madison Avenue Meeting Room, 500 SW Madison Avenue
- ▶ City Council - 7:00 pm - Downtown Fire Station, 400 NW Harrison Boulevard (work session)

WEDNESDAY, JULY 6

- ▶ Human Services Committee - 12:00 pm - Madison Avenue Meeting Room, 500 SW Madison Avenue
- ▶ Administrative Services Committee - 4:00 pm - Madison Avenue Meeting Room, 500 SW Madison Avenue
- ▶ Planning Commission - 7:00 pm - Downtown Fire Station, 400 NW Harrison Boulevard

THURSDAY, JULY 7

- ▶ No Urban Services Committee

SATURDAY, JULY 9

- ▶ Government Comment Corner (host to be determined) - 10:00 am - Library Lobby, 645 NW Monroe Avenue

MONDAY, JULY 11

- ▶ Economic Development Commission - 3:00 pm - Downtown Fire Station, 400 NW Harrison Boulevard

TUESDAY, JULY 12

- ▶ Historic Resources Commission - 7:00 pm - Downtown Fire Station, 400 NW Harrison Boulevard

WEDNESDAY, JULY 13

- ▶ Citizens Advisory Commission on Transit - 8:20 am - Madison Avenue Meeting Room, 500 SW Madison Avenue
- ▶ Downtown Commission - 5:30 pm - Madison Avenue Meeting Room, 500 SW Madison Avenue

THURSDAY, JULY 14

- ▶ Citizens Advisory Commission on Civic Beautification and Urban Forestry - 8:00 am - Parks and Recreation Conference Room, 1310 SW Avery Park Drive

SATURDAY, JULY 16

- ▶ Government Comment Corner (Councilor Hal Brauner) - 10:00 am - Library Lobby, 645 NW Monroe Avenue

**CITY OF CORVALLIS
COUNCIL ACTION MINUTES**

June 20, 2011

SUMMARY OF DISCUSSION

Agenda Item	Information Only	Held for Further Review	Decisions/Recommendations
Consent Agenda Pages 265-266			
Unfinished Business 1. Selection of Historic Resources Commissioners 2. Selection of Planning Commissioners Pages 266-267			<ul style="list-style-type: none"> • Elected Bryant, Collett, Wathen (June 30, 2014, expiration), Lizut (June 30, 2013, expiration) • Elected Hann, Ridlington, Sessions (June 30, 2014, expiration)
Mayor's Report 1. Military Spending Proclamation Page 267	Yes		
Council Reports 1. ODOT South Bypass Project (Brauner) 2. Military Spending Proclamation (Raymond) 3. Fathers' Day/Juneteenth (Raymond) 4. SELF Program Workshop (Beilstein) 5. Pastors for Peace Trip to Cuba (Beilstein) 6. Local Food Panel Discussion (Hervey) 7. Guided Walks – Natural Areas (Hirsch) 8. Marijuana Dispensaries (Hirsch) 9. Council Meeting Videotaping (Hirsch) Pages 268-270	Yes Yes Yes Yes Yes Yes Yes Yes Yes		
Visitors' Propositions 1. Corvallis Sustainability Coalition Update 2. ODOT South Bypass Project (Taylor, Abernethy, Martin) 3. Noise in City Parks (Zaske, Wershow) Pages 270-273	Yes Yes Yes		
Staff Reports 1. Use of School District Facilities 2. City Manager's Report – May 2011 3. Retiring Public Works Director Rogers 4. Council Request Follow-Up Report – June 16, 2011 5. City Manager Recruitment Status Report 6. Industrial Lands Wetlands Mitigation Project Update 7. EECBG Household Energy Efficiency Volunteer Coordinator Program Final Report	Yes Yes Yes Yes Yes Yes Yes		

Agenda Item	Information Only	Held for Further Review	Decisions/Recommendations
Staff Reports – Continued 8. Fire Station #4 Solar Photovoltaic Array Pages 273-274	Yes		
Items of HSC Meeting of June 7, 2011 1. Boards and Commissions Sunset Review: Community Police Review Board 2. Boards and Commissions Sunset Review: Parks, Natural Areas, and Recreation Board 3. Majestic Theatre Annual Report 4. Fiscal Year 2011-2012 Social Services Allocations Recommendations Pages 274-275			<ul style="list-style-type: none"> • ORDINANCE 2011-10 <u>passed U</u> • ORDINANCE 2011-10 <u>passed U</u> • Approved Report <u>passed U</u> • Approved allocations recommendations <u>passed U</u>
Items of ASC Meeting of June 8, 2011 1. Ambulance Rate Review 2. Allied Waste Services Annual Report 3. Third Quarter Operating Report Page 275	Yes		<ul style="list-style-type: none"> • Amended rate schedule <u>passed U</u> • Approved Report <u>passed U</u>
Items of USC Meeting of June 9, 2011 1. United Chrome Easement and Equitable Servitudes Agreement 2. Boards and Commissions Sunset Review: Bicycle and Pedestrian Advisory Commission 3. Boards and Commissions Sunset Review: Citizens Advisory Commission on Transit 4. EECBG Program Update Page 276			<ul style="list-style-type: none"> • Authorized CM to approve easement and agreement <u>passed U</u> • ORDINANCE 2011-10 <u>passed U</u> • ORDINANCE 2011-10 <u>passed U</u> • Approved timeline <u>passed U</u>
Other Related Matters 1. May 2011 Election Costs 2. Risk Management Insurance Premiums 3. Assistance to Firefighters Grant 4. Office of Emergency Management Grant 5. Bank Signature Authorization Page 277			<ul style="list-style-type: none"> • RESOLUTION 2011-19 <u>passed U</u> • RESOLUTION 2011-20 <u>passed U</u> • RESOLUTION 2011-21 <u>passed U</u> • RESOLUTION 2011-22 <u>passed U</u> • RESOLUTION 2011-23 <u>passed U</u>
Executive Session 1. Labor Negotiations – CPOA, AFSCME Page 278			

Glossary of Terms

AFSCME American Federation of State, County, and
Municipal Employees
ASC Administrative Services Committee
CM City Manager
CPOA Corvallis Police Officers Association
EECBG Energy Efficiency and Conservation Block Grant

HSC Human Services Committee
ODOT Oregon Department of Transportation
SELF Saving Energy Loan Fund
U Unanimous
USC Urban Services Committee

**CITY OF CORVALLIS
COUNCIL ACTION MINUTES**

June 20, 2011

The regular meeting of the City Council of the City of Corvallis, Oregon, was called to order at 12:00 pm on June 20, 2011, in the Downtown Fire Station, 400 NW Harrison Boulevard, Corvallis, Oregon, with Mayor Manning presiding.

PLEDGE OF ALLEGIANCE

I. ROLL CALL

PRESENT: Mayor Manning, Councilors Hervey, Beilstein, Hogg, Brown, Brauner, O'Brien, Raymond, Hirsch

ABSENT: Councilor Traber (excused)

Mayor Manning directed Councilors' attention to items at their places, including a press release announcing Public Works Administration Division Manager Steckel's appointment as Interim Public Works Director (Attachment A); a memorandum from Public Works Director Rogers regarding changes in the Business Energy Tax Credit legislation (Attachment B); an e-mail from Oregon Department of Transportation (ODOT) Project Leader Wolcott regarding the South Bypass project (Attachment C); ballots for selection of Historic Resources and Planning Commissioners; and a flier announcing a July 6 Cuban lunch event (Attachment D).

Mayor Manning noted that this was the last City Council meeting for retiring City Manager Nelson and retiring Public Works Director Rogers, and she thanked them for their many years of service to Corvallis.

II. CONSENT AGENDA

Councilors O'Brien and Hirsch, respectively, moved and seconded to adopt the Consent Agenda as follows:

- A. Reading of Minutes**
1. City Council Meeting – June 6, 2011
 2. City Council Work Sessions – June 13 and 14, 2011
 3. For Information and Filing (Draft minutes may return if changes are made by the Board or Commission)
 - a. Committee for Citizen Involvement – May 5, 2011
 - b. Corvallis-Benton County Public Library Board – May 4, 2011
 - c. Downtown Commission – May 11, 2011
 - d. Economic Development Commission – May 9, 2011
 - e. Historic Resources Commission – May 10, 2011
 - f. Willamette Criminal Justice Council – May 18, 2011
- B. Announcement of reappointments to various Advisory Boards, Commissions, and Committees**

- C. Announcement of appointment to Arts and Culture Commission (Daniels)
- D. Announcement of vacancies on various Advisory Boards, Commissions, and Committees
- E. Approval of an application for a "Full On-Premises Sales" liquor license for Nick and Kristen Arzner, owners of Bier Caves, Inc., 308 SW Third Street (New Outlet)
- F. Acknowledgment of receipt of Abstract and Canvass of Votes for May 17, 2011, election
- G. Authorization to enter into and for the City Manager to sign an Intergovernmental Agreement with Columbia County Rider Transportation for trolley use
- H. Authorization to enter into and for the City Manager to sign a lease agreement renewal with Marys River Gleaners to use the Pioneer Garage for food distribution
- I. Authorization for the Police Department to apply for the 2011 Edward Byrne Memorial Justice Assistance Grant (JAG) Program
- J. Schedule an Executive Session following the regular noon meeting under ORS 192.660(2)(d) (status of labor negotiations)

The motion passed unanimously.

III. ITEMS REMOVED FROM CONSENT AGENDA – None.

IV. UNFINISHED BUSINESS

- A. Selection of Historic Resources and Planning Commissioners

Assistant to City Manager/City Recorder Louie reviewed the voting process discussed during the Council's recent work session. She referenced her memorandum to the Council that, following the applicants' interviews, staff discovered that Larry Thornton lives and works outside the Urban Growth Boundary and, thus, is not eligible to serve on the Historic Resources Commission. She reported that she explained this conflict to Mr. Thornton. She noted that Councilor Hogg did not attend the applicants' interviews and would not participate in today's selection process. Seven Councilors were eligible to vote, and four or more votes would be needed to have a majority to elect an applicant to a Commission.

Council members submitted their ballots for Historic Resources Commissioners. Ms. Louie tabulated the ballots and reported the vote:

Councilor Brown	Bryant, Collett, Wathen
Councilor Brauner	Bryant, Lizut, Wathen
Councilor O'Brien	Bryant, Collett, Wathen
Councilor Raymond	Bryant, Collett, Wathen
Councilor Hirsch	Bryant, Collett, Wathen
Councilor Hervey	Bryant, Collett, Lizut
Councilor Beilstein	Bryant, Collett, Lizut

Ms. Louie reported that Richard Bryant, Aaron Collett, and Geoffrey Wathen were elected, with seven, six, and five votes, respectively, to serve on the Historic Resources Commission, with terms expiring June 30, 2014. Roger Lizut received three votes.

Council members re-submitted their ballots to fill the fourth position. Ms. Louie tabulated the ballots and reported the vote:

Councilor Brown	Lizut
Councilor Brauner	Lizut
Councilor O'Brien	no vote
Councilor Raymond	Lizut
Councilor Hirsch	Lizut
Councilor Hervey	Lizut
Councilor Beilstein	Lizut

Ms. Louie reported that six Councilors voted and elected Roger Lizut to the Historic Resources Commission for a partial term expiring June 30, 2013. She will notify the candidates of their elections.

Council members submitted their ballots for Planning Commissioners. Ms. Louie tabulated the ballots and reported the vote:

Councilor Brown	Hann, Ridlington, Sessions
Councilor Brauner	Hann, Ridlington, Sessions
Councilor O'Brien	Hann, Ridlington, Sessions
Councilor Raymond	Hann, Ridlington, Sessions
Councilor Hirsch	Hann, Ridlington, Sessions
Councilor Hervey	Hann, Ridlington, Sessions
Councilor Beilstein	Hann, Ridlington, Sessions

Ms. Louie reported that Franklin Hann, Jim Ridlington, and Ronald Sessions were elected, with seven votes each, to serve on the Planning Commission with terms expiring June 30, 2014.

V. MAYOR, COUNCIL, AND STAFF REPORTS

A. Mayor's Reports

1. Proclamation of Enhancing Community Livability – Calling on Congress to Redirect Military Spending to Domestic Priorities – June 20, 2011

Mayor Manning referenced her proclamation to the United States Conference of Mayors regarding re-directing military spending to domestic priorities. The proclamation campaign was originated by Eugene, Oregon, Mayor Kitty Piercy. Several mayors throughout the nation joined the campaign.

B. Council Reports

Councilor Brauner referenced the e-mail from Jerry Wolcott regarding the Oregon State Highway 34 (Hwy 34) bypass (South Bypass) project (Attachment C). Mr. Wolcott's e-mail indicated that the Oregon Transportation Commission approved advancing the project to the construction phase with two options:

- Option A – A southbound-to-eastbound slip lane and a south-side frontage road as proposed by ODOT, without the Council's recommended changes for a bicyclist- or pedestrian-activated crossing signal at the slip lane.
- Option B – Two southbound-to-eastbound right-turn lanes, rather than the slip lane. This option would allow bicyclists and pedestrians to cross the Hwy 34/South Bypass intersection via a crossing signal.

Option B would not necessitate a south-side frontage road, so funding that would have been invested in the frontage road could be invested in extending the north-side frontage road from Peoria Road to Electric Road (the entrance to Trysting Tree Golf Course). Long-term plans indicate that the north-side frontage road will extend to the Oregon State University (OSU) crew docks. Funding would also be available for improving traffic management programs in the Downtown Corvallis area in terms of traffic signals and turn lanes and potential improvements to the Suzanne Wilkens Way path.

Councilor Brauner reported that Council leadership received correspondence from Linn County Commissioner Nyquist regarding concerns of residents along the north side of Hwy 34, who asserted that extending the north-side frontage road to Electric Road would increase traffic in front of their homes. Council leadership will meet with Linn County Commissioners to discuss the issue.

Councilor Brauner reviewed the Council's three options:

- Approve Option A without the Council's desired amendments. This would involve negotiating right-of-way transfer to ODOT.
- Approve Option B. Council approval of this option is not required.
- Take no action. ODOT could proceed with Option B, as all of the facilities would be on ODOT's right-of-way.

Councilor Brauner noted that the Council did not recommend extending the north-side frontage road to Electric Road; ODOT proposed the extension as part of its long-range plan to address safety concerns along the Hwy 34 corridor.

Councilor Brauner said he would like the Council to allow opportunity for the Bicycle and Pedestrian Advisory Commission to review Option B and provide some feedback to the Council. The Council would then take action or defer to ODOT. The Council must indicate its preference by the end of July, so ODOT can proceed with soliciting and awarding bids. No Council action was needed today; the Council will review Option B and BPAC's comments July 18.

In response to Councilor Brown's inquiry, Councilor Brauner explained that Option A would include a south-side frontage road to access all properties along the south side of Hwy 34 between the Bypass and the entrance to Knife River's property. Currently, City-owned

property along the highway is accessible via a driveway. If ODOT closed any driveways, it must provide some means of accessing the properties. Options A and B would not provide access to the Orleans Natural Area between the Bypass and the Willamette River.

Councilor Raymond said she received several calls from people regarding the Bypass project. Comments included appreciation of Mr. Wolcott for the Option B compromise and of the Council for considering pedestrian and bicyclist safety. One person suggested thinking into the future, including a light-rail system between Corvallis and Albany to reduce motor vehicle traffic and emissions. Other suggestions included traffic signal changes in Downtown Corvallis to reduce the traffic and parking lots with shuttle service during OSU athletic games.

Councilor Raymond thanked Mayor Manning and other mayors for submitting proclamations to the United States Conference of Mayors regarding redirecting military spending to domestic issues.

Councilor Raymond extended belated Fathers' Day greetings and announced that "Juneteenth" (June 19th) is an American holiday celebrating the emancipation of slaves.

Councilor Beilstein reported that he attended the June 15 Saving Energy Loan Fund (SELF) Program workshop. The workshop, sponsored by the City, Corvallis Environmental Center, and Corvallis Sustainability Coalition (Coalition), provided information to 22 attendees regarding accessing the City's revolving loan fund for improving energy efficiency of residences. Additional Program promotion is needed.

Councilor Beilstein said he will be gone July 6 through August 13 to participate in the annual Pastors for Peace trip to Cuba. He invited Council members to a fund-raising send-off Cuban lunch July 6. The City Charter requires that Council members obtain Council permission to be absent from the City for more than 30 days, or their Council position can be declared vacant. He asked the Council to grant him that permission.

Councilor Hervey reported that he participated in a panel discussion hosted by Ten Rivers Food Web regarding interns' studies of food in Linn, Benton, and Lincoln Counties. On the panel, he represented government in terms of approaches to increasing food availability in the area. Approximately 60 people attended the event. Eight AmeriCorps volunteers attended and are working with the Coalition on food-oriented projects.

Councilor Hirsch announced that Parks and Recreation Department staff will schedule some July 1 guided walks in the City's natural areas for Council members and Parks, Natural Areas, and Recreation Board (PNARB) members.

Councilor Hirsch reported that he received several inquiries regarding people opening marijuana dispensaries in Corvallis. He spoke with Police Department staff, and such facilities seem inevitable and probably not preventable. He requested a staff report regarding how the City could license the facilities with a minimum of public objection.

Mr. Nelson responded that local licensing requirements may exist regarding assessable taxes and fees. Additional factors involve zoning designations. Only a facility proposed outside

an appropriate zone would prompt a public hearing process. Staff will prepare a response to Councilor Hirsch's inquiry.

Councilor Hirsch reported many Corvallis residents objected to the termination of video recording of Council meetings. He inquired whether the City could solicit bids again, possibly obtaining a lower bid. The City's liability requirement may have caused higher bids. He would not suggest a volunteer videographer because of the need for consistency. A constituent suggested that compensation other than money, such as course credit, might prompt consistency.

Mr. Nelson responded that any videotaping contract would involve liability and living wage requirements. The Council-approved budget did not include televising Council meetings. He suggested that the issue could be discussed during a quarterly Council work session or through another venue. He cautioned against the Council making exceptions to the liability and living wage requirements. The current contract for videotaping meetings at an annual cost of \$15,000 was very effective, compared with what other cities pay for similar services. The adopted budget provides policy direction to not include funds for videotaping meetings, regardless how low a bid might be. If the majority of the Council supports videotaping meetings, the Council can consider including the service in the Fiscal Year 2012-2013 budget or reducing expenses from the Fiscal Year 2011-2012 budget to cover the costs of videotaping.

Mayor Manning referenced the Council Request Follow-up Report response, which indicated that Council meeting audio recordings will be available on the City's Web site, beginning with the July 5 meeting.

VI. VISITORS' PROPOSITIONS

A. Corvallis Sustainability Coalition update

Andrea Norris and Jeanette Hardison briefed the Council regarding the activities and plans of the Waste Prevention Action Team. Community education efforts continue increasing. They distributed copies of the updated Corvallis-area "ReUse Directory" (Attachment E).

Council members agreed that the "ReUse Directory" was a valuable resource.

Councilor Beilstein noted that, according to Allied Waste Services' annual report to the City, the local recycling rate was still less than 50 percent. He asked what might be the main obstacles preventing people from recycling.

Ms. Norris responded that there could be many factors. The Coalition's Recycling Block Captain Program has a primary goal of increasing the overall community recycling rate. Other communities that implemented similar programs achieved a greatly increased recycling rate. Education and information availability can be key factors in recycling participation. The Coalition's informational flyers will be translated into Spanish to increase information accessibility.

Joan Taylor owns property and resides along Wolcott Street in Linn County, off Hwy 34 east of Corvallis. Her property is directly involved in the re-alignment of the intersection of Wolcott Street, Peoria Road, and Hwy 34. She asked the Council to re-consider its position regarding limiting ODOT's Bypass project original plan with two slip lanes from the Bypass to Hwy 34. She considered the original plan the most feasible means of handling increasing traffic. She said the existing single turn lane accommodates 900 vehicles during one peak hour. That volume is expected to increase to 1,055 by 2015. Two slip lanes without impediments would be able to accommodate twice the current traffic volume to move traffic from Corvallis in a prudent manner and would expedite traffic leaving Downtown Corvallis via the Van Buren Bridge (VBB). Currently, 1,150 to 1,375 vehicles cross the VBB during peak traffic times each day. Most of the Wolcott Street residents schedule their trips to avoid peak travel times. She asked the Council to take measures to not continue the traffic congestion problem for years into the future.

Councilor Raymond expressed appreciation for the article in today's edition of the *Corvallis Gazette-Times* regarding the impacts the Bypass project had on Wolcott Street residents.

Bob Abernethy has owned property and resided along Wolcott Street for 30 years. He said the greatest concern over the years was the high rate of motor vehicle accidents at the intersection of Hwy 34 with Wolcott Street and Peoria Road. Wolcott Street residents agreed with ODOT staff that something should be done about the problem. Last year, ODOT presented the Bypass project to the Wolcott Street property owners, who were glad that the safety issues would be addressed but were required to make great concessions in terms of property and privacy. The residents focused on the pending benefits to the dangerous intersection. Later, the proposal changed somewhat to include a north-side multi-use path to the Harrison Bridge. The Wolcott Street residents did not consider the slip lane issue at that time; they also did not anticipate Project Option B. The residents believe that Option B, involving extending the north-side frontage road to Electric Road, would vastly increase traffic in the area and transform a bicycling/walking path into a two-lane road, potentially creating more safety issues. The property owners and residents who originally accepted Project Option A opposed Option B.

Councilor Beilstein observed that the Wolcott Street property owners and residents considered the north-side frontage road intrusive; however, an access road was part of the ultimate plan for improving the section of Hwy 34 between Downtown Corvallis and Peoria Road. The slip lanes for traffic northbound on the Bypass moving to eastbound on Hwy 34 would not impact the north side of the highway. An access road along the north side of Hwy 34 would limit direct access to and from properties along the road but would increase safety.

Mr. Abernethy responded that Trysting Tree Golf Course generates a large volume of traffic, particularly for tournaments and OSU events. The north-side frontage road could become congested with pedestrians, bicyclists, golfers, vehicles, and farm equipment. The re-aligned intersection at Wolcott Street, Peoria Road, and Hwy 34 was configured to accommodate large farm equipment. Traffic leaving a large event at the Golf Course would accumulate at the re-aligned intersection, waiting to access the highway. He supported the original Bypass plan as an improvement to a dangerous situation for him and his neighbors. The modified plan for the north-side frontage road could create serious problems at the re-aligned intersection.

Gary Martin is related to the owners of the Beach Farm, where much of the north-side frontage road construction occurred. The Beach family supported safety, but its farm will have the greatest impact

from the Bypass Project. The Beach Farm is a Century Farm, and the Beach family at one time owned property from Wolcott Street to the Willamette River. This is the third time that the State took land from the family (converting a gravel road to a paved road, converting it then to a four-lane highway, and then creating a frontage road). He said the Wolcott Street property owners were not told that the frontage road would be extended to a specific point; they were told that a specific number of vehicles would use the road from the Oregon Department of Fish and Wildlife (ODFW) lab, his home, and Mary Beach's home. They were not told of future plans to extend the frontage road to Trysting Tree Golf Course.

Mr. Martin said his 80-year-old father-in-law lived his entire life in the family house, which would be less than 11 feet from the new frontage road. A three-foot-high concrete retaining wall, topped with a seven-foot-high cyclone fence will serve as a barrier between the property and the road. His brothers-in-law work nights and have difficulty sleeping during the day because of construction noise adjacent to the family's property. The Beach family raises thoroughbred race horses on the farm, and the horses may be impacted by the construction and potential traffic. He expects traffic past the family's property to significantly increase with Bypass Project Option B. He noted that two trees planted as memorials for family members were removed from the property to make room for the frontage road; the trees can be materially replaced, but the emotional cost cannot be compensated. He urged the Council to support Bypass Project Option A, which was agreed to by the affected property owners.

In response to Councilor Brown's inquiry, Mr. Martin said ODOT's project would require just over 2.5 acres of the Beach Farm. ODOT established a price for the property and asked the family what other items would be lost or needed, e.g., the fence line containing the horses, a sewer line from one of the houses, the memorial trees, and screening barriers where a fence would not be constructed). The property owners presented to ODOT estimated prices for these losses and costs.

Councilor Brauner noted that he served on various review committees for projects and studies leading to the Bypass Project. He said the impacts Mr. Martin cited, other than traffic volume, were based upon the current construction project. He noted that the Council did not propose extending the north-side frontage road. Long-term plans included a north-side frontage road extending to the OSU crew docks and a south-side frontage road from Peoria Road to the City owned property along the Willamette River.

Councilor Brauner acknowledged that two slip lanes would move more traffic than any other alternative. That design feature was changed to one slip lane without a protected crossing before the Bypass Project was presented to the Council. ODOT's traffic volume data projected equal capacity for one slip lane or two right-turn lanes from the Bypass northbound to Hwy 34 eastbound. Two right-turn lanes from the Bypass could be constructed without extending the north-side frontage road to Electric Road. ODOT determined that they should extend the frontage road now, while funding was available, as it was included in the long-term plan. He could support using the funds to extend the frontage road, improve traffic signals, or improve the Suzanne Wilkens Way path. Council action regarding Bypass Project Option B would primarily involve the dual right-turn lanes. ODOT and the property owners could negotiate how to spend funds saved from not constructing a slip lane.

Councilor Hogg expressed understanding regarding the significance of memorial trees. He said it seemed that Option B was rushed and was developed because Option A was not supported. While the subject area is outside the City Limits, the farming activities surrounding Corvallis add to

Corvallis' livability and quality of life. Therefore, the City should be "good neighbors" with those outside the City Limits. He suggested that the City conduct more review of Option B to ensure it works well for everyone involved.

Mr. Martin acknowledged that the subject area is outside the Corvallis City Limits; however, children living along Wolcott Street and Peoria Road attend Corvallis schools.

Mary Zaske lives in the Downtown area and asked the Council to consider legislative amendments regarding noise. She said a concert in Central Park two weeks ago involved eight hours of loud band music, which caused her a headache and necessitated her leaving her home. The concert continued past 9:00 pm; so she called the Police Department, where staff said the concert organizers had a noise permit. A Police officer offered to ask the concert performers to reduce the noise level. Ms. Zaske said she spoke with Parks and Recreation Department staff, who told her that the concert organizer paid a fee for a permit; and Department staff was not available weekends to respond to issues.

Ms. Zaske suggested that noise permit provisions be amended to reduce the duration, the cut-off time at night, and the decibel limit.

Councilor Hogg said the concert occurred in Central Park with amplified music for several hours. He noted that the Park is surrounded by residences, so maybe the issue of amplified music in the Park should be addressed in terms of when it is appropriate for amplified music in the Park. The situation involves the livability of the Downtown area. He said he spoke with Ms. Zaske and some of her neighbors about the situation.

Ms. Zaske said Police Department staff acknowledged receiving other complaints about the concert noise.

In response to Councilor Hervey's inquiry, Mr. Nelson said staff would provide follow-up information regarding the park permit process.

Stewart Wershow said a Central Park-area resident spoke to the PNARB last year regarding noise in the Park. He considered the noise legislation confusing. Amplified noise permits can be purchased, but noise is not to be heard more than 150 feet from the source, and noise should not be audible within a house. He said he was eager for a noise legislation review, as he has difficulty explaining to his neighborhood association what noise is allowed. He opined that staff needed clearer direction from the Council and management regarding what noise is allowed.

V. MAYOR, COUNCIL, AND STAFF REPORTS – Continued

C. Staff Reports

Mr. Nelson referenced a letter from Corvallis School District 509J (509J) Superintendent Tarzian terminating an agreement between the City and 509J for use of District facilities. He, Councilor Brauner, Parks and Recreation Director Emery, and Betty Griffiths participated in a discussion regarding this issue; and more information, including background and assessment, will be provided at the next Council meeting.

1. City Manager's Report – May 2011

Mr. Nelson asked Councilors to contact him if they had questions regarding the Report.

Mr. Nelson reported that the Public Works Department staff held an event recognizing Mr. Rogers' 22 years of service to the City and the community. He referenced the plaque presented to Mr. Rogers and the highlights of his achievements, which he reviewed. He noted the community's benefits from Mr. Rogers' service. He recognized Mr. Rogers' style of including others in discussions, focusing on how a project affected the entire organization and community, and acknowledging the team effort involved in accomplishments. Several City programs are nationally recognized for their effectiveness, and the City has attained impressive designations. He thanked Mr. Rogers for 22 years of service.

Mr. Rogers responded that he enjoyed his years of service to the City. He emphasized that the many projects Mr. Nelson cited were achieved with efforts from teams of many people.

2. Council Request Follow-up Report – June 16, 2011

3. City Manager recruitment status report

4. Industrial Lands Wetlands Mitigation project update

5. EECBG Household Energy Efficiency Volunteer Coordinator Program final report

6. Fire Station #4 solar photovoltaic array

VIII. & IX. STANDING COMMITTEE REPORTS AND ORDINANCES, RESOLUTIONS, AND MOTIONS

A. Human Services Committee – June 7, 2011

1. Boards and Commissions Sunset Review: Community Police Review Board

Councilor Brown reported that the Committee reviewed a report from the Board and recommended its continuation. The Board reviews Police Department activities in the community and is a good means of addressing citizens' complaints. *[Legislative action taken in conjunction with Urban Services Committee item 3.]*

2. Boards and Commissions Sunset Review: Parks, Natural Areas, and Recreation Board

Councilor Brown reported that the Committee recommended continuing the Board. *[Legislative action taken in conjunction with Urban Services Committee item 3.]*

3. Majestic Theatre Annual Report

Councilor Brown explained that the Majestic Theatre facility is owned by the City but is operated by Majestic Theatre Management, in partnership with the City. The organization did well stretching the Theatre's economic resources.

Councilors Brown and Beilstein, respectively, moved and seconded to approve the Majestic Theatre Annual Report. The motion passed unanimously.

4. Fiscal Year 2011-2012 Social Services Allocations Recommendations

Councilor Brown reported that United Way of Benton and Lincoln Counties submitted social services allocations recommendations, which the Committee unanimously approved.

Councilors Brown and Beilstein, respectively, moved and seconded to approve the Fiscal Year 2011-2012 social services allocations as recommended. The motion passed unanimously.

B. Administrative Services Committee – June 8, 2011

1. Ambulance Rate Review

Councilor O'Brien reported that the Committee reviewed additional ambulance rate information from staff.

Councilors O'Brien and Hirsch, respectively, moved and seconded to amend the ambulance rate schedule as follows: \$1,000 increase for ALS 1 Emergency/Non-Emergency, \$1,000 increase for ALS 2 Emergency, \$450 increase for Evaluation and Treatment No Transport, and remove Specialty Care Transport. The motion passed unanimously.

2. Allied Waste Services Annual Report

Councilor O'Brien noted that the Report was provided for information only.

3. Third Quarter Operating Report

Councilor O'Brien reported that the Committee received a review of the City's financial situation.

Councilors O'Brien and Hirsch, respectively, moved and seconded to approve the Third Quarter Operating Report for Fiscal Year 2010-2011. The motion passed unanimously.

C. Urban Services Committee – June 9, 2011

1. United Chrome Easement and Equitable Servitudes Agreement

Councilor Hervey reported that the former United Chrome site at Corvallis Municipal Airport had undergone clean-up work for many years, and the site could now be used as rental property to generate revenue for the City.

Councilors Hervey and Brauner, respectively, moved and seconded to authorize the City Manager to approve the easement and equitable servitudes agreement. The motion passed unanimously.

2. Boards and Commissions Sunset Review: Bicycle and Pedestrian Advisory Commission

Councilor Hervey reported that the Committee discussed the projects and activities completed by the Commission during the past four years, learned of activities the Commission would like to pursue, and recommended continuing the Commission for four more years.

3. Boards and Commissions Sunset Review: Citizens Advisory Commission on Transit

Councilor Hervey reported that the Committee discussed the projects and activities completed by the Commission during the past four years, learned of activities the Commission would like to pursue, and recommended continuing the Commission for four more years.

City Attorney Fewel read an ordinance amending Corvallis Municipal Code Chapter 1.16, "Boards and Commissions," as amended.

ORDINANCE 2011-10 passed unanimously.

4. Energy Efficiency and Conservation Block Grant (EECBG) Program Update

Councilor Hervey reported that the Committee discussed the need to re-direct some of the City's EECBG funds to meet Department of Energy stimulus fund expenditure requirements. The revolving loan fund did not disperse funds as rapidly as was hoped, and unspent funds may need to be returned. Staff presented to the Committee a plan for providing maximum latitude to the loan program while meeting the stimulus fund expenditure requirements.

Councilors Hervey and Brauner, respectively, moved and seconded to approve the timeline to re-direct Energy Efficiency and Conservation Block Grant program funds as outlined in the staff report and allow staff to proceed, depending upon the availability and amount of remaining program funds. The motion passed unanimously.

D. Other Related Matters

1. Mr. Fewel read a resolution transferring appropriations within the General Fund from Contingencies to Non-Departmental for May 2011 election expenses.

Councilors Hervey and Beilstein, respectively, moved and seconded to adopt the resolution.

RESOLUTION 2011-19 passed unanimously.

2. Mr. Fewel read a resolution relating to the Risk Management Fund, transferring appropriations from Contingencies to City Manager's Office.

Councilors Raymond and Brauner, respectively, moved and seconded to adopt the resolution.

RESOLUTION 2011-20 passed unanimously.

3. Mr. Fewel read a resolution accepting an Assistance to Firefighters Grant from the Department of Homeland Security Federal Emergency Management Agency (\$50,000) for power-assisted gurneys, and authorizing the City Manager to sign the grant agreement.

Councilors Hirsch and Raymond, respectively, moved and seconded to adopt the resolution.

RESOLUTION 2011-21 passed unanimously.

4. Mr. Fewel read a resolution accepting a grant from the Office of Emergency Management Oregon Military Department (\$40,590) for Urban Search and Rescue training, and authorizing the City Manager to sign the grant agreement.

Councilors Hirsch and Beilstein, respectively, moved and seconded to adopt the resolution.

RESOLUTION 2011-22 passed unanimously.

5. Mr. Fewel read a resolution authorizing the Interim City Manager to sign banking and financial documents.

Councilors Hirsch and Brauner, respectively, moved and seconded to adopt the resolution.

RESOLUTION 2011-23 passed unanimously.

VII. PUBLIC HEARINGS – None.

X. NEW BUSINESS – None.

Mayor Manning noted that City Hall staff will return to the Downtown City Hall building next weekend.

Mayor Manning announced a June 29 retirement reception for Mr. Nelson.

Mayor Manning commented that she was impressed by staff's efforts to continuously obtain grant funding to enhance the community.

Referencing the ambulance rates, Councilor Raymond noted that FireMed is an excellent insurance bargain.

Mayor Manning read a statement, based upon changes in Oregon laws regarding executive sessions. The statement indicated that only representatives of the news media, designated staff, and other Council-designated persons were allowed to attend the executive session. News media representatives were directed not to report on any executive session discussions, except to state the general subject of the discussion, as previously announced. No decisions would be made during the executive session. She reminded Council members and staff that the confidential executive session discussions belong to the Council as a body and should only be disclosed if the Council, as a body, approves disclosure. She suggested that any Council or staff member who may not be able to maintain the Council's confidences should leave the meeting room.

The Council entered executive session at 1:40 pm.

Assistant City Manager Volmert briefed the Council regarding the status of labor negotiations with Corvallis Police Officers Association and American Federation of State, County, and Municipal Employees.

XI. ADJOURNMENT

The meeting was adjourned at 2:05 pm.

APPROVED:

MAYOR

ATTEST:

CITY RECORDER



News Release For Immediate Release

City of Corvallis
City Manager's Office
501 SW Madison Avenue, Corvallis, Oregon 97333
Phone: 541 766-6901

DATE: June 20, 2011

SUBJECT: Mary Steckel Named Interim Public Works Director

CONTACT PERSON:

Ellen Volmert, Assistant City Manager
541-766-6901
ellen.volmert@ci.corvallis.or.us

Jon Nelson, City Manager
541 766-6901
jon.nelson@ci.corvallis.or.us

Mary Steckel, Administrative Services Division Manager
541- 754-1753
mary.steckel@ci.corvallis.or.us

Corvallis Names Interim Public Works Director

Corvallis City Manager Jon Nelson announced Administrative Services Division Manager Mary Steckel would take over as Interim Public Works Director on July 1, 2011. The appointment is to fill the position for Public Works Director Steve Rogers who is retiring June 30, 2011.

Public Works is the largest city department. As director, Ms. Steckel will provide leadership and direction to four divisions; Administration, Transportation and Buildings, Utilities, and Engineering. Some of the key upcoming projects Ms. Steckel will be responsible for include the annual utility rate review, federal waste water discharge requirements plan, new asset management system, impacts to transit system service from changes in business energy tax credits, and the cable television franchise renewal.

Ms. Steckel is a 21 year veteran of the Public Works Department. In addition to a bachelor's degree in psychology, she has also attained certification in Sustainability Leadership from the University of Oregon and in Public Participation through the International Association of Public Participation. She is a member of the American Public Works Association, International Association for Public Participation, and the International Society of Sustainability Professionals.

City Manager Jon Nelson expressed confidence in Ms. Steckel's ability to provide stable leadership and to continue progress on major initiatives in the coming months. "The City is fortunate to have the talents and skills represented by Mary." Ms. Steckel commented, "I'm excited about this opportunity to provide a higher level of service to the community and the organization. I plan to provide knowledge and experience the City can count on as it transitions to a new City Manager and Public Works Director."

More information is available from the Public Works Department at 766-6916.

###

MEMORANDUM

June 17, 2011

To: Mayor and City Council

From: Steve Rogers, Public Works Director

Subject: Business Energy Tax Credits (BETC) Changes

Issue:

The Oregon Legislative Joint Committee on Tax Credits has forwarded a bill to the House and Senate that makes changes to the current BETC program.

Background:

The current BETC program, used by the City to assist in funding energy conservation projects, bus purchases and the transit system, was scheduled to sunset July 1, 2012. Examples of energy conservation projects are lighting system upgrades in the Library and Public Works facility; and boiler, pumps and energy management system replacement at Osborn Aquatic Center. The tax credit earned by the transit system runs about \$600,000 annually and this amount is leveraged to match \$600,000 in federal funds. Loss of this revenue would account for nearly 50% of the transit operating budget. The Council authorized the Mayor to write letters to the local legislators requested that the BETC program be preserved beyond the sunset date.

Discussion:

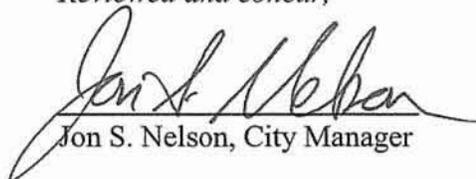
Staff worked with the League of Oregon Cities, the Oregon Transit Association, and a small group of stakeholders to address the preservation of the BETC program, recognizing the fact that changes needed to be made. The bill that was passed by the Joint Committee preserves BETC for certain types of energy conservation projects and certain types of transportation projects, including transit operations and reduces the state-wide annual cap on the total value of credits issued to \$14 million and \$10 million for conservation and transportation, respectively. Next, the bill will go before the full House and Senate for a vote.

Types of eligible energy conservation projects have been reduced to capital investments where the energy savings in the first year yields a simple payback period of over three years, and to new construction or complete building remodeling projects that achieve a LEED Platinum or equivalent rating. Of the eligible projects, the tax credit can be no more than 35% of the cost.

The BETC for transit has been extended through fiscal year 2014-15 although the amount of the eligible cost for the credit is reduced for each year. The credit allowed for FY 10-11 is 35% of eligible costs; for FY 11-12 the percentage is reduced to 25%, and each subsequent year is reduced an additional 5%.

The City has transit tax credits worth about \$1,000,000 available for pass-through partners for FY08-09 and 09-10. Staff will prepare a report for City Council review in the fall on the funding outlook and alternatives for the transit operations for future years.

Reviewed and concur,



Jon S. Nelson, City Manager

Nelson, Jon

From:

Sent: Friday, June 17, 2011 5:24 PM

To: Nelson, Jon

Subject: Fwd: South Bypass update: OTC approval

Jon,

I think this good news. Please have copies available for the Council Meeting.

Thanks, Hal

Hal Brauner

Corvallis, OR 97330
(541)

----- Forwarded Message -----

From: "WOLCOTT Jerry O" <Jerry.O.WOLCOTT@odot.state.or.us>

To: "steve rogers" <steve.rogers@ci.corvallis.or.us>, "Hal Brauner" <mayor@council.ci.corvallis.or.us>

Sent: Friday, June 17, 2011 4:42:55 PM

Subject: South Bypass update: OTC approval

Julie/Hal/Steve-

The OTC approved our request to add a construction phase to the project and change the name to OR34/US20: South Bypass to Wolcott Road.

We also informed them that we have two viable options for construction:

- o Option A: the slip lane and south frontage road
- o Option B: dual right lanes and extension of the north frontage road

If the city can't support Option A (slip lane and south frontage road) as currently designed, and is therefore unable to enter into an agreement with ODOT for ROW acquisition, then we will move forward with construction of Option B.

We also informed the commissioners that we would like to include improvements to the Susan Wilkins MUP and the TSM improvements on 3rd Street between Jackson and Harrison in the South Bypass project.

We believe that improvements on the Susan Wilkins MUP may include significant environmental risks, and so would require the city of Corvallis, as owner of the MUP, to develop the Plans/Specifications/Estimate package and obtain all environmental clearances and local permits. We would then fund construction and include those MUP improvements in the South Bypass project. This MUP improvement project would begin with an IGA, and we would look for Council authorization for the city manager to sign that agreement as a commitment from the city to begin development.

The TSM improvements on 3rd Street will involve consolidation of a minimum of one of the driveway accesses of the Arco gas station, perhaps more. We would be happy to develop and construct this project with the expressed written support of the Corvallis city council for the project and the consolidation of access.

We're still holding firm to let the South Bypass project in February, 2013. In order to make this deadline, we'll need to have these issues nailed down by the end of July, 2011.

One final note- I spoke with Roger Nyquist today, and he informed me that Linn county is looking to have the two governing bodies meet to discuss the South Bypass project. ODOT supports this dialog, and will be happy to attend and provide any information that you would need to further the discussion. Hope that this answers any questions that you have, but if not I would be happy to talk with you further.

Sincerely,

Jerry O. Wolcott

Project Leader

Area 4 Corvallis

Oregon Department of Transportation

541-757-4164 (w)

541-905-7204 (c)

Cuban Lunch!

Noon, Wednesday, July 6, 2011

at 101 NW 23rd St (Westminster House)

Send you greetings and goodwill with Ed Hemmingson from Albany and Mike Beilstein of Corvallis who are traveling with the Pastors for Peace 22nd Friendshipment Aid Caravan to Cuba.

Alicia Jrapko – Argentine-American activist, coordinator of the International Committee for the Release of the Five, will speak on current conditions and outlook for Cuba and Cuban-American relations.

No charge to attend but, this is a fundraiser. Your contributions to IFCO/Pastors for Peace are appreciated. <www.ifconews.org>

For further information contact Mike Beilstein.
541 754 1858

Production by:



Business Services

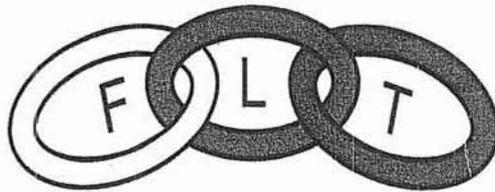
An Updated Corvallis-Area ReUse Directory is here!

OPEN NOW!
Find homes for your
CLEAN reusable,
unwanted items

Sponsored by:



HELPING KEEP
CORVALLIS GREEN



CORVALLIS ODD FELLOWS
BARNUM LODGE #7

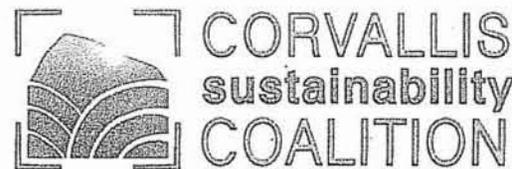
A Project of the
Corvallis Sustainability Coalition
www.sustainablecorvallis.org

Created by the Corvallis
Sustainability Coalition's
Waste Prevention Action Team

ATTACHMENT E
Page 278-f



**Document Efficiency
At Work.®**



CORVALLIS-AREA REUSE DIRECTORY

Where to take
CLEAN, WORKING ITEMS
in good condition
TO BE USED AGAIN!
(before recycling or disposal)

ALWAYS CALL FIRST TO CONFIRM WHICH ITEMS ARE ACCEPTED
Never donate items after hours!

Albany-Corvallis ReUsell (free items: groups.yahoo.com)
Arc Thrift Stores (NW Beca-Corvallis, Main St-Philomath)
Benton County Extension / 4-H Activities (1849 NW 9th)
Benton County Master Gardeners (1849 NW 9th St)
Book Bin, The (215 SW 4th St)
Boys & Girls Club / STARS (after school programs)
Browser's Bookstore (121 NW 4th St)
Buckingham Palace --Fri-Sun only (600 SW 3rd St)
Calvary Community Outreach (2125 NW Lester Ave.)
CARDV (Center Against Rape/Domestic Violence)
Career Closet for Women (drop-off at 942 NW 9th, Ste.A)
Cat's Meow Humane Society Thrift Shop (411 SW 3rd St)
Children's Farm Home (Hwy 20 btw Corvallis & Albany)
Chintimini Wildlife Rehabilitation Ctr (311 Lewisburg Rd)
Community Outreach (homeless shelter, 865 NW Reiman)
Corvallis Environmental Center (214 SW Monroe Ave)
Corvallis/OSU Bicycle Co-op (250 SW Cummings Ave)
Corvallis-Uzhhorod Sister Cities/The TOUCH Project
Cosmic Chameleon (138 SW 2nd St)
Craigslis (online classifieds: corvallis.craigslis.org)
First Alternative Co-op Recycling Center (1007 SE 3rd St)
First Alternative Co-op Stores (on NW Grant & SE 3rd)
Freecycle (free items: freecycle.org)
Furniture Share (formerly Benton FS) (155 SE Lilly Ave)

ITEMS FOR REUSE:	n/a	various	541-766-6750	541-766-6750	541-752-0040	541-757-1909	541-758-1121	541-752-7980	541-760-5941	541-758-0219	541-754-6979	541-757-0573	541-757-1852	541-745-5324	541-758-3000	541-753-9211	541-224-6885	541-753-5170	541-752-9001	n/a	541-753-3114	various	n/a	541-754-9511
	APPLIANCES, LARGE*	X																			X	X		X
APPLIANCES, SMALL*	X	X										X	X							X	X		X	X
ART SUPPLIES	X	X	X			X		X				X	X		X	X				X			X	
BEDDING / BATH*	X	X										X		X	X					X			X	X
BIKES / SPORTING / CAMPING*	X	X							X			X	X				X			X			X	
BOOKS	X	X		X	X		X	X				X								X			X	
BROWN PAPER / LARGE SHOPPING BAGS	X	X				X		X				X							X	X		X	X	
BUILDING MATERIALS / HOME IMPROVEMENT*	X												X	X					X	X			X	
CDs, DVDs, LPs, video games, etc.	X	X		X	X	X	X	X				X	X							X			X	
CELL PHONES (also take to phone stores)	X	X								X		X	X		X					X		X	X	
CHILDREN'S GOODS / CLOTHING*	X	X							X			X	X		X				X	X			X	
CLOTHING / ACCESSORIES	X	X							X		X	X	X						X	X			X	
COMPUTER PAPER (printed on one side)	X					X									X					X			X	
COMPUTERS / MONITORS	X	X																		X			X	
EGG CARTONS	X					X														X		X	X	
EYEGLASSES	X											X								X		X	X	
FABRIC (material, batting, supplies)	X	X	X			X		X				X								X			X	
FIREWOOD	X								X											X			X	
FOOD (unopened, pre-expired)*	X								X						X					X		X	X	
FOOD (surplus garden produce)*	X													X	X					X			X	
FOOD CONTAINERS (glass / plastic) w/ LIDS*	X																			X		X	X	
FURNITURE	X	X						X	X			X	X							X			X	X
GARDEN / LANDSCAPING*	X	X	X	X								X	X	X						X			X	
GARDEN POTS	X	X	X	X											X					X	X		X	
HOME ELECTRONICS*	X	X										X	X							X			X	X
HOUSEHOLD GOODS*	X	X										X		X						X			X	X
MEDICAL EQUIPMENT / SUPPLIES*	X	X										X		X						X			X	
OFFICE EQUIPMENT*	X	X										X			X					X			X	
OFFICE SUPPLIES	X	X				X						X	X							X			X	
PACKING MATERIALS*	X																			X	X		X	
PET SUPPLIES / FOOD	X	X										X		X						X			X	
PRINTER CARTRIDGE REFILLING															X							X		
SCHOOL SUPPLIES*	X	X	X			X						X	X		X	X				X			X	
TOILETRIES*	X					X						X	X		X					X			X	
VEHICLES / PARTS	X	X																		X			X	

MEDICATIONS - Destroy and dispose in trash!

* SEE OTHER SIDE FOR EXAMPLES OF BOLDED CATEGORIES

DON'T THROW THAT GOOD STUFF AWAY!

Use the new updated Corvallis-area ReUse Directory

common reusable items, matched up
with local places accepting them for reuse

SEE INSIDE! 

Why ReUse?



Can the item be used again? Is it clean?
In good working condition?
Are you willing to find it a new home?

Recycling is important, and ReUse is even better! It extends the life of our stuff, which:

- ⇒ Reduces solid waste
- ⇒ Saves landfill space
- ⇒ Conserves natural resources
- ⇒ Saves energy
- ⇒ Prevents pollution caused by extraction, manufacture, distribution and disposal of new products
- ⇒ Helps us be a sustainable community
- ⇒ Helps ensure future generations can meet their needs

*Examples of bolded categories from directory, inside:

- *APPLIANCES, LARGE (dishwasher, washer/dryer, stove, fridge, etc.)
- *APPLIANCES, SMALL (microwave, blender, toaster, vacuum, space heater, fan, etc.)
- *BEDDING / BATH (sheets/linens, blankets, comforters, towels, small rugs, etc.)
- *BIKES / SPORTING / CAMPING (bikes/parts, helmets, skateboards, balls, backpacks, tents, etc.)
- *BUILDING MATERIALS / HOME IMPROVEMENT (dimensional lumber, plumbing, electrical, paint, hand tools, power tools, doors, windows, lights, hardware, etc.)
- *CHILDREN'S GOODS / CLOTHING (strollers, bike trailers/seats, baby gates, cribs, high chairs, playpens, diapers/diaper bags, accessories, toys, clothing, nursing items, maternity, etc.)
- *FOOD - unopened, pre-expired (non-perishable canned and packaged food and beverages)
- *FOOD - surplus garden produce (freshly grown foods with no visible signs of spoilage)
- *GARDEN / LANDSCAPING (supplies, hoses, lawn furniture, mowers, wheelbarrows, BBQs, tools, etc.)
- *HOME ELECTRONICS (TVs, DVD / VHS / MP3 players, stereos, boomboxes, alarm clocks, etc.)
- *HOUSEHOLD GOODS (luggage, utensils, dishes, cookware, cleaning supplies, decor, art, etc.)
- *MEDICAL EQUIPMENT / SUPPLIES (wheelchairs, walkers, crutches, adult diapers, etc.)
- *OFFICE EQUIPMENT (printers, fax machines, scanners, calculators, telephones, etc.)
- *PACKING MATERIALS (clean styrofoam peanuts, foam sheets, and bubble wrap)
- *SCHOOL SUPPLIES (paper, pens, pencils, crayons, markers, backpacks, rulers, etc.)
- *TOILETRIES (shampoo, deodorant, lotion, shaving supplies, feminine products, travel-size items, etc.)

Version 2, Updated 3/2011

ALWAYS CALL FIRST TO CONFIRM WHICH ITEMS ARE CURRENTLY ACCEPTED!

Page 278-i

Thank you to the St. Mary's Catholic Church's Care for Creation Committee for the inspiration; to Marion County Public Works for the matrix concept; and to the current and past members of the Waste Prevention Action Team of the Corvallis Sustainability Coalition, who helped bring this ReUse Directory to life.

**AIRPORT COMMISSION
MINUTES
May 3, 2011
DRAFT**

Present

Dan Allen, Chair
Bill Gleaves, Vice-Chair
Louise Parsons
Bill Dean
Brian Wall
Rod Berklund
Biff Traber, Council Liaison

Staff

Dan Mason, Public Works

Visitors

Ty Parsons
Jack Mykrantz
Lanny Zoeller

Absent

Todd Brown, excused
Vince Remcho, excused

SUMMARY OF DISCUSSION

Agenda Item	Information Only	Held for Further Review	Recommendations
I. Open Meeting, Introductions	X		
II. Review of April 5, 2011 Minutes			Approved
III. Visitor Comments	n/a		
IV. Information Sharing	X		

CONTENT OF DISCUSSION

I. Open Meeting, Introductions

Chair Allen called the meeting to order and those present introduced themselves.

II. Review of Minutes

Commissioner Berklund moved to approve the April 5 minutes; Commissioner Gleaves seconded the motion, which passed unanimously.

III. Visitor Comments

None.

IV. Information Sharing

Update on the Airport

Mr. Mason reported the following:

- The FAA fence relocation project bid closed and was awarded to Willamette Fencing. Work should begin in the next couple of weeks.
- The Request for Proposals for the FAA Airport Master Plan project is being routed for approval.
- City engineering staff are working with M&W Electric to install streetlights on Hout Street, as well as a light at the north gate of the T-hangars. These will be inductive lights, which last much longer, use less power, and provide more light than the standard high pressure sodium luminaires.
- The ODOT rail spur grant application has been approved. In order to proceed the City Council must accept the grant award and authorize the City Manager to sign the intergovernmental agreement with ODOT Rail.

Mr. Mason presented thank-you gifts from Mayor Manning to the Commission, as well as a 2010 ortho map of the airport.

Mr. Mason presented the proposed airport budget for information only.

Update on Airport Industrial Park

Mr. Mason reported that a biodiesel company is interested in land at the industrial park, but needs to have rail spur access.

Update on City Council

Councilor Traber stated that the Budget Commission would be meeting later that night to discuss the proposed 2011/2012 City budget.

Update on AIP Committee

Mr. Zoeller reported that the last meeting was primarily a discussion of staff's recommendations about zoning and permitting processes. He expects that the next meeting will also be on these topics.

The meeting was adjourned at 7:50 a.m.

NEXT MEETING: June 7, 2011, 7:00 a.m., Madison Avenue Meeting Room

**BICYCLE AND PEDESTRIAN ADVISORY COMMISSION
MINUTES
May 6, 2011
DRAFT**

Present

Brad Upton, Chair
Susan Christie
Dan Herford
Charles Fletcher
Cora Borradaile
Mike Beilstein, City Council

Absent

Joel Rea
Evan Sorce

Staff

Lisa Namba, Public Works

Visitors

Aaron Manley, Public Works
Kevin Russell, Development Services
Vernon Huffman
Greg Bennett
Gigi Sims
Dean Codo
Laura Duncan Allen

SUMMARY OF DISCUSSION

Agenda Item	Information Only	Held for Further Review	Recommendations
I. Call Meeting to Order/ Introductions	X		
II. Review of April 8, 2011 Minutes			Approved
III. Visitor Comments	X		
IV. Old Business • None	n/a		
V. New Business • Bicycle/pedestrian mode share survey			BPAC decided to not take action at this time
VI. Information Sharing • Kevin Russell, Development Services - Implementation of Land Development Code bike/ped requirements • Aaron Manley, Public Works Engineering - Update on summer 2011 sanitary sewer project near 2nd Street & B Avenue	X X		
VII. Commission Requests and Reports	n/a		
VIII. Pending Items	n/a		

CONTENT OF DISCUSSION

I. Call Meeting to Order/ Introductions

Chair Upton called the meeting to order and those present introduced themselves.

II. Review of Minutes

Commissioner Herford moved to approve the April 8 minutes. Commissioner Christie seconded the motion. Chair Upton noted that he would send via email the correct numbers for State House bills discussed in the minutes. The minutes were approved unanimously.

III. Visitor Comments

Visitor Vernon Huffman reported that the Bike Co-op is in negotiations with Parks and Recreation to use the Flomacher building, just south of Highway 34 on the east side of the Willamette River.

Visitor Dean Codo reported that work has started on the Fillmore and Lincoln sidewalks project and expressed his gratitude to the City for the work.

In response to a question, Ms. Namba stated that Public Works will take over the vegetation obstruction complaint process beginning July 1.

Councilor Beilstein reported that some sidewalk project work is being done for transit services. Ms. Namba added that the funding for these improvements comes from New Freedom grants, which are specifically geared toward improving access to transit for persons with disabilities, beyond the requirements of the Americans with Disabilities Act.

IV. Old Business

None.

V. New Business

Bicycle/pedestrian mode share survey

The Commission discussed the mode share information that is gathered for the City annually by an independent contractor. Chair Upton provided a recap of the Commission's previous discussions, as well as the general issue. He stated that the survey question that deals with how people get to work does not provide an accurate representation of the number of people who walk or ride bicycles to work. The Commission discussed various surveys and the data collected, as well as the viability of performing a survey of their own. The Commission decided to not go forward with a separate survey at this time, but to keep it in mind for the future.

VI. Information Sharing

Kevin Russell, Development Services - Implementation of Land Development Code bike/ped requirements

Kevin Russell, from the City's Development Services Division of the Community Development Department, provided information on how rules and regulations are implemented in the City, specifically regarding bicycle parking. Points mentioned in his presentation:

- There are bike parking standards for multi-family residential developments, but not single family.

- Security against theft is not a consideration for bike parking at multi-family residential developments. However, if there a requirement for covered bike parking, it's often provided on a balcony or in the units, not in a common area.
- Development Services is responsible for investigating "poor" installations and situations when nursery plants, sandwich board signs, etc block the bike racks.
- New multi-family developments typically don't opt to install more bike parking than the Land Development Code (LDC) requires. This used to be done more often as a trade-off for required vehicle parking, as allowed by the LDC.
- Development Services reviews development proposals for compliance with standards like location, dimensions, covering, the bike rack standard detail, and illumination.
- Per the LDC, 50% of bike parking spaces must be covered, except in the Central Business District and Riverfront zones. The covering has to be wide enough to cover the hoops. This is typically six feet, which may not be enough to keep rain off the bicycles. While the LDC is not specific on the maximum height of the covering, generally anything at or above the equivalent of three stories wouldn't be considered effective.

The Commission discussed looking at both the engineering standard detail and LDC standards for possible revisions. Councilor Beilstein noted that it is considerably more difficult to change the LDC than to adjust engineering standard details. Chair Upton suggested the Commission could review the current standards, compile a list of desired changes, and get organized to work through the appropriate processes. The Commission decided to discuss this at an upcoming meeting.

Aaron Manley, Public Works Engineering - Update on summer 2011 sanitary sewer project near 2nd Street & B Avenue

Aaron Manley, from the City's Public Works Engineering Division, gave an update on the upcoming project to upgrade the sewer line near 2nd Street and B Avenue. Since his visit to the Commission in February, the alignment has changed. Instead of going through the city-owned parking lot, the alignment will follow 2nd Street from B Avenue to Western Boulevard and terminate there. It is anticipated that the dog park will be closed but the skate park, public restrooms, and parking lots (both private and public) will be open. Temporary accesses will be built for the two parking lots when access from 2nd Street closes. The project will generally run from July to September.

Chair Upton reported that the Urban Services Committee met to discuss ODOT's proposed slip lane project on Highway 34. The Committee recommended supporting the project with three conditions: a marked crosswalk across the slip lane; a pedestrian-activated signal; and that the approach speed limit of the slip lane be reduced to 35 miles-per-hour. Urban Services will take that recommendation to the City Council. Chair Upton stated that ODOT is not likely to accept these design changes, but that it is important to at least express the concerns.

Chair Upton reported that the Bicycle Transportation Alliance is beginning its annual bicycle safety training for 5th graders. He offered to put anyone interested in participating in touch with the organizers.

Visitor Gigi Simms presented the Spring Safe Routes to School newsletter and reported on the events that are happening this month. She stated that Wednesday, May 11, is the United Nations' Decade of Action for Road Safety.

Ms. Namba reported that the ODOT Bicycle and Pedestrian grant-funded pedestrian-activated crossings on Circle are nearing completion. She was notified recently that the City was awarded all but one of the New Freedom grants administered by ODOT and applied for in February. These will help fund a pedestrian-activated crossing on 9th Street south of Spruce Avenue, three segments of sidewalk in-fill, and ADA-compliant ramps.

Ms. Namba reported that the Harrison Street Bridge is scheduled to be restriped by ODOT. Staff has been in contact with ODOT to ensure that the shoulders are widened to provide a bike lane.

VII. Commission Requests and Reports

None.

VIII. Pending Items

None.

The meeting was adjourned at 9:04 a.m.

NEXT MEETING: June 3, 2011, 7:00 a.m., Madison Avenue Meeting Room

MEMORANDUM

To: City Council Members
From: Julie Jones Manning, Mayor 
Date: June 28, 2011
Subject: Confirmation of Reappointments to Boards, Commissions, and Committees

As you know, at our last regular meeting I re-appointed the following persons to the Boards, Commissions, and Committees stated for terms of office expiring June 30, 2014:

Airport Commission

Rod Berklund
Louise Parsons
Vincent Remcho
Brian Wall

Budget Commission

Barbara Bull
Rich Carone
Jack Davis

Airport Commission Airport Industrial Park Subcommittee

Rod Berklund
Brian Wall

Capital Improvement Program Commission

Lyle Hutchens

Arts and Culture Commission

Pat Amacher

Citizens Advisory Commission on Civic Beautification and Urban Forestry

Ross Parkerson
Larry Passmore

Benton County Foundation

Scott Fewel

Committee for Citizen Involvement

Larry Earhart
Karin Main

Bicycle and Pedestrian Advisory Commission

Evan Sorce
Glencora Borradaile
Brad Upton

Community Police Review Board

Phyllis Lee
Terryl Ross

Board of Appeals

Shawn Stoneberg

Corvallis-Benton County Public Library Board

Isabela Mackey
Scott Elmshaeuser

Downtown Commission

Kirk Bailey

City Council Members

Re: Confirmation of Re-appointments to Advisory Boards, Commissions, and Committees
June 28, 2011

Page 2

Downtown Commission Parking Committee

Brad Upton

Enterprise Zone Committee

Bob Devine

Housing and Community Development
Commission

Michael L'Heureux

David McCarthy

Parks, Natural Areas, and Recreation Board

Jen de-Vries

Phil Hays

Lynda Wolfenbarger

Public Art Selection Commission

Shelley Curtis

Paul Rickey

Watershed Management Advisory
Commission

Jacque Schreck

David Zahler

I ask that you confirm these re-appointments at our next Council meeting, July 5, 2011.

1053

MEMORANDUM

To: City Council Members

From: Julie Jones Manning, Mayor



Date: June 28, 2011

Subject: Confirmation of Appointment to Arts and Culture Commission

As you know, at our last regular meeting I appointed the following person to the Arts and Culture Commission for the term of office stated:

Patricia Daniels
Term expires: June 30, 2014

I ask that you confirm this appointment at our next Council meeting, July 5, 2011.

1054

MEMORANDUM

To: City Council Members
From: Julie Jones Manning, Mayor 
Date: June 29, 2011
Subject: Appointments to Boards, Commissions, and Committees

I am appointing the following persons to the boards, commissions, and committees stated for the terms of office shown:

Citizens Advisory Commission on Transit

Robert Monasky
Term expires June 30, 2014

Robert is an avid user of alternative transportation. He uses Corvallis Transit System (CTS) and rides his bicycle all over Corvallis. As a volunteer, Robert logged countless hours to put CTS and Philomath Connection (PC) maps and schedules on Google Transit. This is now a vital service utilized by CTS and PC transit riders.

Kriste York
Term expires June 30, 2014

Kriste is a regular user of alternative transportation. She is a recent Leadership Corvallis graduate and is ready to become more involved in Corvallis.

Commission for Martin Luther King, Jr.

Chareane Wimbley-Gouveia
Term expires June 30, 2013

Chareane has been involved in activities celebrating Dr. Martin Luther King, Jr., both in the community and through Oregon State University. She has an extensive background in event planning and logistics management.

Corvallis-Benton County Public Library Board

Martin "Steve" Stephenson
Term expires June 30, 2014

Steve has an extensive background in library services, having worked in various positions at our local Library from 1972 until 1996.

City Council Members

Re: Appointments to Boards, Commissions, and Committees

June 29, 2011

Page 2

Downtown Commission

Steve Hutchinson

Term expires June 30, 2014

Steve is President of the Downtown Corvallis Association Board and Manager of the Downtown branch of US Bank.

Dee Mooney

Term expires June 30, 2014

Dee is a Downtown business owner, property owner, and nearby resident. She is committed to the Downtown area and looks forward to serving the Downtown.

Enterprise Zone Committee

Julie Jones Manning

Term expires June 30, 2013

Julie will represent the City's interests on the Committee.

Parks, Natural Areas, and Recreation Board

Lainey Dyer

Term expires June 30, 2014

Lainey is a local photographer and is involved in the art community.

Jon-Marc Soule

Term expires June 30, 2014

Jon-Marc and his family are frequent patrons of Parks and Recreation Department programs and facilities.

I will ask for confirmation of these appointments at our next Council meeting, July 18, 2011.



MEMORANDUM

DATE: June 27, 2011

TO: Mayor and City Council

FROM: Ken Gibb, Community Development Director *Ken Gibb*

SUBJECT: Scheduling a Public Hearing for a Legislative Land Development Code Text Amendment (LDT11-00001) to revise regulations affecting development and portable signs in the Downtown Area.

At its May 2, 2011, meeting, the City Council initiated the subject legislative Land Development Code Text Amendment (LDT11-00001) to revise the Land Development Code regulations affecting development and portable signs in the Downtown Area.

The Corvallis Planning Commission is scheduled to conduct a public hearing concerning the subject legislative Land Development Code Text Amendment (LDT11-00001) on July 6, 2011, and will be developing a recommendation to the City Council.

A City Council public hearing needs to be scheduled for this legislative Land Development Code Text Amendment (LDT11-00001) and it is recommended that this hearing be held during the Council's evening meeting of **August 15, 2011**.

MEMORANDUM

To: Mayor and City Council

From: Tony Krieg, Customer Services Manager 

Subject: Liquor License Investigation - Comfort Suites- Change of Ownership

Date: June 20, 2011

The City has received an application from Rod Edel Owner of Comfort Suites located at 1730 NW 9th Street, Corvallis, Or 97330. This application is for a **Name Change -Full-On Premise Sales liquor license.**

An affirmative recommendation has been received from the Corvallis Police Department.

Staff recommends the City Council authorize endorsement of this application.

¹

Full On-Premises Sales License

Allows the sale and service of distilled spirits, malt beverages, cider, and wine for consumption on the licensed premises. Also allows licensees who are pre-approved to cater events off the licensed premises.

MEMORANDUM

To: Mayor and City Council

From: Tony Krieg, Customer Services Manager *JK*

Subject: Liquor License Investigation- Allann Brother's Coffee Company

Date: June 21, 2011

The City has received an application from Allan Stuart and Stephanie Black President and Vice President of Allann Brother's Coffee Company and dba The Beanery located at **922 NW Circle Blvd Suite 130 Corvallis, OR 97330**. This application is for a **New Outlet with a Limited -On and off Premise Sales liquor license**.

An affirmative recommendation has been received from the Police, Fire, and Community Development Departments. No citizen comments or input were received regarding this application for endorsement.

Staff recommends the City Council authorize endorsement of this application.

Limited On-Premises Sales License

Allows the sale of malt beverages, wine and hard cider for consumption on the licensed premises, and the sale of kegs of malt beverages for off-premises consumption. Also allows licensees who are pre-approved to cater events off the licensed premises.

MEMORANDUM

To: Mayor and City Council

From: Tony Krieg, Customer Services Manager *TK*

Subject: Liquor License Investigation- Sada's Sushi Bar

Date: June 22, 2011

The City has received an application from Sadami Sakamoto and Mitsuko Telmar owners of Sada's Sushi Bar located at **151 NW Monroe Street, Corvallis, OR 97330**. This application is for a **Change of Ownership with Full-On Premise Sales liquor license**

An affirmative recommendation has been received from the Police, Fire, and Community Development Departments. No citizen comments or input were received regarding this application for endorsement.

Staff recommends the City Council authorize endorsement of this application.

Full On-Premises Sales License:

Allows the sale and service of distilled spirits, malt beverages, cider, and wine for consumption on the licensed premises. Also allows licensees who are pre-approved to cater events off the licensed premises.

MEMORANDUM

To: Mayor and City Council

From: Tony Krieg, Customer Services Manager 

Subject: Liquor License Investigation- Mr. D's Market LLC

Date: June 23, 2011

The City has received an application from Lana and Mitch Dong Owners of Mr. D's Market located at **300 SW 4th Street, Corvallis, Or 97330**. This application is for a **Change of Ownership with a Limited On Premise Sales liquor license**.

An affirmative recommendation has been received from the Police, Fire, and Community Development Departments. No citizen comments or input were received regarding this application for endorsement.

Staff recommends the City Council authorize endorsement of this application.

Limited On-Premises Sales License

Allows the sale of malt beverages, wine and hard cider for consumption on the licensed premises, and the sale of kegs of malt beverages for off-premises consumption. Also allows licensees who are pre-approved to cater events off the licensed premises.

MEMORANDUM

To: Mayor and City Council

From: Tony Krieg, Customer Services Manager *TK*

Subject: Liquor License Investigation- Second Home Brewing Co. LLC

Date: June 23, 2011

The City has received an application from Matthew and Katherine Otten members of Second Home Brewing Co. LLC dba Terminus located at **603 NW 2nd Street Corvallis, OR 97330**. This application is for a **Change of Ownership with a Full- On Premise Sales liquor license**.

An affirmative recommendation has been received from the Police, Fire, and Community Development Departments. No citizen comments or input were received regarding this application for endorsement.

Staff recommends the City Council authorize endorsement of this application.

Full On-Premises Sales License:

Allows the sale and service of distilled spirits, malt beverages, cider, and wine for consumption on the licensed premises. Also allows licensees who are pre-approved to cater events off the licensed premises.

AFTER RECORDING RETURN TO:

TAX STATEMENTS TO:

No Change.

AMENDMENT TO NOTICE OF MUNICIPAL INTEREST

On September 18, 1997, the City of Corvallis and the Corvallis Boys and Girls Club recorded a statement of Municipal Interest in the real property records of Benton County, which was assigned number M234688-97. This statement reflects the terms of a grant providing financial assistance in the amount of \$100,000 from the City of Corvallis for the construction of physical facilities located in Corvallis, Benton County, Oregon.

The grant and the statement of interest incorporated conditions which included restrictions on the use to which the aforementioned property may be put and provided for a continuing municipal financial interest in the property in favor of the City of Corvallis. Among other conditions, the Boys and Girls Club was required to submit to the Parks and Recreation Department an annual report outlining how the Boys and Girls Club's programs are meeting the City's goal of addressing the needs of youth in the community. The City of Corvallis and the Boys and Girls Club agree that such an annual report is no longer necessary. This Amendment relieves the Boys and Girls Club of the requirement to provide such a report, but all other conditions of the grant and the City's statement of interest in the property remain in effect.

Signature, Authorized Representative Boys and Girls Club

Typed Name

Title

Date

STATE OF OREGON, County of Benton)ss.

This instrument was acknowledged before me on _____, 2011, by _____ as _____ of the Boys and Girls Club of Corvallis.

Notary Public of Oregon
My Commission Expires: _____

CITY OF CORVALLIS

By: _____
Ellen Volmert, Acting City Manager

ATTEST:

APPROVED AS TO FORM:

City Recorder

City Attorney

STATE OF OREGON, County of Benton)ss.

This instrument was acknowledged before me on _____, 2011, by Ellen Volmert as Acting City Manager of the City of Corvallis.

Notary Public of Oregon
My Commission Expires: _____

MEMORANDUM



To: Mayor and City Council
From: Karen Emery, Director Parks and Recreation Department
Date: June 15, 2011
Subject: Integrated Trails Website Agreement

Issue:

The City Parks and Recreation Department (CP&R), Benton County Natural Areas and Parks (BCNAP) and Greenbelt Land Trust (GLT) intend to develop an integrated trails public website.

Background:

CP&R, BCNAP and GLT held a joint board meeting in March 2011. A subcommittee was developed with stakeholders from the three agencies to develop an integrated trails plan recommendation. During subcommittee discussions, the concept of developing a comprehensive website for an integrated trails system arose.

Staff from the three agencies and Oregon State University met to discuss what elements would be included in such a website. Although Oregon State University is not included in this website agreement, they are interested in being included in the integrated trails system.

CP&R staff spoke with Oregon State Parks and Recreation Department (OPRD) about the project and ORPD staff encouraged staff to apply for a grant to fund building the website during their 2012 grant cycle. CP&R Staff intend to apply for the grant in September, 2011.

Discussion:

The purpose of this agreement is to guide CP&R, GLT, and BCNAP as they work cooperatively in an efficient and cost effective manner to develop and maintain a comprehensive County-wide Trails Website.

The website will provide a 'one-stop shopping', interactive experience for trail users in Benton County. It will provide information on all public trails among the Parties, including a basic platform of interactive mapping abilities, information on amenities, and trail access and condition. A second phase of this project would incorporate a strong education, history, and outreach component for natural areas in the website.

The work to be completed under this agreement includes the following:

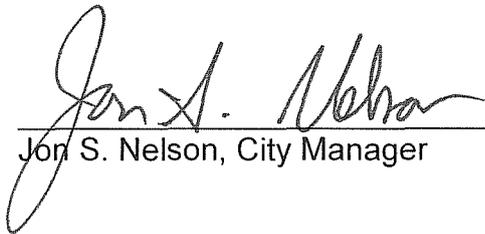
- Share existing infrastructure, GIS and natural resource-based information on parks, natural areas, and public trails
- Develop a shared format for the website, including price, design and formatting, updates, and maintenance agreements
- Provide staff and monetary support for monitoring and updating as needed for the website, to not exceed \$1,000 annually per agency
- Collaborate on a marketing strategy to promote the website within the community
- Cooperate in the pursuit of grant funds to accomplish work described in the attached agreement

Achieving the work in this agreement will position staff to apply for funding for the construction of the website.

Recommendation:

Staff recommends that the City Council approve the intergovernmental agreement and authorize the City Manager to sign the agreement with BCNAP and GLT.

Review and Concur:



Jon S. Nelson, City Manager



Nancy Brewer, Finance Director

Attachment: Trails Website Agreement

MEMORANDUM OF UNDERSTANDING (MOU)

CITY OF CORVALLIS PARKS AND RECREATION, GREENBELT LAND TRUST, BENTON COUNTY NATURAL AREAS AND PARKS

THIS AGREEMENT is made and entered into by and between City of Corvallis Parks and Recreation hereinafter referred to as “CP&R”, Greenbelt Land Trust hereinafter referred to as “GLT”, and Benton County Natural Areas and Parks hereinafter referred to as “BCNAP”.

INTRODUCTION

The parties entering into this agreement share a common interest in the management, marketing, and accessibility of open spaces and public trails within Benton County. Each of these parties owns, manages, and monitors public trails, and has a shared desire to build awareness of area trail networks among County residents. The purpose of this agreement is to guide CP&R, GLT, and BCNAP as they work cooperatively in an efficient and cost effective manner to develop and maintain a comprehensive County Trails Website, hereinafter referred to as “CTW”, for public access.

Identified areas of work include, but are not limited to:

- Provide GIS and natural resource and trails information
- Collaborate on the promotion and marketing of CTW
- Develop parameters for a CTW
- Provide ongoing Staff and monetary support for the maintenance and upgrade of the CTW

This agreement will define the general scope of cooperation and assistance that CP&R, GLT, and BCNAP will provide each other. More detailed descriptions on roles and responsibilities may be described in grant applications, planning documents, and amendments to this MOU.

BACKGROUND

CP&R, GLT, OSU and BCNAP have a history of seeking and establishing partnerships to plan for and manage natural resources in Benton County.

CP&R administers and manages more than 2000 acres within the City of Corvallis for a range of public values including parks, playgrounds, playing fields and trails. A significant portion of this resource base also involves open space and natural area management. CP&R has more than 22 miles of public trails that it owns and manages in Benton County.

GLT was founded in 1989 with the mission of protecting open space and collaboration with willing landowners and other agencies to secure significant natural resources for long term public benefit. GLT has actively promoted the protection and accessibility of

public trails, and holds conservation easements on portions of Fitton Green and Bald Hill Natural Areas, and owns a part of Owens Farm – all sites with existing or proposed trail access.

BCNAP, established by County Board order in the late 1950s, administers and manages more than 1,400 acres of parks and natural areas which contain a blend of developed park facilities, trails, historic resources and natural areas containing sensitive habitats. BCNAP has more than 21 miles of public trails currently owned and managed at Jackson Frazier Wetlands, Fitton Green Natural Area, Fort Hoskins Historic Park, Beazell Memorial Forest, Clemens and Salmonberry Parks.

The purpose of the CTW is to provide a ‘one-stop shopping’, interactive experience for trail users in Benton County. The CTW will provide information on all public trails among the Parties, including a basic platform of interactive mapping abilities, information on amenities, and trail access and condition. A second phase of this project would incorporate an educational, history, and outreach component for the natural areas into the CTW.

WITNESSETH

RECITALS

- A. WHEREAS CP&R, GLT, and BCNAP own and manage significant public natural resource lands and public trails in Benton County.
- B. WHEREAS all parties to this agreement recognize the interconnected nature of the trail networks and resource values related to their protected lands.
- C. WHEREAS the following interactive and educational recreation resources may guide the parties’ cooperative efforts;
 - ORP&R State-wide Comprehensive Plan;
 - The 2010 Trails Committee (County, City, GLT, OSU, and citizen stakeholders); and
 - Benton County Trails Master Plan update.
- D. WHEREAS all parties to this agreement recognize the recreational and social benefits derived from the coordinated planning of trails and transportation corridors accessing open spaces, parks, and natural areas in Benton County.
- E. WHEREAS all parties to this agreement recognize that coordinated planning and management creates economic efficiencies and leverages opportunities to gain funding support for resource management and enhancement activities.

NOW THEREFORE, CP& R, GLT, and BCNAP agree as follows:

I. DURATION

This agreement shall become effective upon the signature of all three parties, shall continue indefinitely, and may be amended at any time by mutual agreement of the parties in writing.

II. SCOPE OF WORK

A. The work to be completed under this agreement will result in the compilation of discovery and definition information necessary to plan and construct a comprehensive County Trails Website. Specific tasks include the following:

- Share existing infrastructure, GIS and natural resource-based information on parks, open spaces, and public trails
- Develop a shared format for the CTW, including price, design and formatting, updates, and maintenance agreements
- Provide Staff and monetary support for the monitoring and updates as needed for the CTW, to not exceed \$1,000 annually per agency
- Collaborate on a marketing strategy to promote the CTW within the community
- Cooperative pursuit of grant funds to accomplish work described in this section

B. Additional work may be defined by written agreements between the Parties. These may also be in the form of a cooperative funding request to an outside agency in which the written agreement will be included as part of the funding request. Each party reserves the right to not participate in a particular work activity or grant application that the other parties agree to pursue.

III. TERMINATION

All or part of this agreement may be terminated by consent of all the parties or by any party at any time, upon notice in writing.

IN WITNESS WHEREOF, the parties have executed their signatures,

Benton County Board of Commissioners, Date

Jon S. Nelson, City Manager, Date

Office of County Counsel, Date

Corvallis City Attorney, Date

Greenbelt Land Trust Board President, Date

*** * * M E M O R A N D U M * * ***
JUNE 21, 2011

TO: MAYOR AND CITY COUNCIL

FROM: JON S. NELSON, CITY MANAGER 

**SUBJECT: CORVALLIS SCHOOL DISTRICT 509J NOTICE OF AGREEMENT
TERMINATION LETTER DATED JUNE 10, 2011**

Mayor Manning received the attached letter from Superintendent Dawn Tarzian terminating the City/Corvallis School District 509J (District) facilities use agreement as well as noting the District will be establishing a new set of administrative policies on facilities (Attachment 1). Both the agreement termination and new policies have a target date of June 30, 2012.

This action is an outgrowth of the recent retreat that policy and executive members from the Boys and Girls Club of Corvallis (BGCC), District, and City participated in. Representing the City were Council Vice-President Hal Brauner; Parks, Natural Areas, and Recreation Board (PNARB) Chair Betty Griffiths, Parks and Recreation Director Karen Emery, and me.

All participants felt the session went well and the stage is set for improving our relationships. For this next year, July 1, 2011 to June 30, 2012, it was agreed that the existing policies and agreements would remain in place while policy and executive leaders from the City and District spend the year working on an updated master agreement and associated policies. An e-mail dated May 31 from Denise Trepanier does a good job of describing retreat outcomes (Attachment 2).

During the retreat, City participants made it clear, and it was appreciated by the other jurisdictions, that the City favored a master agreement between the City and District that best captures all of the various partnerships and roles we play for each other.

Since the City has received termination notice on the facilities agreement, I recommend providing similar June 30, 2012 notice on the other agreements so none are "lost" during this transition period to a master agreement. The agreements are also attached as is a partnership compilation (Attachments 3 and 4). If Council concurs with this approach, a letter from Mayor Manning to District Board Chair Schuster is appropriate (draft Attachment 5). Staff will communicate the plan underway to our stakeholders.

Finally, work also continues short term on outcomes from the retreat. Betty Griffiths is participating on a sub-committee compiling outcomes and drafting a strategic direction Vision 2013 time line, and Karen Emery and Hal Brauner are working on the interim plan (current to June 30, 2012) with the District and BGCC. The new District Superintendent and new City Manager will work with the electeds on the best approach in establishing a new master agreement.

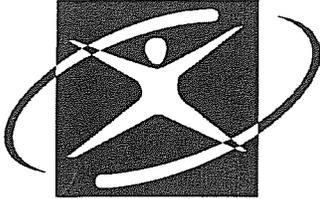
Attachments

1. June 10, 2011 District letter including:
 - May 26, 2011 Agenda

Mayor and City Council
School District agreement termination
June 21, 2011
Page 2

- 2000 City/District intergovernmental agreement (IGA)
 - School District 509J Community Use of District Facilities Policy and associated Facilities Usage Rules and Procedures (2007 and 2009)
2. May 31, 2011 e-mail on action items
 3. City/District partnerships, October 2010
 4. Revised District policy and other City/District agreements
 - Osborn IGA 2011
 - Construction excise tax IGA 2009
 - Tennis Courts IGA 2010
 - Western View tennis courts IGA 1972
 - Highland View tennis courts IGA 2001
 - Wildcat Park IGA 2007
 - Garfield Park IGA 1988
 - Public Access IGA 2006
 5. Draft letter from Mayor Manning
- c: Anne Schuster, District Board Chair
Dr. Erin Prince, District Superintendent
Kevin Bogatin, District Assistant Superintendent
Helen Higgins, BGCC Executive Director
Karen Emery, Parks and Recreation Director
Betty Griffiths, PNARB Chair
Denise Trepanier, Facilitator

4030



Corvallis School District 509J

RECEIVED

JUN 13 2011

CITY MANAGERS
OFFICE
Honoring Diversity

ATTACHMENT 1

June 10, 2011

Mayor Julie Manning
City of Corvallis
PO Box 1083
Corvallis OR 97339-1083

Dear Mayor Manning:

On behalf of the Corvallis School District, I would like to thank you for your strong and thoughtful leadership. The School District has deeply appreciated the long history of support and partnership that the City of Corvallis has provided the district. As I transition from my position as superintendent, it is comforting to know that the community is in such good hands. I understand that work is underway to schedule the opportunity for you and the new superintendent, Dr. Erin Prince, to meet, and I am confident that you will find her to be a very talented educator and a deeply caring member of the community.

I am writing to you as a follow up to a leadership retreat that was held on May 26, 2011. Jon Nelson, Helen Higgins and I scheduled the retreat to provide an opportunity for the leadership of the City, the Boys & Girls Club, and the District to begin the process of addressing the strained relations that have existed between our organizations over the last couple of years regarding the scheduling of facilities. It was our goal to set into motion the creation of a new foundation onto which future leadership could build new, strong, and lasting partnerships and agreements in support of the patrons of our community. I have enclosed a copy of the agenda from the May 26 retreat for your review and records.

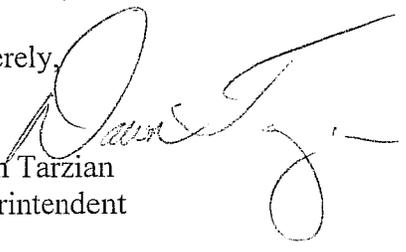
As the next step in that work, I would like for this letter to serve as notice to the City that the school district will be terminating 2000 City/District agreement, copy enclosed, as of June 30, 2012. This letter also serves as notice that the district will facilitate the adoption of a new set of administrative regulations to implement Board Policy KG – Community Use of District Facilities by the same date. I have also enclosed a copy of the school board policy and administrative regulation.

Mayor Julie Manning
City of Corvallis
June 10, 2011
Page Two

Plans are already in motion to complete next steps this summer and a second retreat is being scheduled for next fall. If you would like to receive minutes from the May 26 retreat or any of the subsequent documents, please let me know. I believe that we are on the right path and that a new story of strong partnership has begun.

Thank you again for your strong leadership, Julie. I will greatly miss you and the Corvallis community.

Sincerely,


Dawn Tarzian
Superintendent

DT:jc

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Enclosures

C: Dr. Erin Prince
Jon Nelson
Helen Higgins
Roy Burling

Detailed Agenda Outline - May 26, 2011 Session

Corvallis Collaboration: Boys & Girls Club, City of Corvallis, 509J School District

- Revised Time: 9:30am-1:30pm (includes working lunch)
- Location: Depot Meeting Room; 700 SW Washington, Corvallis
- Facilitator: Denise Trepanier Consulting, Inc. (541) 683-5990

Revised Purpose: Given the transition in City & School District leadership, provide the ongoing leaders in all 3 organizations the opportunity to better understand the challenges in meeting Corvallis Community's diverse needs, and brainstorm the preferred process and outcomes in developing new policy direction through more collaborative working relationships.

Participants: Executive Leadership & Board/Council Representatives

BGCC	City	509J
<ul style="list-style-type: none"> • Helen Higgins, CEO • Ed Kruskamp, Operations Director • Steve Zander, Board Member • Karen Misfeldt, Board Member 	<ul style="list-style-type: none"> • Jon Nelson, City Manager • Karen Emery, Parks & Rec Director • Hal Brauner, City Councilor • Betty Griffiths, Parks Board Member 	<ul style="list-style-type: none"> • Dawn Tarzian, Superintendent • Kevin Bogatin, Asst. Superintendent • Lisa Corrigan, Board Member • Anne Schuster, Board Member

Final Agenda Outline: May 26th (9:30am-1:30pm; working lunch)

- I. Welcome, Purpose & Ground Rules**
 - a. Hopes for today (*Dawn, Helen & Jon*)
 - b. Introductions: ALL share name, role & response to Prep Q#1 (*one minute per person*)
 - i. Icebreaker activity: Finding what we have in common with each other
- II. Establish Context for Understanding**
 - a. Discuss Summary Report: Staff Survey Themes
 - b. Understanding Each Other's Perspective
 - i. Small Groups: Each Organization briefly summarizes its Mission, Clients & Challenges
 1. What's most important to know about us? What's it like to walk in our shoes?
 - ii. Whole Group: Present to each other & Ask clarifying questions for understanding
 - c. Reflective Listening: What did we hear? Share personal insights & learnings
 - i. Identify Compelling Case for Change: ALL share responses to Prep Q#2
- III. Brainstorm "Strategic Level" Vision 2013: New Policy Direction Process & Roles**
 - a. Small groups (mixed): ALL share responses to Prep Q#3 & Q#4
 - i. Recommend Factors for Success: Relationship Protocols, Who needs to be at the table, Timeline...
 - b. Whole group: Present to Each Other & Synthesize Recommendations
- IV. Clarify Interim Plan**
 - a. In the meantime, how to best support the Interim Plan?
 - i. Address: Staff Surveys Summary Report
- V. Summarize Commitments & Next Steps**
 - a. Session debrief

Participant Prep Questions: Please answer the following questions to share in group discussions.

1. How does your role serve the Corvallis community? How do you measure success?
2. What will be the impact if relationships are not strengthened among the three organizations (BGCC, City, District) while waiting for the political process to run its course later in the year?
3. What's your preferred vision for 2013 - what would success look like (results and relationships)?
4. What will you do to help make this vision come true?

December 19, 2000

**AGREEMENT BETWEEN THE CITY OF CORVALLIS
AND CORVALLIS SCHOOL DISTRICT NO. 509J**

THIS AGREEMENT is entered into this 26 day of Dec., 2000, by and between the CITY OF CORVALLIS, a municipal corporation of the State of Oregon, hereinafter called the "CITY" and Corvallis School District 509-J, hereinafter called the "DISTRICT."

The CITY and the DISTRICT are mutually interested in and concerned with the provision of adequate facilities for the recreation and physical well-being of the people of the City of Corvallis and the people of the District 509-J.

The DISTRICT has certain play areas, restrooms, auditoriums, gymnasiums, community rooms and other educational facilities under its jurisdiction owned and operated for school purposes, but suitable for a community recreation program. The CITY, in its Parks and Recreation Department, has in its employ certain personnel qualified to supervise, direct and conduct such a community recreation program.

For many years past, the CITY and the DISTRICT have maintained a cooperative working arrangement whereunder many school grounds and facilities have been and are being used for general recreation purposes, thus affording to the community greatly increased recreational opportunities at costs much below what would otherwise be necessary.

This agreement supersedes all prior agreements on this same subject and is made to continue and improve the cooperative efforts of the CITY and the DISTRICT.

1. Term.

This agreement shall remain in effect until terminated by either party. This agreement may be terminated by either party upon ninety (90) days written notice delivered to the representative. The CITY will not be obligated to make any payment to the DISTRICT for costs incurred after the date of termination.

2. Modifications/Deletions.

By mutual agreement, either party can amend this agreement with a thirty (30) days written notice delivered to the representative. It may be necessary from time to time to enter into supplementary agreements to deal with any proposed joint development of facilities on CITY and DISTRICT lands.

The CITY and the DISTRICT agree that:

1. Recreational Use of School Facilities. The DISTRICT will make available to the CITY for community recreation activities:
 - A. All permanently operated playground areas which are suitable for community recreation activities; these areas are to be determined by the Parks and Recreation Director of the CITY and approved by the City Manager and the Superintendent of the DISTRICT or their designated representatives.
 - B. The DISTRICT will allow the CITY to use other selected school facilities which are suitable for community recreation programs. These facilities are to be determined by the Parks and Recreation Director and approved by the City Manager and the Superintendent of the DISTRICT or their designated representatives.
 - C. The use of such selected school facilities shall be in accordance with the regular procedures of the DISTRICT granting permits for use of school facilities as provided for by laws of Oregon and the policies and procedures of the District Board.
 - D. Schedules shall be established for use of selected school facilities by designated representative of the District Superintendent and the City Manager.
 - E. Any CITY program operated in or on DISTRICT facilities shall be open and available to residents in the DISTRICT equally with residents in the City. The CITY, at its discretion, may charge adults living outside the City a higher fee to participate in recreation programs offered by the CITY in or on DISTRICT facilities or their designated representatives.
2. School Use of CITY Facilities. Consistent with usage by the general public, the CITY will make available to the DISTRICT selected CITY-owned parks and recreation facilities for DISTRICT use at no charge and on a space availability basis. These areas and facilities are to be selected by the Superintendent of the DISTRICT and the City Manager or their designated representatives.
3. Scheduling. A schedule of dates for use of the CITY and DISTRICT facilities will be worked out in advance. This schedule will be so arranged as to avoid any conflict between the DISTRICT and CITY use. In the scheduling of school facilities, school events and regularly scheduled school-related programs shall have first priority, the CITY shall have second priority and any other events by

other groups or agencies shall have third priority. In the scheduling of CITY facilities, the CITY shall have first priority, and the DISTRICT second priority, and others third.

- A. The schedule may be changed at the request of either party by mutual consent.
- B. School principals may advise in scheduling of an approved recreation program to be conducted by the CITY on or in the facilities under the principal's jurisdiction.
- C. School properties and facilities are not required for school purposes during certain evening hours and not certain days of the week and during summer vacation periods. It is, therefore, agreed that at such times suitable facilities will be made available for recreation use by the CITY and that designated school playgrounds will be open for public recreation use.

4. Rental and Other Charges.

- A. **Youth Programs:** The CITY agrees to pay a basic rental charge of \$7,600 to the DISTRICT for each fiscal year (July 1 to June 30) to cover utility costs and general maintenance. The charge is due and payable upon receipt of an invoice from the DISTRICT.
- B. **Adult Programs:** The CITY promises to pay a rental charge as outlined below. Charges indicated are for each three (3) hour or less block of time. Set up and clean up time shall not be included in the three (3) hour block. Adult programs shall be defined as any activity in which adults 18 years of age and over represent 50% or more of the total participation.

Rates:

- I. **Regular Classroom - \$7.00:** Shall be defined as rooms with teachers' desk, study tops, chairs, etc.
- II. **Laboratory Classroom - \$14.20:** Shall be defined as rooms used for Physics, Chemistry, Biology, Art Electronics, Business Education, Foreign Language Lab., Homemaking, Small Gym, etc.

- III. **Shop Classroom - \$18.90:** Shall be defined as rooms used for Wood Shop, Metal Shop, Agriculture Shop, Large Gym, Auto Shop, etc. Laboratory Classrooms or Shop Classroom use shall not include use of machinery or equipment. Chairs and tables may be used.
- IV. **Fields - 70% of current Schedule of Fees:** Shall be defined as tracks, football, soccer, and baseball fields as well as any other outdoor area.

- 5. Supervision. The CITY agrees to provide personnel to supervise the recreation activities which take place after school hours and during holiday and vacation periods.
 - A. It shall be permissible where such activities are beneficial to both school and recreation programs to allow the working hours of the CITY personnel to be integrated with school hours. In the event such activities are conducted during school hours with school children, the employee of the CITY shall be subject to the administrative authority and supervision of the principal of the school.
 - B. The personnel employed by the CITY shall be under the supervision of the Parks and Recreation Department except as outlined above.
- 6. Development by School District. The DISTRICT will install and maintain all fences, play apparatus and facilities necessary, in its judgment, for its school program. That equipment, apparatus, and facilities may be used by the CITY for community recreation purposes.
 - A. The DISTRICT may participate and assist in recreation facility development on CITY lands where those facilities are designed to supplement normal school facilities.
 - B. The DISTRICT may participate and assist with equipment necessary for the community recreation program which are not included as a requirement for the school program. The facilities and equipment so furnished may be used by the DISTRICT for school purposes.

7. Maintenance. The maintenance of facilities on City-owned land shall be the responsibility of the CITY while the maintenance of facilities on DISTRICT land shall be the responsibility of the DISTRICT.
8. Disputes and Differences. In the event any dispute or difference arise as a result of this agreement, the dispute or difference shall be settled by the respective department heads of the DISTRICT and the CITY.
9. Contract Administration.

The parties designate the following as representative for purposes of administrating this agreement:

CITY: Dan Eden, Division Manager
Corvallis Parks and Recreation Department
1310 SW Avery Park Drive
Corvallis, OR 97333

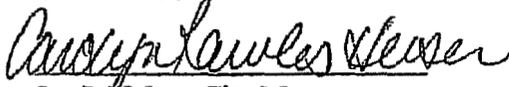
DISTRICT: Fred Wright
Corvallis School District 509-J
1555 SW 35th Street
Corvallis, OR 97333

10. Responsibilities for Damage. The CITY shall be responsible for any damages to school property which are incurred as a result of any recreation activity being conducted by the Parks and Recreation Department. The DISTRICT shall be responsible for any damages to CITY property which are incurred as a result of any school activity being conducted by the CITY.
11. Hold Harmless. Subject to the limitations and conditions of the Oregon Tort Claims Act ORS 30-260-30.300, the parties agree to hold the other harmless, to indemnify and to defend the other, its officers, agents, volunteers and employees from any and all liability, actions, claims, losses, damages or other costs including attorneys fees and witness costs that may be asserted by any persons or entity

arising from, during, or in connection with the performance of the work described in this agreement. Nothing in this hold harmless shall be deemed to create a liability in excess of the Oregon Tort Claims limits for either party.

IN WITNESS WHEREOF, the parties herein have set their signatures.

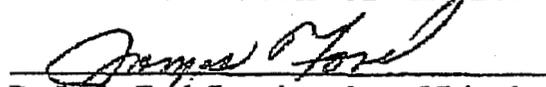
CITY OF CORVALLIS



Jon S. Nelson, City Manager

Date: 12-26-00

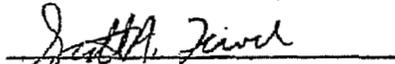
CORVALLIS 509-J SCHOOL DISTRICT



Dr. James Ford, Superintendent of Schools

Date: 02/21/01

Approved as to Form:



City Attorney

COMMUNITY USE OF DISTRICT FACILITIES

The Board supports the community education concept, which encourages the use of district facilities by community members for recreation, education, and service activities. All school and school-sponsored activities/events will maintain priority in facility use. The district reserves the right to grant permission for facility use and to deny any and all facility use permits at its sole discretion. The district will seek to recover all costs associated with the rental or leasing of all district facilities, but may establish criteria for a reduced fee or free use. The superintendent or designee(s) is authorized to cancel facility use permits when such action is in the best interests of the school district and/or the facility is needed for a school or school-sponsored activity or event.

Approval for use of a facility does not constitute approval or endorsement by the Board of the organization or group. The Board is not responsible for words or actions taken by organizations, groups, or individuals during their use of the buildings and or facilities.

Auxiliary Services Department, as designated by the superintendent, will provide oversight of the fee structure, contracts, availability, and scheduling of all district facilities and equipment.

The district reserves the right to require police supervision at any event the superintendent or designee deems necessary and to charge the user for the supervision.

The Board expects the users to treat the facilities with respect. The Board reserves the right to remove any facility from public use.

Short and long-term (over three months) use of district facilities must be made through the Auxiliary Services Department. The user must agree to all guidelines and conditions on the Facility Permit or the Contract for Facilities Use and Services. An individual, group, or organization may be denied future use of district facilities in the event of non-compliance of agreements, damage to facilities, improper use of facilities, or other harmful or illegal activities.

The superintendent shall establish administrative regulations for facility use, fees, and processes in accordance with policy.

END OF POLICY

Legal References:

ORS 330.430
ORS 332.107
ORS 332.172

FACILITY USAGE RULES AND PROCEDURES

I. POLICY STATEMENT

The district cooperates with the community in providing use of the district facilities when possible without interference with the education and activity programs of the schools or the requirements for maintenance, operation, safety, and security of the physical plant and grounds.

II. APPLICATION PROCEDURE

Groups wishing to use district facilities must complete a facility use application, which may be obtained from the site's building use coordinator. To assure reservations of the facility, the application shall be submitted to the school or building office far enough in advance to allow ample time to properly plan for the use of the facility, preferably 15 working days before the scheduled event, but no more than six months in advance of use. (Long-term users with contracts are excluded and fall under a separate agreement. For information regarding long-term contract use contact the Facilities and Maintenance Division.) The application must be signed by the building use coordinator, approved, and on file in the Facilities and Maintenance office prior to usage of facilities.

Proof of liability insurance also is required for long-term users (use occurring for a period lasting more than three months) and intermittent users (use occurring at irregular intervals and/or over a time period of three months or less) and must be submitted to the Facilities office after the facility use application has been approved, and at least one business day prior to the use of the facility. Refer to the following sections for insurance requirements.

- VIII. Hold Harmless Agreement
- IX. Insurance Requirements

The facilities only can be used after the appropriate forms have been completed.

Subject to section III. Availability, it is the building administrator's responsibility to ascertain that the proposed activity:

- A. Will not be harmful to the school facility.
- B. Will not interrupt the school's programs.
- C. Will appropriately fit into the building use calendar.
- D. Will have adequate and appropriate supervision.
- E. Will not cause or allow a breach in security.
- F. Will comply with section XIV. Priority Use.
- G. Has a required clause to hold harmless the district.

The approved application supersedes any prior representations or agreements.

FACILITY USAGE RULES AND PROCEDURES—KG-AR
(continued)

III. AVAILABILITY

- A. The district reserves the right to grant or deny permission for use of facilities at its sole discretion.
- B. Use of district facilities for church, partisan, political, or sectarian purposes may be granted; however, such approval does not imply district endorsement or sponsorship of these activities.
- C. Those organizations that have failed to pay for previous usage will be denied use until the past due debt is paid in full.
- D. Unauthorized use of the district facilities or failure to comply with the facility use application or administrative regulation may result in cancellation of application or denial of any future use.
- E. Nothing shall be sold, given, exhibited, or displayed unless prior written permission is granted by the district.
- F. Priority will be given in accordance with the guidelines established in Section XIV. Priority Use.
- G. If admission is charged, the district charge for the use of the facility will be the standard fee plus 15 percent of the gross gate. Donations and pledges are not considered admission fees.
- H. Summer use must be scheduled with the building at least five business days prior to the last day of school.

IV. CANCELLATION

Request for the cancellation of the application shall be made to the building use coordinator or the Facilities and Maintenance office no less than 48 business hours preceding the scheduled use of the facility. A regular charge shall be made in accordance with the usage application for the facility engaged and not used unless such notice to cancel is given.

The Board authorizes the superintendent/designee to cancel building use applications when it is apparent that such action is necessary for the best interests of the district. Whenever possible, the district will provide at least a 48-hour cancellation notice if a group's approval to use a facility must be revoked. Should a facility be closed due to loss of utilities, inclement weather, and/or other considerations, every effort will be made to communicate said closure and the facility use fee will be returned.

V. SUPERVISION

All groups using any facility will provide supervision. The building administrator/designee will determine and insert on the building use application the level and type of supervision required and may require that a district employee be present. A district staff representative likely will be required whenever a large group or many children will assemble, or in other situations in which potential for harm to person or property is high. Disagreements regarding the level of supervision required that cannot be resolved

FACILITY USAGE RULES AND PROCEDURES—KG-AR

(continued)

between the requestor and the building administrator/facilities manager should be appealed to the superintendent/designee.

When supervision by a district employee is requested or required the sponsoring group will be charged \$30.00 per hour for food service or other qualified employees. All district employees who are hired by the district to supervise will be paid through the district payroll department.

The district reserves the right to require certified security and/or law enforcement services at any event the administration deems necessary in its sole discretion and to charge the user the actual cost incurred by the district.

VI. SECURITY

District keys or keycards are not to be shared or given to non-district employees without appropriate record keeping and accountability. If the building administrator deems it necessary to issue a key and/or keycard, a \$25.00 deposit is required. The deposit will be retained at the school; it will be refunded when the key and/or keycard is returned or will be forfeited if the key and/or keycard is not returned by the date specified. Keys and keycards must be returned promptly.

VII. SAFETY, LIABILITY, AND CARE OF FACILITIES

Putting up decorations or scenery or moving pianos or other furniture is prohibited unless written permission is granted and inserted on facility use application. The use of school equipment and/or furniture is not included in the facility use application and is prohibited unless written permission is included in the facility use application. All electrical equipment and arrangements shall be controlled by the district or its representatives.

Representatives of the district must have access to all rooms at all times. The building administrator, designated supervisor, or facilities manager/designee has the right to stop any activity at any time if in his or her judgment there is a violation of Rules of Conduct for Use of District Facilities, KG-AR section XIII., or if the activity is deemed to be hazardous to personnel, property, equipment, or participants.

Any damages to district (e.g., grounds, building, or equipment) shall also be assumed by the user. If damages occur during the use of a facility, documentation must be provided by the event supervisor detailing the date, time, location, nature of the damage, and the responsible party. The building administrator and the Facilities and Maintenance office should be notified immediately and photos taken if possible.

Returning the facility and/or grounds to the condition it was prior to usage, including cleanup and the return of all keys and/or keycards is the responsibility of the user. Failure to comply will result in additional charges, including the cost of cleanup, repair, re-keying, and possible denial of future facility use.

FACILITY USAGE RULES AND PROCEDURES—KG-AR

(continued)

The maximum number of people permitted in the various buildings or facilities shall be restricted to any and all fire marshal requirements of the National Fire Protection Association (NFPA).

The district assumes no responsibility for personal properties left on the premises.

VIII. HOLD HARMLESS AGREEMENT

User shall release, indemnify, and hold harmless Corvallis School District, its directors, officers, and agents, from any and all claims and liabilities (including costs and attorneys fees) arising out of or in connection with user's use of Corvallis School District facilities. The release and indemnity agreement is intended to release Corvallis School District from any and all claims and liabilities, including but not limited to negligence by the Corvallis School District. This agreement shall appear on the application.

IX. INSURANCE REQUIREMENTS

Long-term users (use occurring for a longer period than three months) shall maintain liability insurance in the amount of not less than \$1,000,000 for comprehensive general liability including bodily injury or death and property damage per occurrence and not less than \$2,000,000 aggregate. User shall also provide workers' compensation coverage that satisfies Oregon law for their subject workers. The district shall be named as an additional insured and provide the district with 30 calendar days' written notice of cancellation or material modification of the insurance contract. A certificate of liability insurance with additional insured endorsement shall be provided by the user upon approval of the signed facility use application and on file in the Facilities office by one business day prior to the event.

Intermittent users (use occurring at irregular intervals and/or over a time period of three months or less) may apply for a waiver of insurance.

If the request is made in writing, exceptions for lower limits of insurance may be granted with the approval of the district's Risk Management office. User may need to consider purchasing event insurance from an insurance carrier.

Any organization sponsoring the use of a building and/or grounds shall assume liability for any accidents that occur upon the grounds or in the building during the times such facilities are in use under its direction.

X. SPECIALIZED FACILITIES, EQUIPMENT, AND USAGE

A. Gyms and Multipurpose Rooms

Appropriate (non-marking) gym shoes are required for all participants involved in active sports and games.

B. Weight Rooms/Mat Room with Climbing Wall

Non-district use of weight rooms and the mat room with the climbing wall at Linus Pauling Middle School (LPMS) have special potential of injury to person or damage to property. Therefore, all weight rooms and the LPMS mat room with climbing wall are not available for use.

C. Kitchens and Cafeterias:

1. For activities that would not involve actual food preparation or operation of kitchen equipment (e.g., receptions), access to kitchen facilities will be allowed only under the supervision of an appropriate school employee whose responsibility would be to consult with the district's kitchen manager prior to the activity and to see that kitchen facilities are left as mutually agreed. Supervision would be an additional charge, as referenced in KG-AR section V.
2. For activities involving actual food preparation, district employed kitchen workers must be present. The actual number required depends upon the activity and must be determined by the district Food Service kitchen manager or director at an additional charge, as referenced in KG-AR section V.
3. Food labs are restricted and not available for use.

D. Computer Labs, Technology Classrooms

Non-district use of computer labs or technology classrooms (e.g., auto, wood, etc.), or arts rooms (e.g., photo, ceramics, jewelry labs) have special potential for damage to property or theft, as well as liability, and is generally prohibited.

The district electronic communication system has not been established as a public access service or a public forum. Commercial and/or inappropriate personal use of the district's system is strictly prohibited.

E. Playing Fields

Users renting playing fields without access to restroom facilities may be required to provide portable restrooms and garbage service for participants. Failure to comply will result in denial of future use. The district also reserves the right to restrict the use of fields due to weather or over-use.

F. Administration Office

The Corvallis School District 509J administration buildings are not available for outside use.

G. District Theaters

A separate facility use policy exists for the use of district theaters. Applications can be made by contacting the district theaters manager.

XI. RATE CATEGORIES

A. Groups Granted Free Use

The following groups, organizations, or activities will be granted free use of district facilities providing such use shall in no way interfere with or be detrimental to school functions. Such free use will be limited to those times when a district employee is on regularly scheduled duty. A charge will be made for the use of the facility when a district employee is required to be present or when extra heating, utility costs, or cleanup are incurred beyond the normal operating hours.

1. Parent club meetings and activities.
2. After-school district sponsored activities.
3. Wellness activities for district employees only.
4. Fundraising activities for educational, athletic or fine art purposes benefiting district programs.
5. Educational meetings or conferences pertaining to the operation of the district.
6. Other groups or organizations may apply for a granted free or reduced rate by submitting a Free Use or Reduced Rate Request form annually.

B. Groups Granted a Reduced Rate

1. **Specialized Instruction**
Individuals who provide individual instruction to enhance academic, athletic, or fine arts achievement of district students will be required to follow the facility use application procedure and submit proof of liability insurance or a signed waiver of insurance. The building administrator must approve all applications before any tutoring can take place. In lieu of a permit fee, the tutor shall pay 15 percent of whatever he/she charges students.
2. **Other Groups**
Other groups or organizations may apply for a granted free or reduced rate by submitting a Free Fee Use or Reduced Rate Request form annually. The requests will be accepted or rejected depending on whether they advance the district's education goals.

3. Groups Expected to Pay Regular Rate

The following groups, organizations, or activities will be expected to pay regular rate, as prescribed by the district's fee schedule.

- a. Schools other than those in the district.
- b. Political organizations.
- c. Commercial organizations.
- d. Religious organizations.
- e. Professional organizations.
- f. Fraternal organizations.
- g. Outside Labor Unions.
- h. Social groups.
- i. Recreational groups not covered by long-term use agreements.
- j. Fund raising activities where the net proceeds are identified and retained for the direct benefit of the patron.

4. Payment on Approval of Permit

Payment, when required, for use of a district facility shall be made to the district business office upon application approval, unless special arrangements have been made previously. Failure to pay will disqualify the group or user from use of district facilities.

XII. FREE FEE USE OR REDUCED RATE REQUEST FORM

All users requesting free use or use at a reduced rate must fill out and submit a Free Use or Reduced Rate Request for Corvallis School District 509J Facilities form. The form must be submitted with the users application to the facility they are requesting to use and must be approved by the building administrator before being submitted to the Facilities and Maintenance office for final approval.

XIII. RULES OF CONDUCT FOR USE OF DISTRICT FACILITIES

- A. Users are required to sign the Rules For the Use of District Facilities statement before facility use is granted (see Attachment D).
- B. The facility use application shall list any exceptions to the rules and regulations covering the community use of buildings or grounds.

XIV. PRIORITY USE

The district supports the community education concept, encouraging the use of district facilities by the community for recreation, education, and service activities. There is a strong desire to be supportive of as many services and opportunities for patrons as possible. The district acknowledges that community programs and groups must work together collaboratively to ensure the success of all programming options.

FACILITY USAGE RULES AND PROCEDURES—KG-AR

(continued)

The district reserves the right to restrict use of facilities at any time during the year due to condition and safety. Notice will be posted and every effort will be made to contact groups with pending reservations should facilities be closed.

The district additionally reserves the right to cancel outside use of facilities due to loss of utilities, inclement weather, and/or other considerations. Every effort will be made to communicate said closures.

Unused facilities may be rented under conditions separate from the guidelines described within this document; unused classrooms within facilities currently operating as 509J schools may also be leased to community groups fostering an early childhood opportunity that fits the needs of the district or school, e.g., early childhood programs operating in elementary schools.

Long-term (longer than three months) rental/leases of district facilities (both active schools and inactive facilities) require a negotiated contract and will be reviewed on a case by case basis with specific review as to the potential impacts on the educational environment. The guidelines noted within this document are intended for use specifically with short-term situations.

A. Key Considerations for Developing Priorities

1. Does it serve our students?
2. Does it help our students meet identified achievement goals?
3. Does it promote better learning for our students?
4. Does it promote an opportunity for all to learn skills and sportsmanship?
5. Does it meet community's need for after school care and help keep our students safe and supervised?
6. Does it serve the needs of the community?

B. School Day Priorities

1. First priority will be given to Corvallis School District programs. No outside use will be considered until district program needs, including athletics and activities, are met. Student program needs will outweigh the needs of programs focused on staff.
2. Second priority will be given to district-sponsored programs operating for the benefit of district students.
3. Third priority will be given to volunteer organizations with the primary focus to support district students in district curriculum.
4. Other outside uses during the school day are generally prohibited.

C. Non School Day and After School Day Priorities

1. First priority will be given to Corvallis School district programs. No outside use will be considered until district maintenance and educational

FACILITY USAGE RULES AND PROCEDURES—KG-AR
(continued)

- program needs (including, but not limited to parent open houses, performances, athletics, and activities) are met. Student programs will receive priority scheduling over adult/staff programs.
2. Second priority will be given to district-sponsored programs operating for the benefit of district students.
 3. Third priority will be given to non-profit programs designed to build skills of district students in non-cut/all-play activities allowing every interested student to participate.
 4. Fourth priority will collaboratively take into consideration the need for non-profit programs designed to develop skills of district students in competitive activities and non-profit adult recreation.
 5. Fifth priority will be given to non-profit groups and government organizations conducting activities for adults, or intended for mixed adult and youth participants.
 6. Sixth priority will be given to organized groups not recognized as non-profit or private individuals engaging in activities for the benefit of students and community patrons.
 7. Final priority is fund-raising activities, with priorities given first to non-profit groups, then to private individuals, and lastly, to for-profit organizations.

D. Additional Guidelines

1. Meetings will be held seasonally for the purpose of allocating facilities and fields. Meeting dates and times will be determined by the Facilities and Maintenance office. Participants will include representatives from the Corvallis School District 509J and contracted community partners such as Boys and Girls Club and the City of Corvallis.
2. Practices for individual teams within priority programs may be limited so the district's available space serves as many community needs as possible.
3. Age-appropriate placement is advised whenever possible (i.e., middle school aged programming should be scheduled at a middle school, elementary programming should be scheduled at an elementary school). It is recommended that adult activities be placed at either high school or middle school facilities.
4. Age-appropriate timing is preferred.

XV. FEE SCHEDULES

A minimum base fee is charged for the first three hours with an additional hourly fee after that. Fees include user's set up and break down times needed to access the building or grounds. Fees also are determined by school days (non-school hours) and non-school days. Non-school days are charged at a higher rate than school days (non-school hours). Additional fees may be charged to the user if supervision, kitchen, or custodial staff is required.

FACILITY USAGE RULES AND PROCEDURES—KG-AR
(continued)

FACILITY USAGE FEES—Attachment A

	School Days (non-school hours*)		Non-School Days*	
	Base Rate First 3 Hours	Each Extra Hour	Base Rate First 3 Hours	Each Extra Hour
ELEMENTARY/K-8 SCHOOL FACILITIES				
Classroom	\$ 44.00	\$ 10.00	\$ 72.00	\$ 20.00
Cafeteria	\$150.00	\$ 24.00	\$240.00	\$ 50.00
Cafeteria & Kitchen**	\$210.00	\$ 30.00	\$300.00	\$ 60.00
Gymnasium	\$200.00	\$ 36.00	\$340.00	\$ 58.00
Classroom w/computers***	\$ 90.00	\$ 30.00	\$320.00	\$ 48.00
MIDDLE SCHOOL FACILITIES				
Classroom	\$ 44.00	\$ 10.00	\$ 72.00	\$ 20.00
Special Classroom (shops, etc)	\$ 72.00	\$ 20.00	\$120.00	\$ 38.00
Cafeteria	\$210.00	\$ 30.00	\$330.00	\$ 60.00
Cafeteria & Kitchen**	\$290.00	\$ 42.00	\$410.00	\$ 82.00
Gymnasium	\$270.00	\$ 60.00	\$480.00	\$ 88.00
Classroom w/computers***	\$ 90.00	\$ 30.00	\$450.00	\$ 80.00
HIGH SCHOOL FACILITIES (including Harding)				
Classroom	\$ 44.00	\$ 10.00	\$ 72.00	\$ 20.00
Special Classroom (shops, etc)	\$ 72.00	\$ 20.00	\$120.00	\$ 38.00
Cafeteria	\$210.00	\$ 30.00	\$330.00	\$ 60.00
Cafeteria & Kitchen**	\$290.00	\$ 42.00	\$410.00	\$ 82.00
Small Gymnasium				
Gymnasium	\$270.00	\$ 60.00	\$480.00	\$106.00
Classroom w/computers***	\$ 90.00	\$ 30.00	\$480.00	\$106.00
Special Use Permit Fee (all facilities)	\$ 50.00 Per Day			

District Athletic Fields Charge has a separate schedule listing charge by field.

District Theaters have a separate rate sheet that can be obtained from the District Theaters Office.

(Minimum base rate of three hours will be charged.)

*Supervision or Custodial coverage may be required on non-school days at an additional rate of \$30/hour

**Cafeteria and Kitchen - Permission from Food Service/additional charge for kitchen supervisor required

***Classroom with computers - Additional permission required for security purposes

FACILITY USAGE RULES AND PROCEDURES—KG-AR

(continued)

FIELD USAGE FEES—Attachment B

	School Days (non-school hours*)	Non-School Days*		
	Rate	Each Additional Hour	Rate	Each Additional Hour
ELEMENTARY/K-8 SCHOOL FACILITIES				
All fields per field	\$ 60.00 per day	n/a	\$ 60.00/Day	n/a
MIDDLE SCHOOL FACILITIES				
Football Field	\$ 60.00 base rate	\$ 18.00/hr	\$ 60.00 base	\$ 18.00/hr
Track	\$ 60.00 base rate	\$ 18.00/hr	\$ 60.00 base	\$ 18.00/hr
All other fields per fields	\$ 60.00 per day	n/a	\$ 60.00/day	n/a
HIGH SCHOOL FACILITIES				
CVHS Football Field	\$ 60.00 base rate	\$ 18.00/hour	\$60.00 base	\$ 18.00/hr
CVHS Track	\$ 60.00 base rate	\$ 18.00/hour	\$60.00 base	\$ 18.00/hr
*CHS Artificial Turf/Track	\$ 85.00/hour	\$ 85.00/hour	\$ 85.00/hr	\$ 85.00/hr
Baseball Fields	\$ 60.00 base rate	\$ 18.00/hour	\$ 60.00 base	\$ 18.00/hr
Softball Fields	\$ 60.00 base rate	\$ 18.00/hour	\$ 60.00 base	\$ 18.00/hr
Soccer Fields	\$ 60.00 base rate	\$ 18.00/hour	\$ 60.00 base	\$ 18.00/hr

(Minimum base rate consists of the first three hours)

Certificate of Liability Insurance required.

Supervision or Custodial coverage may be required on non-school days at an additional rate of \$30/hour

*CHS Artificial Turf/Track subject to approval by Athletic Director & Facilities.

Attachment D

Corvallis 509J Public School District
Rules For the Use of District Facilities

Violation of any of the following rules may lead to cancellation of the facility use application and denial of any future use.

- 1. All groups will provide adequate and appropriate supervision.
2. Any organization sponsoring the use of the building or grounds shall assume all liability for any accidents that occur upon the grounds or in the buildings.
3. Participants are not to enter the building until the time specified in the facility use application.
4. All participants and the accompanying audience are to remain in the agreed upon area as described by the facility use application.
5. Use, possession or sale of alcoholic beverages or illegal substances is prohibited anywhere on district property. This also includes any usage of these substances inside private vehicles.
6. Use, possession or sale of tobacco or illegal substances is prohibited anywhere on school district property. This also includes any usage of these substances inside private vehicles.
7. The user is responsible for control of the audience and participants to prevent running around the building, bouncing balls, playing on unauthorized equipment, littering the premises or damaging property.
8. Harassment of school district personnel or other users of the facility may be cause for the cancellation of the facility use application.
9. Failure to return a key in a timely manner may result in forfeiting the key security deposit.
10. Unauthorized use of district facilities or failure to comply with all the conditions of the facility use application or policy will result in cancellation of the application and denial of future facility use.
11. The building and grounds being used are to be left in good condition. Litter and spills are to be cleaned up by the user or an additional fee will be charged to the user.
12. Abuse of gym equipment such as backboards, rims, nets and bleachers will not be tolerated and may lead to the cancellation of the facility use application and denial of future facility use.
13. District programs have priority for the use of facilities and may cause cancellation of use by outside groups.
14. Banners and advertising must comply with district standards and applicable board policy.
15. Parking of motorized vehicles is prohibited on district fields.
16. Any use of any type of open flame cooking devices requires prior special approval.
17. User and attendees must abide by school board policy KGB, Public Conduct on District Property.

I have read and agree to these rules.

Group or Organization: _____

Print Name: _____

Signature: _____ Date _____

It is mutually understood in this agreement that the user will abide by all Corvallis School District rules governing community use of district facilities and be totally responsible and liable for user's activities. User agrees to indemnify, defend and hold harmless Corvallis School District 509J from any and all liability arising from any act or omission related to the use of district facilities, including, but not limited to the content or any activities occurring on district property. It is further understood that the area used will be left in an orderly condition, and that the organization will assume full responsibility for any unnecessary breakage or destruction of property beyond normal use. A Certificate of Liability Insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate for long-term users is required and must accompany this form.

Nelson, Jon

ATTACHMENT 2

To: Emery, Karen; Hal Brauner; Betty and Bob
Subject: FW: Summary Action Items from 5.26 Mtg.
 FYI and thanks again for your participation and contributions!

From: Tarzian, Dawn [mailto:Dawn.Tarzian@Corvallis.K12.OR.US]
Sent: Tuesday, May 31, 2011 10:53 AM
To: Trepanier, Denise; Higgins, Helen; Nelson, Jon
Cc: Catala, Julie; Trepanier, Denise
Subject: RE: Summary Action Items from 5.26 Mtg.

Thank you Denise. I will get the "task follow up" list to the appropriate staff.

From: denisetrepanier([mailto:denisetrepanier@]
Sent: Sunday, May 29, 2011 7:09 PM
To: Tarzian, Dawn; Higgins, Helen; Nelson, Jon
Cc: Catala, Julie; Trepanier, Denise
Subject: Summary Action Items from 5.26 Mtg.

All, Could you please forward this email to your organization's participants at the May 26th Session to ensure that these Action Items are completed? It was a pleasure working with such a committed group of leaders! Thank you, Denise



MAY 26TH SESSION'S ACTION ITEMS (to be completed in parallel)

1. **Tell the new, broader story as of 5/27 & ongoing:** ALL - As leaders in your organizations and community, go ye forth and share the broader story with all perspectives (Mt. Fuji), plus plant seeds of hope for the collaborative Strategic Direction/Vision 2013.
2. **Collaborative Communication List by 6/3:** Julie to email all of us the 5/26 participants list with email addresses for ongoing outreach and communication.
 - o By 6/10: Denise to email 5/26 Session Notes.
3. **Respond to Staff Survey Input by 6/10:** Helen, Karen, Kevin to each go to their staff and share what we heard/learned from the 'Summary Themes Report'. Validate their input. Also use this leadership opportunity to tell the broader story of what we learned from each other's perspectives, plus collaborative vision intentions and these action items.
4. **Interim Plan 2011-2012 to be done by 8/1:** Kevin*, Hal/Karen, Helen/Karen to all meet before June 30th to put in writing how we get through the 2011-2012 school year using the current allocated blocks of time, figuring out how to do a better job of scheduling, and educating principals and all parties on the agreements and required approval process. Explicitly address recommendations in the '5/22 Summary Themes Report- Staff Surveys', especially Section III, Items 1-6 (page 2).
 - o By 8/1, Kevin to email doc to all 5/26 Participants.

5/31/2011

5. **'Long-Term Strategic Direction' draft Work Outline/Process Timeline by 6/30:** Based on the 5/26 Session Notes, Denise*, Betty and Helen to outline the work to achieve the Vision 2013, including Critical Success Factors and a 1-year process timeline.
- By 6/30: Denise to email doc to all Participants.
 - By 10/31: Kevin*/Julie to reconvene this group of leaders for a Follow-up Session, including new City Manager and new Superintendent to refine the Plan to make it happen.

S - School benefit
 C - City benefit
 J - Joint
 JSU for

CITY OF CORVALLIS AND CORVALLIS SCHOOL DISTRICT 509J

SUCCESSFUL PARTNERSHIPS

Updated October 2010

Parks and Recreation

- J • Joint use/management of Garfield Park.
- S • Access to all city-owned natural areas for District's use as outdoor education classroom facilities.
- S • District's free access and City's maintenance staff support for the District's youth cross-country activities at Avery and Willamette Parks.
- S • District's free use of Crystal Lake Sports Fields as a High School Soccer Practice facility. Based on current fee schedules the City subsidy is approximately \$13,000 annually.
- S • Parks and Recreation maintenance of the four tennis courts at Linus Pauling Middle School and Lincoln Elementary School.
- S • Provide District students first time job opportunities in the Youth Parks Corps (40 students) and Youth Recreation Corps (16 students) programs, middle and high school students learn career development skills.
- S • Provided City sponsored AmeriCorp staff year round for district students. 88.7 % of participants during the school year and 85% during summer are from 509J totaling 216 students annually in the Youth Volunteer Corps service program. This program generated 3762 volunteer hours last fiscal year for community projects.
- S • City's assumption of the operational responsibilities of Osborn Aquatic Center (forecasted \$666,800 2011 tax support); District priority use by both high school swim teams (110 students), water polo team (20 students), and youth adapted physical education (45 students weekly), facilities operations supported by City staff totaling approximately \$13,500 annually.
- C • Facilities use agreement for City's priority use of school facilities for youth Park and Recreation programs, including 1103 registrations for Middle School and 2907 Elementary School registrations for sports and camps. City rental of District facilities for youth programs is \$7600 annually.
- J • City's rental of District facilities for adult programs serving 540 adults and 170 high school students, providing \$4,784 of revenue to the District annually.
- J • The City and Benton County Health Department are partners in the Healthy Kids, Healthy Communities Initiative. This program focuses on south Corvallis and will directly benefit students in Lincoln School with the development and implementation of recreation programs at school sites.
- J • P&R supported the Lions Den program at Lincoln School with staff and offering nine eligible participants free enrollment into the after school recreation programming in FY 09-10.
- J • City staff serves on District's Facility Advisory Committee.
- J • Maintenance support for Wildcat Park, related to garbage and restroom service and City's annual financial allowance to District (\$750 annually).

Police Department

- S • Safe Routes to School; Safety Town; traffic safety education at high schools; Ride-Along program.
- J • Community Policing Forum participation.

Public Works

- Past stream restoration projects and environmental education program; storm water quality and water conservation expertise for classroom curriculum.
- Share bus systems overhead costs (single contractor).
- Joint review and assistance with "Safe Routes to School."
- Past operations assistance (assisted with lead testing of school building water system)
- PEG access (Channel 29) and video equipment purchases.
- Group transit pass program for District students.
- Transit service to Crescent Valley.

Community Development

- Collection of the Construction Excise Tax.

Fire

- Fire prevention and safety classes; Safety Town.
- Annual fire prevention inspections of all 509J properties through contract.
- Visits to classrooms and tours of the stations, combined with a "firesafe behaviors" learning experience, Fire Chief for the Day event.
- Work experience for high school students, through job-shadow and ride-along programs.
- Tenant improvement inspections
- Special Inspections and Permits for theaters, open flame, special processes (i.e. turkey fryer, bio-diesel), and other specialized requests.

Library

- Bookmobile goes to Lincoln after school program.
- Bilingual staff member participates in Lincoln School Latino Carnival.
- Friends provided materials to College Hill High School for their library.

Finance

- Past staff participation in District financial policy, accounting, overhead charges, and budget system review.
- Joint coordination of tax information for ballot initiatives.
- City/County/509J fiber project.

City Manager's Office

- Joint participation in the Employer Partnership for Diversity (training, recruitment, projects).
- Martin Luther King, Jr. High School Student Awards and school presentations.
- Joint participation in the Regional Public Information Officers group.
- City participation in School District job fairs and interview skills training for high school students.
- Mayor and Councilor visits to schools service or site councils and participation in government classes at high schools.
- Publicize and coordinate department involvement in Districts CIS Connection for student volunteer projects.

2047

Osborn
COPY

**INTERGOVERNMENTAL AGREEMENT BETWEEN
CORVALLIS SCHOOL DISTRICT 509-J AND
THE CITY OF CORVALLIS**

This Intergovernmental Agreement is made between CORVALLIS SCHOOL DISTRICT 509J, hereinafter referred to as "District," and THE CITY OF CORVALLIS, hereinafter referred to as "City," pursuant to ORS chapter 190.

WHEREAS, the District and City are both units of local government and wish to enter to a cooperative agreement pursuant to ORS chapter 190 for the performance of any or all functions and activities that a party to the agreement, its officers or agents, have authority to perform, with respect to the Osborn Aquatic Center located at 1940 N.W. Highland Drive, Corvallis, including both the indoor and outdoor pool facilities; and

WHEREAS, District is the owner of the above described facilities and desires that the City and the District cooperate in the operation and maintenance of the pool for educational and recreational programs and activities; and

WHEREAS, as required by ORS 190.020, the parties desire to enter into an agreement that provides for the apportionment between the parties of the responsibility for providing funds to pay for the expenses incurred in the performance of the functions described herein, the apportionment of revenue derived from the aquatic center and related activities, the transfer of personnel, the term of the agreement, and the rights of the parties to terminate the agreement;

NOW, THEREFORE, the parties hereby agree as follows:

Term

This agreement shall become effective on January 2, 2001 or at a later date mutually agreed to by the District and City.

The agreement will remain in effect until both parties agree to terminate. Either party may request the governing bodies cancel this agreement by providing notice to the other party. In no case shall the cancellation occur less than 18 months following said notice and consideration by the governing bodies except as noted below.

Either party to this agreement may request that the agreement be reviewed and revised as necessary during the term.

A formal evaluation of the agreement and its terms will occur in FY 04-05, FY 09-10, and FY 14-15. Amendments may be made as a result of any evaluation.

This agreement may be terminated by either party upon occurrence of a material breach of this agreement and a default by the other party under this agreement, and the other party fails to cure the same within thirty (30) days or such longer period of time as provided below, after receipt of notice thereof, or, when the cure requires more than thirty (30) days, the failure of the other party to commence to cure within such thirty (30) days and thereafter diligently and continuously prosecute such cure to completion.

4003

Ownership

Ownership of the above facilities is vested in the District. As long as ownership is vested in the District, the City and District agree to cooperate in the operation and maintenance of the pool for educational and/or recreational programs and activities.

Prior to the City assuming operational responsibility, equipment and other materials located at the pools with an estimated value of \$50 or more shall be clearly tagged or marked concerning ownership. A record of ownership shall be maintained by the City and updated every three years in January listing said items and their condition and whether or not they are for use by the aquatics program. If the items are clearly for use by the aquatics program, the repair, maintenance and replacement of said items shall be included in the aquatics budget. If any items are owned by the District and are not for use by the aquatics program, the District shall be responsible for repair, maintenance and replacement.

Any person or organization wishing to donate equipment or other materials to the aquatics program shall clearly designate whether the items are being donated to the City or the School District and shall give the responsible agency clear authority to choose the appropriate disposition of said items when they are no longer of use.

The City will replace or repair used and/or worn equipment as necessary to continue to operate the pools in a safe, efficient and business like manner. The City will identify its ownership of the replaced equipment, and shall provide the District at the end of each fiscal year a list of equipment replaced during the year. Salvage value of replaced equipment shall accrue to the City to be used solely for pool operations and maintenance. (See section regarding Maintenance for further discussion.)

Upon termination of this agreement, the City and District agree to utilize the record of equipment ownership for the return, transfer or disposal of equipment and materials used at the aquatic facilities to each agency.

Maintenance

Daily, regular maintenance of the aquatics facilities shall be included by the City within the annual operating budget.

In Fiscal Years 2010-2011 and 2015-2016 a joint City/School District team shall be assembled to review anticipated major maintenance projects which would be eligible to be paid for through a bond measure.

In cases where responsibility for maintenance is unclear, both parties will work together to come to a satisfactory solution.

Attachment A to this agreement indicates warranty limits on recently completed construction.

Five-Year Plans

It is the intent that, to the extent possible, significant maintenance items will be covered through a Building Maintenance Reserve. Aquatic Center construction and renovation funds remaining at the end of the project shall be placed in the reserve fund as applicable within bond guidelines. It is both parties goal

to initially capitalize the reserve account at \$150,000. To prepare for major repairs, a *five-year Building Maintenance Plan* will be developed by the City and updated annually by October which will identify anticipated expenses not covered through the operating budget and/or building reserve. Within available pool revenues or as determined by the City, monies will be added to the building reserve fund to maintain a balance which will adequately fund planned maintenance projects in the five-to-seven-year planning window.

An *Operations and General Maintenance five-year financial plan* has been developed by the City and shall be updated annually for the operation and maintenance of the pools. The plan shall include, but not be limited to: self-sufficiency goals; anticipated expenditures (including inflation); anticipated revenue; and cash or in-kind contributions being made by either party, including the City's previous annual subsidy. The updated plan shall be reviewed by the Corvallis 509-J School District Board and reviewed and approved by the Corvallis City Council. The aforementioned 5-Year Building Maintenance Plan shall be referenced in preparation of the financial plan.

Fees shall be reviewed and adopted as a part of the City's annual fee review.

The facility marketing plan shall be updated annually beginning November 2001.

Pool Use

The goal of the City and the District is to provide a facility which will contribute to the livability of residents and students and which will generate adequate revenues so as to be self-sufficient.

It is also a goal to honor existing no-fee District uses such as the high school swim teams and adaptive physical education classes. However, both parties recognize that the continually changing tax support environment and availability of financial resources in general can affect the future successful operation of the aquatic center.

The District and the City shall collaborate in scheduling activities at the facility after receiving input from each agency. The Pool Manager shall have the authority to schedule programs and activities in accordance with the above goals and at any time the pool is available for use, subject to applicable City and District policies.

Issue Resolution

The routine scheduling and maintenance of the aquatics programs and facilities shall be handled by the Pool Manager and aquatics staff in consultation with other Parks and Recreation staff. The City, as the operating entity, shall have final decision making authority concerning routine programming and maintenance issues. Any issues not of a routine nature shall be resolved as follows: Both parties shall attempt to resolve all disputes through staff discussions at the lowest possible level. If not resolved at that level within 30 days, the dispute shall be initially submitted to a mediator chosen by the parties. If the parties are unable to agree upon a mediator within 5 days or if mediation fails to resolve the dispute, either party may request that the dispute be submitted to arbitration before a single arbitrator jointly selected by the parties. If the parties are unable to agree upon an arbitrator, each shall select an arbitrator, and the two chosen shall select a third, and a decision of a majority shall be final and binding on the parties, and judgment shall be entered thereon. The arbitration proceeding shall be conducted according to the currently in effect Arbitration Rules of the American Arbitration Association, pursuant to ORS 190.720. Any costs association with mediation and arbitration shall be shared equally by the parties.

Operations

The City, by mutual agreement, shall manage and operate the aquatic facilities, including preparing annual expense and revenue budgets, scheduling uses, hiring staff, and paying for routine operation and maintenance costs including indirect administrative and overhead costs. The District shall continue to be responsible for paying the debt service related to the renovation and construction of the facilities. The District shall also be responsible for managing any construction issues covered by warrantee which arise during the warrantee period. The District shall cooperate by providing advice and consent on major changes which directly affect programming and revenue generation. Both parties agree to consult and decide on the best method(s) for covering any operating deficits which occur.

In accordance with applicable state laws, current district personnel shall become City employees upon transfer of operations to the City.

All costs associated with the transfer of employees from the District to the City shall be the responsibility of the District and borne in accordance with State law.

After the transfer, the City shall be responsible for all costs related to staff for the facilities, including benefits, as they are normally granted to City employees in accordance with existing City contracts, City Council policies and procedures, and applicable State laws.

All outstanding utility costs or invoices related to purchases made by the District prior to the transfer of operations to the City shall be the responsibility of the District.

The District shall provide the City with a detailed marketing plan developed in conjunction with the District's marketing consultant by October 31, 2000.

Any other contributions by each agency are subject to approval by Corvallis School District 509-J School Board and the Corvallis City Council.

Expenditures, revenues and reserves related to the operation of the aquatic facilities shall be a part of the Parks and Recreation Fund but shall be segregated for aquatics operations from other expenses, revenues and reserves within the Parks and Recreation budget.

The City, in consultation with the District, shall be responsible for establishing fees and charges for the operation which are consistent with the pool's self-sufficiency goals. For the remainder of Fiscal Year 2000-2001 beginning January 2, 2001, it is the intent of the City to use the fee structure adopted by the District. All income from such fees and charges shall be segregated by acceptable accounting methods and shall be used to pay for operating and routine maintenance expenses. Any surplus in the pools' operating budget account shall be accrued to the pool account and carried forward each year. Expenditures of these carryover funds shall be the responsibility of the City. Any aquatics operations and marketing related District funds available at the time the City assumes operational responsibility shall be itemized and transferred to the City. Said funds shall be placed in the aquatics portion of the Parks and Recreation budget.

The City shall charge the same fees to all patrons within the boundaries of the Corvallis School District and the city limits of Corvallis. For reference, the District will provide the City with a map of current District boundaries and will provide updated maps as boundaries change.

Patrons of the pool shall be allowed to use the existing parking lot located to the south adjacent to the facility and Highland View Middle School.

The City shall be responsible for the care and maintenance of the lawn and landscape areas within the Immediate area of the aquatics center (see attached map).

Any agreements with Third Party Organizations for use of the facility which must be approved prior to January 2, 2001, shall be developed with input from the City. If necessary, the District shall complete an addendum to any agreement which has a duration past the date the City assumes operational responsibility, indicating that the transfer of control has occurred. The City shall be provided copies of agreements once signed. In no case shall any third party agreement negotiated prior to January 2, 2001 extend past June 30, 2001.

The City shall be responsible for managing the sale of concession items in such a manner as to return the greatest profit to the aquatic center.

The District agrees to cooperate with the City in the promotion and marketing of the aquatics program by disseminating information to District personnel, students and their families.

Through June 30, 2002, appropriate City and District staff shall meet quarterly in March, June, September and December to evaluate how well operations are proceeding and to recommend any adjustments in operations and maintenance, including the fee structure. After June 30, 2002, these meetings shall be held twice per year in June and December.

Liability

To the extent legally permissible, each party shall indemnify and hold the other, its officers, agents and employees, harmless from and against any and all claims, actions, liabilities, costs, including attorney's fees and other costs of defense, arising out of or in any way related to any act or failure to act by such party and such party's employees, agents, officers, and contractors in connection with this agreement.

Except as otherwise limited by Oregon law, ORS 30.260 through 30.300 (Tort Actions Against Public Bodies), and the Oregon Constitution, Article XI, Sec. 9, each party shall be responsible for its tortious acts and those of its officers, employees or agents arising out of, or in any way connected with, the acts of such party under this agreement.

Both parties agree to maintain and provide evidence of liability insurance to the other in the following amounts:

Comprehensive General Liability Insurance shall cover personal injury and property damage. Coverage limits shall be not less than \$1,000,000.

Combined Single Limit for each occurrence, if the coverage has a general limit aggregate, it shall not be less than \$1,000,000.

The District shall include the premises and the swimming pool structures in its property insurance policies. The District's property insurance shall be sufficient to cover full replacement value including deductibles of any catastrophic loss which may occur to the facilities and fixed equipment.

Discrimination

The parties agree not to discriminate on the basis of race, religion, sex, color, national origin, family status, marital status, sexual orientation, age, source of income, or mental or physical disability in the performance of this contract.

SIGNED PURSUANT to the authority of the City's Council and the District's Board of Directors.

DATED this 22nd day of December, 2000.

CORVALLIS SCHOOL DISTRICT 509J

CITY OF CORVALLIS, OREGON

BY: RR Corbell

BY: Carolyn Kewles
acting for

Title: Asst. Superintendent

Title: City Manager

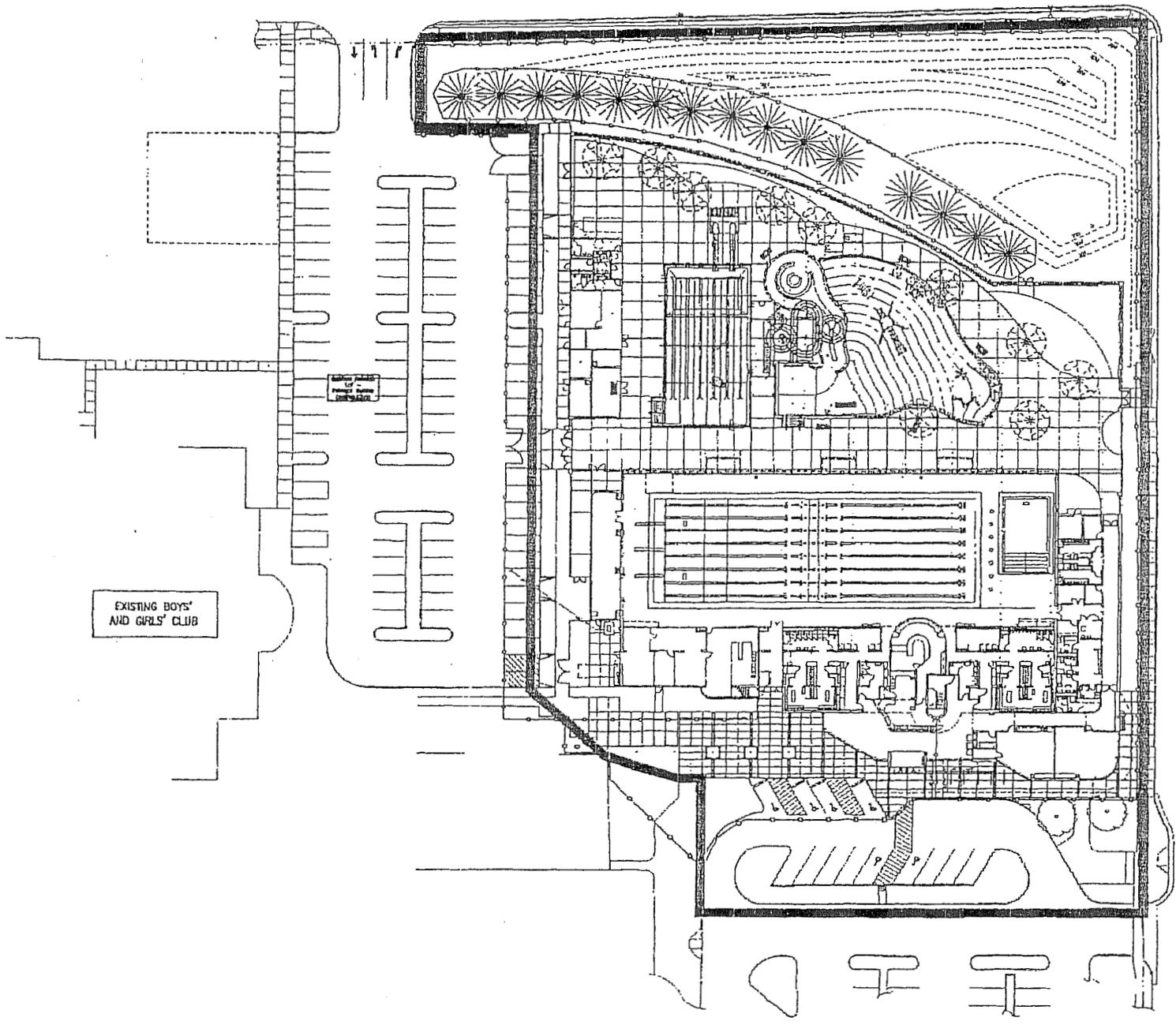
APPROVED AS TO FORM:

[Signature]
CITY ATTORNEY

[Signature]
CORVALLIS SCHOOL DISTRICT 509J
LEGAL COUNSEL

attachments

L:\P&R\AQUATICS\Agreements\final December 13, 2000.wpd



EXISTING BOYS' AND GIRLS' CLUB

SEE PLAN FOR
PROPERTY LINE
DEFINITION

ARCHITECTURAL SITE PLAN
1

Thompson Valvoda
& Associates,
Architects Inc.

1410 SOUTHVIEW STREET
PORTLAND, OREGON 97249
PHONE: 503.281.8413
FAX: 503.281.8443
WWW: thompson.com

OSBORN AQUATICS CENTER
CORVALLIS SCHOOL DISTRICT, 8503
CORVALLIS, OREGON

REVISION	DATE	BY
ADD #1	7.23.99	
ADD #2	8.2.99	
ADD #3	8.5.99	
ADD #4	10.13.99	

CONSTRUCTION SET
PHASE B

ARCHITECTURAL
SITE PLAN

File Name: 9902.dwg
Project No: 99002

A1.1B

Issue Date: NOV. 13, 1999

CONSTRUCTION SET

**AMENDMENT #1
TO THE
INTERGOVERNMENTAL AGREEMENT BETWEEN
CORVALLIS SCHOOL DISTRICT 509-J AND
THE CITY OF CORVALLIS
FOR OPERATION OF THE OSBORN AQUATIC CENTER**

In December 2000, the above mentioned parties entered into an agreement related to the maintenance and operation of the Osborn Aquatic Center located at 1940 NW Highland Drive, Corvallis, Oregon.

The following section of the agreement shall be amended to read as indicated.

Five-Year Plans

It is the intent that, to the extent possible, significant maintenance items will be covered through a Building Maintenance Reserve. Aquatic Center construction and renovation funds remaining at the end of the project shall be placed in the reserve fund as applicable within bond guidelines. It is both parties goal to initially capitalize the reserve account at \$150,000. To prepare for major repairs, a *five-year Building Maintenance Plan* will be developed by the City and updated annually by October which will identify anticipated expenses not covered through the operating budget and/or building reserve. Within available pool revenues or as determined by the City, monies will be added to the building reserve fund to maintain a balance which will adequately fund planned maintenance projects in the five-to-seven-year planning window.

An *Operations and General Maintenance five-year financial plan* has been developed by the City and ~~shall be~~ **is** updated annually **by the City** for the operation and maintenance of the pools. The plan ~~shall~~ includes, but ~~is not be~~ limited to: self-sufficiency goals; anticipated expenditures (including inflation); anticipated revenue; and cash or in-kind contributions being made by either party, including the City's previous annual subsidy. The updated plan shall be reviewed by **representatives of the Corvallis 509-J School District Board and the City.** ~~The plan shall be~~ reviewed and approved by the Corvallis City Council **through its annual budget process.** The aforementioned 5-Year Building Maintenance Plan shall be referenced in preparation of the financial plan.

SIGNED PURSUANT to the authority of the City's Council and the District's Board of Directors.

DATED this _____ day of _____, 2003.

CORVALLIS SCHOOL DISTRICT 509J

CITY OF CORVALLIS, OREGON

BY: _____

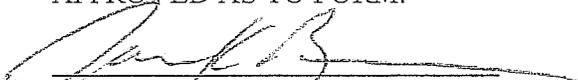
BY: _____

Title: _____

_____ Jon S. Nelson

Title: City Manager

APPROVED AS TO FORM:


CITY ATTORNEY

CORVALLIS SCHOOL DISTRICT 509J
LEGAL COUNSEL

~~INTERGOVERNMENTAL AGREEMENT~~
TO COLLECT AND REMIT CONSTRUCTION EXCISE TAX

This Intergovernmental Agreement is effective on the last date of signature below, and is by and between Corvallis School District No. 509J, a school district organized under the laws of the State of Oregon, hereinafter referred to as **District**, and the City of Corvallis, a political subdivision of the State of Oregon, hereinafter referred to as **City**, collectively referred to as **Parties**.

WHEREAS, pursuant to Chapter 829, Oregon Laws 2007 (Senate Bill 1036), [hereafter ORS 320.170-320.189], the City is a local government; and

WHEREAS, Chapter 829, Oregon Laws 2007 (Senate Bill 1036), [hereafter ORS 320.170-320.189] requires school districts to enter into Intergovernmental Agreements with local governments in order to collect construction excise taxes; and

WHEREAS, ORS Chapter 190 allows units of local government, such as **District** and **City**, to enter into written agreements for performance of any or all functions and activities which such units have authority to perform; and

WHEREAS, Chapter 829, Oregon Laws 2007 (Senate Bill 1036), [hereafter ORS 320.170-320.189] authorizes school districts, as defined in ORS 330.005, to impose construction excise taxes to fund capital improvements to school facilities; and

WHEREAS, **District** either has imposed or is contemplating imposing a construction excise tax within **District's** boundaries and desires to enter into an intergovernmental agreement with **City** to collect the tax prior to the adoption of a construction excise tax.

NOW, THEREFORE, the **Parties** hereto agree as follows:

1. **Information and Forms.** **District** shall create and provide to **City** all of the forms necessary to collect and remit the construction excise tax (CET), public information in the form of brochures or flyers and other assistance explaining the CET, public information explaining exemptions to the CET and the process for appeals, and any other forms or information necessary for implementation of the CET. All forms created by **District** shall be prepared in consultation with **City**, and shall be subject to review and approval by **City** prior to implementation of the CET. **District** shall consult with the **City** prior to any change in the CET and shall provide updated information, brochures, flyers and forms to **City** prior to the changes taking effect.
2. **Responsibility.** **City** agrees to collect the CET on behalf of **District** for those properties within both **District's** boundaries and the **City's** area of jurisdiction. **City** shall collect and remit the CET to the **District** as prescribed in this agreement. **District** shall process and resolve any appeals relating to collection of the CET.

3. Facility Plan. **District** has adopted, or is currently developing a long term facilities plan as required by ORS 320.183. **District** agrees not to adopt the CET until such plan has been completed and adopted by resolution of **District's** Board of Directors.

4. Collection Start Date. **City** and **District** shall use their best efforts to coordinate implementation of the CET with other jurisdictions that will collect the CET, so that **City** begins collecting the CET at the same time as other jurisdictions. Notwithstanding the foregoing, **City** shall begin collecting the **District's** CET within 30 calendar days of **District's** giving written notice to **City** of the adoption of the CET, including a copy of **District's** resolution imposing the tax plus all the forms and public information materials required by Paragraph 1 of this Agreement. Alternatively, **City** may begin collecting the CET on a fixed date mutually agreed upon by **City** and **District**. **City** shall collect the **District's** CET until the CET expires, the underlying statutory authority is repealed, or this Agreement is terminated by either **District** or **City** upon 60 days written notice.

5. Collection Rate. **City** shall collect **District's** CET at the rate set by resolution by the **District**, but not to exceed the maximum limitations of ORS 320.176(2), adjusted annually as allowed by law. If **District** increases or otherwise modifies the tax, including annual adjustments, it shall send written notice to the **City** of the increase or other modification, including a copy of **District's** resolution adopting the change, along with community and stakeholder outreach efforts conducted by the **District**. **City** shall collect the tax at the new rate within 30 calendar days after notice is received by **City**, or upon the effective date of the change stated in **District's** resolution, or upon receipt of updated forms and information described in Paragraph 1, whichever occurs last. Alternatively, **City** may begin collecting the tax at the new rate on a fixed date mutually agreed upon by **City** and **District**.

6. Collection Methodology. The **District** shall be responsible for developing appropriate information and forms to enable the applicants for a building permit to determine the applicable CET rate (residential or non-residential) and to calculate the amount of CET due. The parties agree that the **City** shall have no responsibility to make the determination of the applicable rate or to perform the calculation. The **City** will consult and cooperate with the **District** to assist in the development of that information per Paragraph 1 above.

7. Exemptions. ORS 320.173 provides that **District's** CET may not be imposed on certain developments as identified in Exhibit A to this Agreement. **District** shall provide **City** with all forms necessary for CET exemptions, rebates, and refunds, and any other forms or information necessary for implementation of the CET in accordance with Paragraph 1. If a person or entity asserts that it is exempt from the CET and files a **District** CET exemption form at the time the CET would otherwise be due, **City** shall grant the exemption. **City** shall provide **District** a copy of the completed exemption forms along with the quarterly reports described in Paragraph 9. It shall be the **District's** responsibility to determine the validity of the exemption and to institute collection procedures to obtain payment of the CET, if **District** determines the applicant was not entitled to the exemption.

8. Remittance. After the start date of this Agreement, City shall remit the collected CET according to the terms of Paragraph 12 of this agreement, to District on a quarterly basis, by the 30th of the month following the end of the quarter. The CET remittance and the CET Report shall be sent to District at Attn: Facilities Manager, PO Box 3509J, Corvallis, OR 97339.

9. CET Reports. City shall prepare and submit to District a report of the CETs collected and building permits issued by City for the previous quarter's construction activities within the District's boundaries. The report shall include: the number of building permits issued that month; the aggregate new and additional square footage of residential construction; the aggregate new and additional square footage of non-residential construction; the number of building permits for which CET exemptions were given; the aggregate new and additional square footage of construction for the exempted construction; the aggregate amount of CET paid.

10. Failure to Pay CET. District's CET shall be paid by the applicant applying for a building permit at the time that a permit authorizing construction is issued. As is similar to a building permit, this fee is not subject to a time payment. If an applicant for a building permit refuses or fails to pay the CET when due, the City shall not issue the permit until the fee is paid. The City shall treat an applicant's refusal to pay the CET in the same manner that the City would take when an applicant refuses to pay the portion of the fee attributable to the State of Oregon or the City.

11. Records. City shall make all records related to building permit activity, CET collections, and CET exemptions available to District, or its designated auditors, as necessary for District to audit CET collections. Records shall be stored, maintained and destroyed in accordance with the Secretary of State's General Records Retention Schedule for cities. City shall not be responsible for the storage or provision of records after they have been destroyed.

12. Administrative Fee. City shall retain 1% of the gross amount of CET collected by City as authorized by ORS 320.179(2)(c) toward City's actual cost of collecting District's CET. Prior to remitting the CET to District, City shall deduct this amount, plus any bank transaction fees or charges levied against City for returned checks, any refunds due to cancelled permits and any credit card fees or charges, directly from the CET collected, and the amounts deducted and retained shall be identified on the report submitted to District.

13. Additional Payment for Collection Costs. In addition to the retainage identified in Paragraph 12 of this Agreement, District shall pay City a supplemental fee as District's fair share of City's actual cost of collecting permit fees, District's CET and any other fees or charges collected by City's Development Services Division. The additional fee shall be 2% of the gross amount of CET collected by City. This payment shall not be paid from monies collected from District's CET. District shall pay such supplemental payments within thirty (30) days following receipt of City's quarterly report which shall identify the amount of CET collected and the amount of supplemental payment due. Delinquent payments shall bear interest at the legal rate. This additional payment for collection costs is based on an estimate of actual costs for City. The City and District shall review the actual costs one year after beginning collection of the CET with the intent that this additional payment rate be modified if needed to

20. General Provisions. This Agreement is binding on and inures to the benefit of **Parties** and their successors and assigns. Except with the other party's prior written consent, a party may not assign any rights or delegate any duties under this Agreement. The headings used in this Agreement are solely for convenience of reference, are not part of this Agreement, and are not to be considered in construing or interpreting this Agreement. This Agreement sets forth the entire understanding of **Parties** with respect to the subject matter of this Agreement and supersedes any and all prior understandings and agreements, whether written or oral, between **Parties** with respect to such subject matter. A provision of this Agreement may be waived only by a written instrument executed by the party waiving compliance. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. Failure to enforce any provision of this Agreement shall not operate as a waiver of such provision or any other provision. From time to time, each of the parties shall execute, acknowledge, and deliver any instruments or documents necessary to carry out the purposes of this Agreement. Time is of the essence for each and every provision of this Agreement. Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties to this Agreement, any right or remedy of any nature whatsoever. Each party shall bear its own expenses in connection with this Agreement and the transactions contemplated by this Agreement.

21. Termination of Agreement. This Agreement may be terminated by either **District** or **City** upon sixty (60) days written notice of intent to terminate. If a notice of intent to terminate is issued, **District** and **City** agree to meet and discuss the concerns leading to the notice of termination upon receipt of a request to do so from the other party.

District

Corvallis School District No. 509J

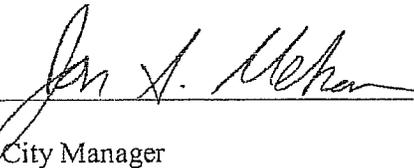
By: 

Date: 6/22/09

Title: Deputy Clerk

City

City of Corvallis

By: 

Date: 6/15/09

Title: City Manager

Approved As To Form: 
CITY ATTORNEY

Date: 6/16/09

EXHIBIT A
EXEMPTIONS

The following improvements are exempt from the Construction Excise Tax (CET) pursuant to ORS 320.173.

1. Private School Improvements
2. Public Improvements as defined in ORS 279A.010
3. Residential housing that is guaranteed to be affordable, under guidelines established by the United States Department of Housing and Urban Development, to households that earn no more than 80% of the median household income for the area in which the construction tax is imposed, for a period of at least 60 years following the date of construction of the residential housing.
4. Public or Private hospital improvements
5. Improvements to religious facilities primarily used for worship or education associated with worship.
6. Agricultural buildings as defined in ORS 455.315 (2)(a)

Additionally, the Corvallis School Board has declared the following exemptions:

- a. Replacement due to fire or flood loss equal to or less than the square footage of the original structure prior to the loss, or
- b. Remodeling projects adding up to 200 square feet of additional space to an existing structure.

INTERGOVERNMENTAL AGREEMENT ADDENDUM 1

The CITY OF CORVALLIS, a municipal corporation of the State of Oregon, hereinafter referred to as the **City**, and the CORVALLIS SCHOOL DISTRICT NO. 509J, a school district organized under the laws of the State of Oregon, hereinafter referred to as the **District**, mutually agree that this contract addendum, dated August 17, 2009, amends the Intergovernmental Agreement (IGA) entered into on June 22, 2009, between the **City** and the **District**.

The **City** and **District** agree to modify the original IGA dated June 22, 2009 as follows:

1. **Administrative Fees and Payment:** As authorized by ORS 320.179 (as amended by 2009 HB 2014) the Administrative Fee identified in IGA Item 12, shall be 4%. In addition, due to this legislative change item 13 is no longer necessary.

- 1.1 Section 12. Administrative Fee, is modified as follows:

12. Administrative Fee. **City** shall retain ~~4%~~ 4% of the gross amount of CET collected by **City** as authorized by ORS 320.179(2)(c) toward **City's** actual cost of collecting **District's** CET. ~~Prior to remitting the CET to **District**, **City** shall deduct this amount, plus any bank transaction fees or charges levied against **City** for returned checks, any refunds due to cancelled permits and any credit card fees or charges, directly from the CET collected, and the amounts deducted and retained shall be identified on the report submitted to **District**.~~

- 1.2 Section 13. Additional Payment for Collection Costs, is deleted in its entirety:

~~13. Additional Payment for Collection Costs. In addition to the retainage identified in Paragraph 12 of this Agreement, **District** shall pay **City** a supplemental fee as **District's** fair share of **City's** actual cost of collecting permit fees, **District's** CET and any other fees or charges collected by **City's** Development Services Division. The additional fee shall be 2% of the gross amount of CET collected by **City**. This payment shall not be paid from monies collected from **District's** CET. **District** shall pay such supplemental payments within thirty (30) days following receipt of **City's** quarterly report which shall identify the amount of CET collected and the amount of supplemental payment due. Delinquent payments shall bear interest at the legal rate. This~~

~~additional payment for collection costs is based on an estimate of actual costs for City. The City and District shall review the actual costs one year after beginning collection of the CET with the intent that this additional payment rate be modified if needed to reflect actual costs for future payments. After the first year, the parties will evaluate the additional payment rate periodically, with the intent of continuing to reflect actual costs.~~

2. **Start Up:** In consideration of the **District's** decision to delay collection of the tax until September 1, 2009, a determination of startup costs is agreed to occur by January 10, 2010. In addition, the **City** staff time for setup will be included as is has been determined that **City** staff will be able to complete the programming and other modifications with less time and expense to the **District**.

- 2.1 Section 14. Start-up Costs, is modified as follows:

14. Start-up Costs. **City** will have start-up costs, primarily for computer programming, estimated to be up to \$15,000. By January 10, 2010, **City** will determine actual start-up costs incurred, and will bill **District** to collect CET for these start-up costs. **District** agrees to pay for these start-up costs within thirty (30) days following receipt of the invoice.

3. **Exemptions:** ORS 320.173 was modified by 2009 HB 2014 to include a new exemption from the CET. Exhibit A, as referenced in IGA Section 7, is modified to add the following:

- 3.1 Items a, and b, listed under item 6, are renumbered to be items 7, and 8, respectively.

- 3.2 Item 9 is added as follows:

9. Facilities that are operated by a not-for-profit corporation and that are:
 - a) Long term care facilities, as defined in ORS 442.015;
 - b) Residential care facilities, as defined in ORS 443.400;
 - or
 - c) Continuing care retirement communities, as defined in ORS 101.020

4. **Exhibit B:** An Exhibit B (attached) is added to include definitions relating to the implementation and administration of the CET.

5. Except as specifically modified by this addendum, all other terms and conditions as set forth in the June 22, 2009 intergovernmental agreement are hereby ratified and affirmed.

IN WITNESS WHEREOF, the parties have herewith executed their signatures.

District

Corvallis School District No. 509J

Deputy Clerk

Date: _____

City

City of Corvallis

Jon S. Nelson, City Manager

Date: _____

Approved as to Form:

Scott Fewel, City Attorney

Date: _____

EXHIBIT B

DEFINITIONS

The following are definitions for implementing and administering the Construction Excise Tax (CET) pursuant to ORS 320.173 and modified by 2009 HB 2014.

- Square footage of residential uses shall include single-unit and multiple-unit houses including non-transient boarding houses, adult foster homes, and congregate living facilities; and dormitories (as defined in the State Building Code) shall include the gross floor area of the building or addition measured from the outside of the wall to the outside of the wall and shall include the square footage of unfinished basements or bonus rooms but shall not include the gross floor area of a garage, carport, covered walkway, exterior deck, covered exterior porch, patio cover (screened or open), sunroom (unless the sunroom has openings into the house that are without doors or windows that can be closed), and accessory structures such as garden sheds or shops.
- Square footage of residential use shall include the gross floor area of a manufactured dwelling or an addition thereto measured from the outside of the wall to the outside of the wall and include the area of cabanas but shall not include the gross floor area of a garage, carport, covered walkway, exterior deck, covered exterior porch, patio cover (screened or open), sunroom (unless the sunroom has openings into the house that are without doors or windows that can be closed), and accessory structures such as garden sheds or shops and ramadas. Square footage of residential uses shall not include a manufactured home that replaces an existing manufactured home located in a manufactured home park.
- Square footage of residential use shall include the gross floor area of a moved residential building (unless it is moved to a different location on the same property) measured from the outside of the wall to the outside of the wall and shall include the square footage of unfinished basements or bonus rooms but shall not include the gross floor area of a garage, carport, covered walkway, exterior deck, covered exterior porch, patio cover (screened or open), sunroom (unless the sunroom has openings into the house that are without doors or windows that can be closed), and accessory structures such as garden sheds or shops.
- Square footage of hotel, motel, transient boarding houses, convents, college dormitories, fraternity, and sorority uses shall be considered nonresidential uses.

- Square footage of non-residential uses shall include the gross floor area of the building or addition measured from the outside of the wall to the outside of the wall or where no wall exists shall include the useable area under the horizontal projection of the roof or floor above.
- The CET shall not apply to structures that do not require a building permit or are not designed to be habitable, such as cell towers, water tanks, retaining walls, swimming pools, private bridges, or covered play structures.

In addition, the applicability of the CET to any item not identified by this IGA shall be as determined by the District with five (5) days of a request by the City.

MEMORANDUM

To: Administrative Services Committee

From: Ken Gibb, Community Development Director 

Date: August 5, 2008

Subject: Intergovernmental Agreement for Collection of the Construction Excise Tax for the Corvallis School District

I. ISSUE

Approval of an intergovernmental agreement between the Corvallis School District (509J) and the City of Corvallis, for collection of a Construction Excise Tax at the time of permit issuance for new development.

II. BACKGROUND

In 2007, the Oregon Legislature passed a law (Senate Bill 1036) that allows school districts to tax new residential and non-residential development through collection of a Construction Excise Tax (CET). The CET is intended to provide funding from new development specifically to pay for capital improvements for schools.

The legislation allows school boards to establish an agreement with cities and counties for collection of the tax at the time of building permit issuance. On April 14, 2008, 509J notified the Mayor and City Council of their intent to pursue collection of the tax and requested that city staff be authorized to begin negotiating an agreement. Staff and Councilors Hamby, Brown and Wershow, met this past spring with 509J and began discussions which resulted in the attached draft agreement.

In addition to the establishment of an agreement, other provisions of the legislation include:

- The school district must adopt a resolution to collect the tax.
- The tax is not subject to election.
- A long range facilities plan must be adopted by the school district prior to imposing the tax.
- The legislation establishes an assessment of \$1 per square foot on residential construction and \$0.50 per square foot for non-residential construction, not to exceed \$25,000 per building permit or \$25,000 per structure, whichever is less.
- Provides a number of exempt building types from the tax such as public or private schools, hospitals, religious facilities, affordable housing projects, and agricultural buildings.

In review of construction activity for the six years of 2002 through 2007, it was estimated that this tax would have generated approximately \$4.3 Million in revenue for 509J, had it been in place.

III. DISCUSSION

There are a number of cities, counties and school districts throughout the state who are in the process of establishing agreements for collection of this tax including our neighbors Albany and Eugene. Many of the agreements are very similar in nature and are patterned after a model developed by one of the first adopting jurisdictions.

Within the proposed agreement are highlighted provisions for the following:

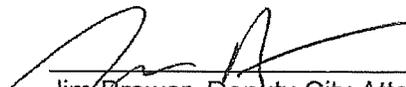
- Forms, Outreach and Information: Must be provided by 509J, subject to review by the City. Burden is upon the school district to conduct the necessary outreach to stakeholders.
- Collections: Begin 30 days after 509J adopts a resolution, or upon a mutually agreed date. Rates are as established by law and 509J has responsibility for determining the rate. Rate adjustments may occur annually.
- Remittance: City will remit collections quarterly. Any interest borne during the quarter will be retained by the City.
- Reports: City will provide quarterly construction activity reports to 509J. This can easily be accomplished through the permit tracking system.
- Failure to Pay: City will not issue a permit when CET is due until the CET has been paid.
- Fees: Legislation limits the City in receiving no more than 1% of the collected CET for administrative costs. Staff determined that this amount will not likely recover costs and 509J agreed. Provisions are included to bill 509J quarterly for up to 2% of the CET for additional costs. This reimbursement will not be paid from CET funds. A mutual review will occur annually with the intent for the billing to reflect the actual costs of collection.
- Startup: Programming and startup costs will be appropriately reimbursed.
- Termination: 60 days notice required by either party.

When the tax is in place, the average new 2,000 square foot home will see an increase in the cost by \$2,000. Since collection of the tax is being initiated by 509J, they are responsible for conducting the necessary public outreach. Staff is aware that 509J offered two public meetings to solicit feedback, has sent mailings to our local development and contracting stakeholders, and published information about the CET on their website.

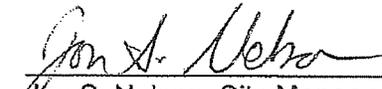
IV. ACTION REQUESTED

Staff recommends the ASC recommend to City Council that the City of Corvallis enter into agreement with the School District by signing the attached agreement.

Review & Concur:



Jim Brewer, Deputy City Attorney



Jon S. Nelson, City Manager



Nancy Brewer, Finance Director

FACILITY USE AGREEMENT BETWEEN
THE CITY OF CORVALLIS AND
THE CORVALLIS SCHOOL DISTRICT NO. 509-J

- L P (High level)
- Lincoln
- 509J admin (U.V.)

THIS INTERGOVERNMENTAL AGREEMENT, under the authority of ORS 190.010, is entered into this 24th day of May, 2010, by and between the CITY OF CORVALLIS, a municipal corporation of the State of Oregon, hereinafter call the "CITY" and Corvallis School District 509-J, hereinafter called the "DISTRICT."

All notifications necessary under this Agreement shall be addressed to:

City of Corvallis Parks & Recreation
Attn: David Neighbor
1310 SW Avery Park Dr.
Corvallis, OR 97333
541-766-6918

Corvallis School District 509-J
Attn:
1555 SW 35th Street
Corvallis, OR 97333
541-757-5811

WHEREAS, the District has title to certain real property suitable for tennis courts for community recreation, and the CITY through the Parks and Recreation Department has qualified employees to operate and maintain the tennis courts; and

WHEREAS, for many years, the CITY and the DISTRICT have maintained a cooperative working arrangement whereunder many school grounds and facilities are used for general recreational purposes, thus affording to the community greatly increased recreational opportunities at a reduced cost.

NOW THEREFORE, in order to continue and improve the cooperative efforts of the CITY and the DISTRICT;

1. TERM

Either PARTY may terminate this agreement provided that the terminating PARTY provides the non-terminating PARTY with a ninety (90) day prior written notice and shall remain in effect until terminated.

2. MAINTENANCE

Maintenance of the tennis court facilities located at Linus Pauling Middle School, School District Administration offices and Lincoln School shall be the responsibility of the CITY. These tennis courts shall be operated and used only in the manner conforming to policies, rules and instructions prepared and adopted by the CITY and endorsed by the DISTRICT. Maintenance includes nets and uprights, lighting fixtures and controllers,

fences, benches, walkway to court and court surface.

3. USE OF FACILITIES & HOURS

It is agreed that the courts will be open for CITY recreation programs and public use. The CITY is responsible for scheduling the courts. Hours of operation shall be consistent with Municipal Code 5.01.140 and DISTRICT policies regarding facility hours.

4. OWNERSHIP

The DISTRICT grants the CITY an irrevocable easement to install, operate, maintain and access the tennis courts, which will remain the exclusive personal property of the CITY. Consideration for the easement is the installation, operation, and maintenance of the tennis courts. The property upon which the tennis courts are built will remain the exclusive property of the DISTRICT.

5. HOLD HARMLESS

Subject to the limitations and conditions of the Oregon Tort Claims Act ORS 30.260-30.300, each party agrees to hold the other harmless, to indemnify and to defend the other, its officers, agents, volunteers and employees from any and all liability, actions, claims, losses, damages or other costs including attorneys fees and witness costs that may be asserted by any person or entity arising from, during, or in connection with the performance of the work described in this agreement, when such liability, action, claim, loss, damage or other cost results from the actions of that party in the course of this agreement. Nothing in this agreement shall be deemed to create a liability for any party in excess of the Oregon Tort claims limits for either party.

6. POSTING OF SIGNS

The CITY has the exclusive right to erect and maintain a sign on the premises of the tennis courts stating "Constructed and routinely maintained by the CITY on property owned by the DISTRICT."

IN WITNESS WHEREOF, the parties have executed their signatures.

CITY OF CORVALLIS

CORVALLIS 509-J SCHOOL DISTRICT



Jon S. Nelson, City Manager

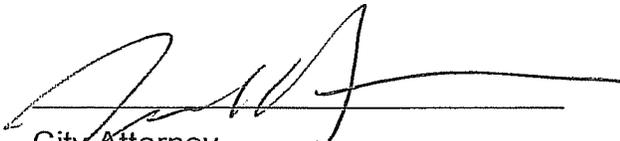


Superintendent of Schools

Date: 5-26-10

Date: 5/26/2010

Approved as to Form:



City Attorney

RECREATION AGREEMENT

BETWEEN THE CITY OF CORVALLIS
AND THE CORVALLIS SCHOOL DISTRICT NO. 509J/509A

*Agreement #4
Western View
Tennis Courts*

WHEREAS; the City of Corvallis, through it's Park and Recreation Department and the Corvallis School District 509J, Benton County, Oregon (Joint School District No. 509A, Linn County, Oregon) are mutually interested in and concerned with the provision of adequate facilities for the recreation and physical well-being of the people of the City of Corvallis; and

WHEREAS, the Corvallis School District No. 509J/509A has title to certain real property suitable for tennis courts for community recreation, and the City through it's Park and Recreation Department has qualified employees to operate and maintain the tennis courts; and

WHEREAS, for the many years past, the City of Corvallis and the Corvallis School District No. 509J/509A have maintained a cooperative working arrangement whereunder many school grounds and facilities have been and are being used for general recreational purposes, thus affording to the community greatly increased recreational opportunities at cost much below what would otherwise be necessary:

NOW, THEREFORE, in order to continue and improve the cooperative efforts of Corvallis Park and Recreation Department and the Corvallis School District 509J/509A;

IT IS HEREBY MUTUALLY AGREED BETWEEN THE said Corvallis School District No 509J/509A hereinafter known as the "District" and the City of Corvallis, for and on behalf of this department of Parks and Recreation, hereinafter designated as the "City" that:

1. CONSTRUCTION

The City agrees to construct the tennis courts and related facilities to be located at Western View Junior High School.

2. MAINTENANCE

The maintenance of the tennis court facilities located at Western View Junior High School shall be the responsibility of the City. These tennis courts shall be operated and used only in the manner conforming to policies, rules and instructions prepared and adopted by the City Manager of the City and endorsed by the District.

3. USE OF FACILITIES

In consideration of the fact that the City agrees to construct and maintain the said tennis courts located at Western View Junior High School, the District agrees that after school hours between September 11 to June 9 the courts will be open for public use when not in use by the district on a schedule arranged through consultation between the School District and the City Manager. It is further agreed to by the District that during school hours from September 11 to June 9 the tennis courts will be used according to a schedule of use drafted by

Agreement - City of Corvallis
Corvallis School District 509J/509A

3. Use of Facilities, continued

the School District and endorsed by the City Manager. It is also further agreed to by the District that the said tennis courts will be open full-time for public use between the dates of June 10 and September 10.

4. OWNERSHIP

The tennis courts constructed and maintained by the City will remain the exclusive personal property of the City. The real property upon which the tennis courts are built will remain the exclusive property of the District.

5. LIABILITY

When the tennis courts are opened for public use all liability, if any, shall be that of the City's. When the tennis courts are being used for school purposes, all liability, if any, shall be that of the District's. When the tennis courts are being used jointly, all liability, if any, will be shared jointly.

6. POSTING OF SIGNS

The City has the exclusive right to erect and maintain a sign on the premises of the tennis courts stating "Constructed, maintained and owned by the City of Corvallis on property owned by the School District".

7. TERMINATION

This agreement cannot be terminated by either party without the prior written approval of the Secretary of Interior.

IN WITNESS WHEREOF, THE City of Corvallis has caused this agreement to be executed by the City Manager pursuant to a motion of the Council of said City on May 23, 1972, and the Corvallis School District No. 509J/509A has caused this agreement to be executed by a Superintendent-Clerk and the Chairman of the school board of said District, pursuant to resolution of said school board this 24th day of October, 1972.

*
↓

LWCF Grant
Fund Request

Corvallis School District No. 509J, Benton County, Oregon (Joint School District No. 509A, Linn County, Oregon)

By [Signature]
Chairman

By [Signature]
Superintendent-Clerk

City of Corvallis, Corvallis, Oregon
By [Signature]
City Manager

FACILITY USE AGREEMENT BETWEEN
THE CITY OF CORVALLIS AND
THE CORVALLIS SCHOOL DISTRICT NO. 509-J

*Agenda item # 4
Highland View
Courts*

THIS AGREEMENT is entered into this 10th day of Jan., 2000¹, by and between the CITY OF CORVALLIS, a municipal corporation of the State of Oregon, hereinafter call the "CITY" and Corvallis School District 509-J, hereinafter called the "DISTRICT."

WHEREAS, the District has title to certain real property suitable for tennis courts for community recreation, and the CITY through the Parks and Recreation Department has qualified employees to operate and maintain the tennis courts; and

WHEREAS, for many years, the CITY and the DISTRICT have maintained a cooperative working arrangement whereunder many school grounds and facilities are used for general recreational purposes, thus affording to the community greatly increased recreational opportunities at a reduced cost.

NOW THEREFORE, in order to continue and improve the cooperative efforts of the CITY and the DISTRICT;

1. MAINTENANCE

The routine maintenance of the tennis court facilities located at Highland View Junior High School shall be the responsibility of the CITY. These tennis courts shall be operated and used only in the manner conforming to policies, rules and instructions prepared and adopted by the CITY and endorsed by the DISTRICT.

2. USE OF FACILITIES

In consideration of the fact that the CITY agrees to perform routine maintenance at the said tennis courts located at the Highland View Junior High School, the DISTRICT agrees that after school hours between September 6, 2000 to June 15, 2001, the courts will be open for public use when not in use by the DISTRICT on a schedule arranged through consultation between the DISTRICT and the CITY. It is further agreed to by the DISTRICT that during school hours from September 6, 2000, to June 15, 2001, the tennis courts will be used according to a schedule of use drafted by the DISTRICT and endorsed by the CITY. It is also further agreed to by the DISTRICT that the tennis courts will be open full-time for public use between the dates of June 16, 2001 to September 6, 2001.

3. OWNERSHIP

The tennis courts that the CITY constructed and performs routine maintenance on will remain the exclusive personal property of the CITY. The property upon which the tennis courts are built will remain the exclusive property of the DISTRICT.

4. TERM

This agreement shall remain in effect until September 6, 2001, at which time the parties may renew this agreement. This agreement cannot be terminated by either party without a thirty (30) day prior written notice.

5. HOLD HARMLESS

Subject to the limitations and conditions of the Oregon Tort Claims Act ORS 30-260.300, the parties agree to hold the other harmless, to indemnify and to defend the other, its officers, agents, volunteers and employees from any and all liability, actions, claims, losses, damages or other costs including attorneys fees and witness costs that may be asserted by any person or entity arising from, during, or in connection with the performance of the work described in this agreement. Nothing in this hold harmless shall be deemed to create a liability in excess of the Oregon Tort claims limits for either party.

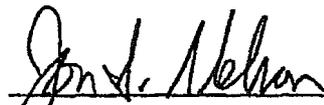
6. POSTING OF SIGNS

The CITY has the exclusive right to erect and maintain a sign on the premises of the tennis courts stating "Constructed and routinely maintained by the CITY on property owned by the DISTRICT.

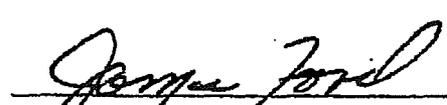
IN WITNESS WHEREOF, the parties have executed their signatures.

CITY OF CORVALLIS

CORVALLIS 509-J SCHOOL DISTRICT

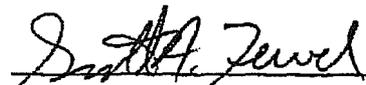


Jon S. Nelson, City Manager
Date: 11/26/00

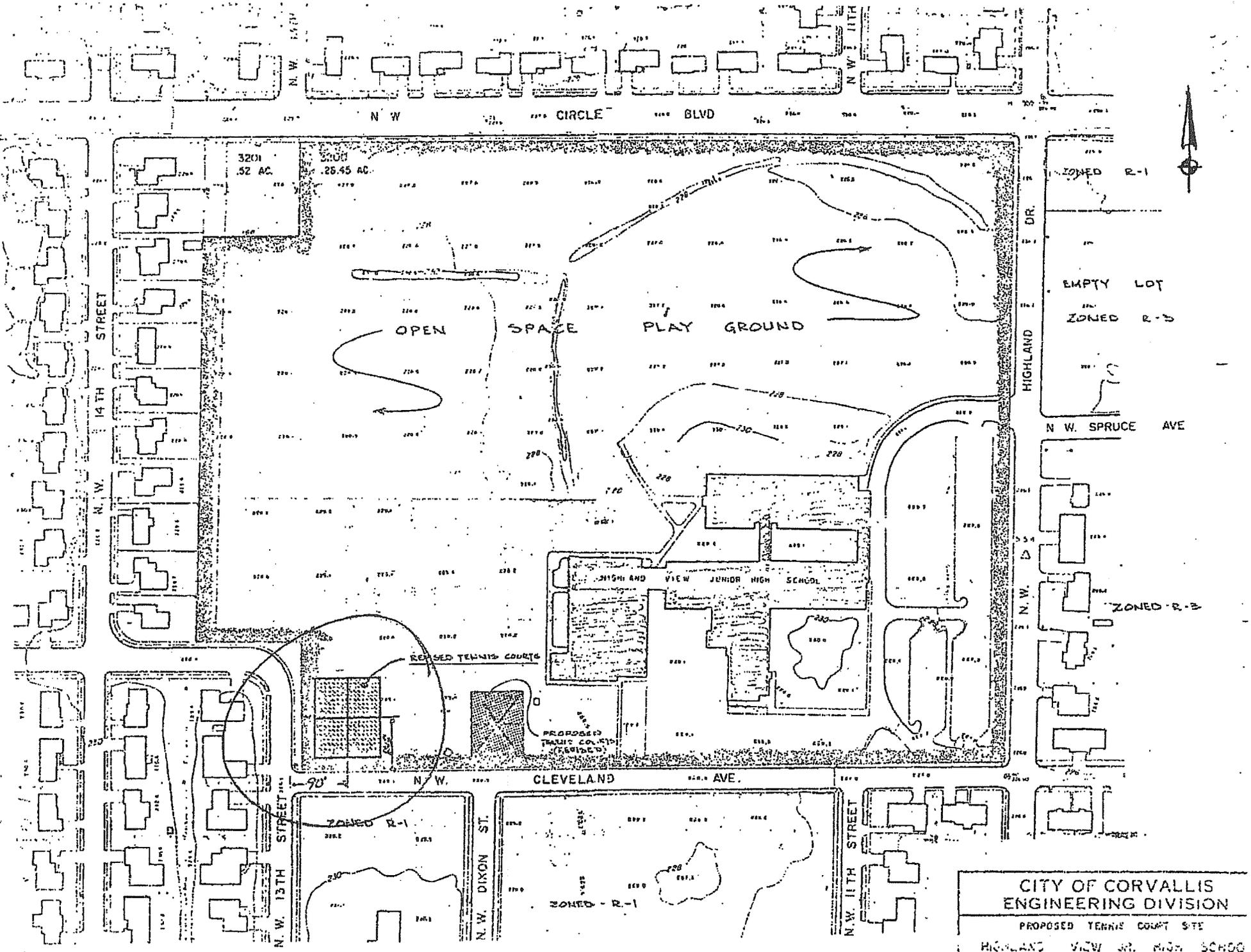


Dr. James Ford, Superintendent of Schools
Date: 1/10/01

Approved as to Form:



City Attorney



3201
52 AC

25.45 AC

OPEN SPACE PLAY GROUND

ZONED R-1

EMPTY LOT
ZONED R-2

ZONED R-3

HIGHLAND VIEW JUNIOR HIGH SCHOOL

RAISED TENNIS COURTS

PROPOSED TENNIS COURTS (RAISED)

CLEVELAND AVE.

ZONED R-1

ZONED R-1

CITY OF CORVALLIS
ENGINEERING DIVISION

PROPOSED TENNIS COURT SITE
HIGHLAND VIEW JR. HIGH SCHOOL
PROPERTY - LAYOUT

*Agenda item #4
Wildcat*

Intergovernmental Agreement between the City of Corvallis and the Corvallis School District 509J

This agreement is entered into this 25th day of June 2007, by and between the City of Corvallis ("City") and the Corvallis School District 509J ("School District").

Whereas, ORS Chapter 190 provides that local governments may enter into agreements for the performance of any functions and activities that any party to the Agreement, its officers or agents, have authority to perform.

WITNESSETH

WHEREAS, the School District owns Wildcat Park on real property in the City of Corvallis, Benton County, Oregon, known as the Wilson Elementary School Site, located at 2701 NW Satinwood Street, and

WHEREAS, the 2000 City Parks and Recreation Facilities Plan lists Wildcat Park as a mini-park, and

WHEREAS, Wildcat Park is recognized by the School District and the City as a non-traditional creative play area, and

WHEREAS, the City and the School District wish to cooperate in the redevelopment and operation of Wildcat Park.

NOW, THEREFORE, the School District and the City enter into this agreement and shall abide by the following terms and conditions:

1. Wildcat Park, including amenities adjacent to the Park, is located at Wilson Elementary School and is described in Exhibit A.
2. The City agrees to contribute \$4000 in capital funds for Wildcat Park and the amenities adjacent to the Park by July 31, 2007.
3. Wildcat Park will be open and available to the public during non-school hours. Hours will be posted designating school hours to be 8:00 am until 3:30 pm when school is in session. All other designated open park hours will be consistent with City parks hours. The public may have access to the grounds during school hours, provided they obtain permission from the Wilson Elementary School principal and/or designated staff.
4. Subject to the limitations and conditions of the Oregon Tort Claims Act ORS 30.260-30.300, Corvallis School District 509J shall indemnify and defend the City of Corvallis, its employees, officials and agents, for any liability with respect to the ownership and maintenance of Wildcat Park as described in Exhibit A. City of Corvallis shall indemnify and defend the Corvallis School District 509J, its employees, officials and agents, for any liability with respect to the provision and maintenance of the ADA-accessible portable

restroom. Each Entity, its employees, officials and agents are responsible for their negligence arising out of the use of Wildcat Park as described in Exhibit A and the ADA-accessible portable restroom.

5. Maintenance is the responsibility of the School District and will be consistent with the minimum maintenance standards set by the School District. The City agrees to contribute \$750 per year for Wildcat Park operations. Any other cost related to park operation which requires additional contributions from the City shall be considered each year prior to January 1 for the following fiscal year.

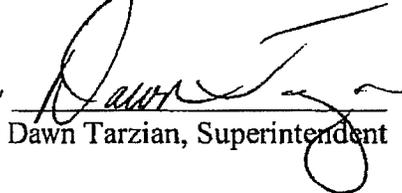
6. The City will provide two portable restrooms, one of which to be an ADA accessible unit at City's expense. City will assume the cost of servicing the units, scheduling replacement, and providing routine inspections, as needed, throughout the year. The City will provide one trash receptacle and sanitation services consistent with other Parks and Recreation facilities. The location of the receptacle will be adjacent to the parking area and accessible to service equipment to facilitate the mechanical removal of the trash receptacle liner.

7. The City recognizes that the School District has the sole responsibility for the Exhibit A facilities, including setting maintenance standards, approving the selection and installation of the play equipment, inspecting the play equipment, and insuring the play equipment. The City acknowledges that the equipment and the adjacent amenities are the property of the School District.

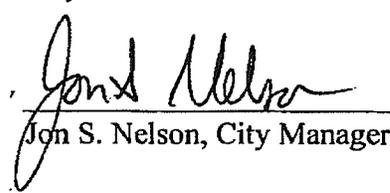
8. This Agreement shall be automatically renewed each year and remain in effect until terminated by either party. If either party wishes to terminate this Agreement it is agreed that a meeting of all parties will be held to discuss any issues. Following this meeting either party may issue a written notice to the other party of their intent to terminate the agreement in 90 days.

IN WITNESS WHEREOF, the parties hereto, pursuant to authorization of the governing bodies thereof, have hereunto set their signatures by their duly constituted authorities the day and year first above written.

Corvallis School District 509J


Dawn Tarzian, Superintendent

City of Corvallis


Jon S. Nelson, City Manager

Approved as to Form:

Approved as to Form:


Scott A. Fewel, City Attorney

Agenda item #4
Garfield

GARFIELD SCHOOL PARK SITE AGREEMENT

This agreement made and entered this 22nd day of August, 1988, by and between Corvallis School District No. 509J of Benton County, Oregon (Joint School District No. 509A, Linn County, Oregon), acting by and through its duly constituted officers and herein after designated as the "School District," and the City of Corvallis, Oregon, a municipal corporation of the State of Oregon, acting by and through its Park and Recreation Department, and hereinafter designated as the "City."

W I T N E S S E T H

WHEREAS, the School District acquired certain real property in the City of Corvallis, Benton County, Oregon, known as the Garfield Elementary School Site, which is bounded on the east by Eleventh Street, on the south by Garfield Street, on the west by Dixon Street, and on the north by Cleveland Street.

WHEREAS, by this agreement the City may develop the north 313 feet of the Garfield Elementary School Site (Exhibit A), herein referred to as the "park," for Park and Recreation purposes subject to the following conditions:

1. Management, operation and maintenance of the Garfield Park shall be made the responsibility of the Park and Recreation Department of the City of Corvallis. Priority of use for activities at the park shall be given to the city for Park and Recreation purposes during the months of June, July, and August. During the remaining nine months, priority of use for activities shall be given to the School District for school purposes. Neither of the priorities above described shall be considered exclusive of the other, and "joint use" shall be considered to include partial or slacktime use by one agency while the park is being used for a priority purpose of the other agency. It is the intent of this agreement to keep this park open and available to the public twelve months of the year.

2. Ownership of grounds, buildings, facilities, and equipment as it now exists and as it may be later altered or expanded in the park shall be vested on the School District. If the School District elects to dispose of any of the improvements, the City has the first right of refusal to obtain the equipment or improvements at no cost to the City and if removal of the improvements does not substantially damage the property. Before any improvements are made, they must first be reviewed and approved by the School District. If the District elects to cancel the agreement and the improvements can not be removed or are not used to benefit the park or the neighborhood, the District shall reimburse the City at a rate pro-rated on the remaining service life of the improvements.

3. Responsibility for the operation and maintenance of the park shall be placed in the hands of the City Manager of the City of Corvallis. The City and School District shall annually review the status of this agreement and proposed improvements by June of each year.

4. The park shall be operated and used only in a manner conforming to policies, rules and instructions prepared and adopted by the City Manager or City Council of the City of Corvallis and endorsed by the School District.

5. During the period of this agreement, the City may make improvements, will furnish the supervisory, instructional, protection, maintenance, and custodial services and be responsible for the cost of all supplies and contractual services. If the park is used by the School District during this period, it shall be deemed "joint usage" and no costs shall accrue to the School District.

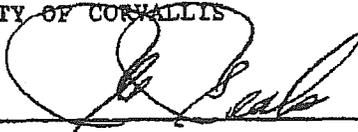
6. The City will continue to furnish water to the park without charge to the using agency.

7. Each of the two agencies entering into this agreement shall maintain its own liability protection for the use made of the park. When the park is open for public use, all liability, if any, shall be that of the City. When the park is being used for school purposes, all liability, if any, shall be that of the School District.

8. This agreement shall be and remain in effect until terminated by either party. This agreement can be terminated with a 90-day written notice to the other party.

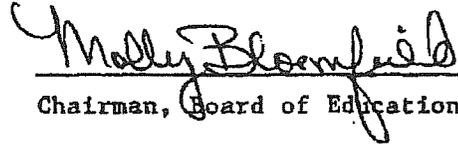
In witness hereof the parties hereto, pursuant to authorization of the governing bodies thereof have hereunto set their signatures by their duly constituted authorities the day and year first above written.

CITY OF CORVALLIS

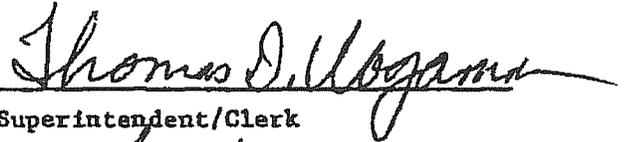


City Manager

CORVALLIS SCHOOL DISTRICT NO. 509J



Chairman, Board of Education



Superintendent/Clerk

8/25/88

Date

Date

INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF CORVALLIS AND THE CORVALLIS SCHOOL DISTRICT 509J
FOR PUBLIC ACCESS CHANNEL OPERATION

This Agreement for Services (Agreement) is entered into this _____ day of _____, 2006 by and between the City of Corvallis (City) and the Corvallis School District (509J).

1. Recitals.

1.1 ORS Chapter 190 provides that local governments may enter into agreements for the performance of any function and activity that any party to the agreement, its officers or agents, have the authority to perform. This agreement does not create an intergovernmental entity.

1.2 The City has a Cable Services franchise agreement with Comcast of Oregon that requires Comcast to provide resources annually to the City to be used for public, educational and government access (PEG). The PEG Capital funds provided by Comcast to the City for the purposes of supporting Capital costs associated with PEG Access may be disbursed in a manner determined by the City.

1.3 The City owns facilities, equipment and resources used to provide Public Access services to the community. Under this Agreement, the City designates 509J as a Designated Access Provider for purposes of section 9.2 (A) of the Comcast Franchise, and assigns control and management of certain Public Access facilities and resources under the franchise. 509J will provide day-to-day operation of Public Access Corvallis Community Television (CCTV) channel 29, and training and outreach to the citizens of Corvallis for their use of Public Access services.

1.4 The parties have determined that an agreement for maintenance and operation of equipment necessary for broadcasting public Programming and community event information, and provision of instruction and assistance to the public to produce their own access Programming, in exchange for funds to support Public Access operations activities, and access to Capital funds to support and enhance educational opportunities for high school students in the video production field, would be beneficial to both parties.

1.5 The equipment and infrastructure needed to provide the services outlined in this Agreement will be housed either in City Hall (501 SW Madison Avenue), City Public Works (1245 NE 3rd Street), or Corvallis High School (1400 NW Buchanan Street).

2. Definitions. The definitions set forth in this Agreement that are also contained in the Comcast Franchise are substantially similar. Therefore, these definitions should be interpreted to be consistent, to the extent practicable, with the language set out in the Comcast Franchise.

2.1 "Access" means the availability for non-commercial use by various agencies, institutions, organizations, groups and individuals in the community, including the City and its designees, of the Access Channels to transmit or distribute PEG Access Programming as permitted under applicable law:

(A) "Public Access" means Access Channels available for Programming by community based, non-commercial organizations, groups or individual members of the general public, on a non-discriminatory basis, subject to operating rules formulated by the City or its designee. Such rules will not be designed to control the content of public access programing unless otherwise provided under applicable law;

(B) "PEG Access" means Public Access, Educational Access, and Government Access, collectively.

2.2 "Cable Service" will have the meaning provided under federal law and regulations.

2.3 "Capital" means the expenditure of funds for services, products or other resources, whose useful life can be expected to exceed a period of one year.

2.4 "Community Assessment" or "Assessment" means the assessment conducted by the City and 509J, under Section 6, of the nature, degree and scope of issues, interests and concerns of Corvallis residents regarding Public Access services.

2.5 "Comcast Franchise" means the Cable Service franchise agreement entered into by the City and Comcast of Oregon, the term running between January 1, 2003 and January 1, 2013.

2.6 "City" means the City of Corvallis, or the City Manager, or his/her designee.

2.7 "Designated Access Provider" means the entity or entities designated by the City to manage or co-manage Public Access channels and facilities.

2.8 "Non-Commercial" means use of a cable system by any public, tax-exempt organization, Designated Access Provider or by any other user for a purpose that is not intended to generate income for the user which may be subject to federal, State, or local income taxes.

2.9 "Fiscal Year" means the period consisting of a full year, beginning July 1 and ending June 30, unless otherwise provided in this Agreement.

2.10 "Programming" means the process of causing television programs or other patterns of Signals to be transmitted on a cable system, and includes all programs or patterns of Signals transmitted or capable of being transmitted, on the cable system.

2.11 "Section" means a provision of this Agreement, unless specified as part of another document.

2.12 "Signal" means any analog or digital electrical or light impulses carried on a cable system, which includes any combination of audio, video, voice or data.

3. Objectives. 509J will use best efforts to achieve the following objectives:

3.1 Provide training, education and outreach to Corvallis residents and organizations that serve Corvallis, to enable them to use communication tools to effectively convey their messages;

3.2 Cablecast Public Access Programming over CCTV channel 29 and provide a forum to publicize community events and government activities;

3.3 Allocate resources provided under this Agreement in a way that addresses the needs and interests of the Corvallis public, and fosters a diversity of Programming reflective of the Corvallis community;

3.4 Maintain policies and procedures to ensure the public will have fair and equitable access to and use of the Public Access facilities and services;

3.5 Produce Programming in partnership with the City in order to promote civic dialogue on issues of importance to community members;

3.6 Maintain generally accepted accounting, budgeting, and business systems and practices for the operation, protection, investment, oversight and management of the resources provided by the City to 509J.

4. Scope of Services. 509J will:

4.1 Accept pre-recorded programs for playback on Public Access CCTV channel 29. Operate audio/video playback equipment and software to capture videos provided by Corvallis residents and render them to a digital format. Manage the transmission of Programming on CCTV channel 29 and ensure that program playback occurs as scheduled;

4.2 Program the Public Access channel on a twenty-four-hour a day basis, each day of the year consistent with the operating rules and procedures established by the City, and as updated under this Agreement. In accordance with applicable law, 509J may refuse to transmit Programming that is determined to infringe on a copyright;

4.3 Operate bulletin board equipment and software to provide announcements of community events or activities of interest to the general community. Accept submittals from the public, edit content for clarity, and process for broadcast on the bulletin board system. Advise City staff on screen layout and submittal process to maximize benefit of the bulletin board for novice users. Provide bulletin board information during scheduled Programming breaks each day, ensuring designated time slots for bulletin board playback;

4.4 Provide at least eight (8) regularly scheduled hours per week of accessibility to citizens by phone or in person to answer questions, accept/return video Programming, assist the public with Public Access equipment and resolve Programming problems. These service hours of accessibility may increase over time as the community's interest in Public Access increases. Service hours will be addressed in the Joint Advisory Board strategic plan discussions;

4.5 Establish and maintain an accessible (within the parameters of Section 4.4) and available Public Access site inside the City limits for production and training. Educate and train community members in the production of non-commercial television Programming or provide a minimum of 4 classes per year of an organized training curriculum available to the public, taking into account the public's expertise, needs and schedule requirements. Provide assistance to the public in pre-production, production and post-production on an as-needed basis. Inventory, maintain and manage Public Access equipment. Provide a mechanism for the public to access the equipment (i.e. for check-out or on-site use);

4.6 Track the number of hours of local Programming, locally produced Programming, and community events/announcements listed on the channel each week;

4.7 Promote Public Access video playback and community bulletin board services to the community. Conduct outreach to the public in a way that encourages a diversity of Programming to meet community needs. Advertise the schedule of programs on the Public Access channel, the web and other general-circulation media;

4.8 Produce Programming in cooperation with the City through student projects as resources allow. Programming produced by 509J for the City will be of a quality generally consistent with industry video production in the community, subject to the inherent limitations of the facilities reasonably available to 509J;

4.9 Produce community-based, original Programming. In fulfilling its obligations under this Agreement, 509J may acquire and transmit Non-Commercial Programming from outside sources, if such Programming does not detract materially from the production and transmission of community-based, original Programming;

4.10 Manage the transmission of Programming from live origination sites at the Corvallis-Benton County Public Library and the Corvallis Senior Center, when those sites become operational;

4.11 Provide technical assistance to the City with the oversight of Access requirements and equipment needs to meet the expectations of Corvallis residents;

4.12 Based on the City's established operating rules and procedures, develop and maintain a detailed manual setting forth policies and procedures that include non-discriminatory practices for the public to use, and have access to, resources provided under this Agreement;

4.13 Participate, at the City's request, in meetings with the public or the Cable Service provider to discuss the performance of Public Access services;

4.14 Provide services under this Section subject to the limitations inherent in 509J's annual budget under this Agreement;

4.15 Solicit Public Access operating grants, underwriter funding, and/or contributions, and generate additional revenues to support ongoing Public Access operations consistent with Title 47, C.F.R., Part 76; and

4.16 At the end of this Agreement, train City staff or staff of the City's Designated Access Provider in the processes and equipment then in use to provide Public Access services.

5. Joint Advisory Board. Staff and at least one elected official from the City and 509J will form an advisory board to provide project oversight. The board will meet at least quarterly and will discuss items such as budget, channel operations, equipment needs, future direction, Community Assessment results, level of public instruction/assistance, service hours described in Section 4.4, and project objectives achieved. The Joint Advisory Board will be responsible for creating and updating a strategic plan for the Public Access channel that will guide the operation of the channel and the provision of production support services to the community.

6. Community Assessment. Periodically, over the term of this Agreement, the City and 509J will conduct an Assessment of the community to identify issues and the level and/or type of Public Access services residents desire. 509J will provide recommendations for addressing the items identified in the Assessment in conjunction with its annual budget under Section 8.

7. Reports.

7.1 509J will provide the City with a copy of the policies and procedures under Section 4.12 and any subsequent amendments; such changes are subject to City approval.

7.2 509J will submit to the City an annual plan for future operations, including an evaluation of ongoing Access operations, programs and services, and recommendations for improvements. The plan will identify necessary equipment upgrades and/or purchases, strategies for meeting the objectives of this Agreement, recommendations for addressing Community Assessment results, and changes in technology that would enhance Public Access services.

7.3 Within 60 days after the close of each Fiscal Year, 509J will submit a report on the past year's activities. Unless 509J and the City agree to a different report format or different reporting parameters, the activity report will contain at least the following information:

(A) Fulfillment of the project objectives, including the equipment purchased and the services provided (number of people assisted, types of assistance provided, new services offered, etc.)

(B) Information responsive to the Community Assessment, including, but not limited to, outreach conducted, programs produced by 509J and programs acquired. The City will not use this information in any way to control the specific viewpoint or content of any program.

(C) Training provided, including but not limited to, topics and number of training workshops offered, number of persons attending, number of persons certified, and number of hours the facilities and equipment are used by the public based on the hours available for public use.

(D) Percentage of time the following types of Programming were cablecast on CCTV channel 29, based on an average over the year: (1) produced through 509J's facilities, both in its original cablecast and any repeated playback; (2) acquired from local sources, both in its original cablecast and any repeated playback; (3) acquired from non-local sources; and (4) generated by a bulletin board or program listings.

(E) Amount of downtime on CCTV channel 29, including actions taken to remedy the situation and strategies to prevent future occurrences.

(F) At a possible future date, list of live origination sites, under Section 4.10, used for live Programming other than 509J's facility.

7.4 Within 60 days after the close of each Fiscal Year, 509J will submit a financial report to the City, based on the Fiscal Year budget. Unless 509J and the City agree to a different report format or different reporting parameters, the financial report will contain revenues and Capital and operating expenditures by:

- (A) Sources and amounts of revenue;
- (B) Capital expenditures (amount and percent of total), by budgetary line item;
- (C) Operating expenditures (amount and percent of total), by budgetary line item.

8. Annual Budget

8.1 Prior to September 1 of each year, the City will provide to 509J projections of operational and Capital funding to be provided under Section 9 for the succeeding Fiscal Year.

8.2 509J will submit to the City, by November 1 of each year, a proposed budget for the succeeding Fiscal Year for City approval. The budget should include, at a minimum:

- (A) Actual revenues and expenditures, for the past Fiscal Year;
- (B) The adopted budget, for the current Fiscal Year;
- (C) Projected revenues and expenditures, for the proposed Fiscal Year budget;
- (D) Projected Capital revenues and expenditures;

(E) A narrative identifying how resources provided will be used to support the Agreement objectives (Section 3) and scope of services (Section 4).

9. Funding and Method of Payment.

9.1 The City will pay 509J for provision of Public Access services and channel operation in accordance with the objectives and scope of services in this Agreement. An average of \$30,000 a year over the life of the Agreement is available for this purpose. The City's actual payment will be based on 509J's budget, under Section 8.2, and will be paid quarterly, in August, November, February and May of each Fiscal Year.

9.2 Capital purchases for the operation of Public Access CCTV channel 29 and related services will be made by the City from its budget and appropriations authority. Request for Capital equipment will be included in the annual budget required under Section 8.2, along with a desired timeline for acquisition throughout the Fiscal Year. Equipment purchased under this Section will be the property of the City regardless of its location. At the termination of this Agreement, all equipment and resources required to provide Public Access services will revert to the City.

9.3 Grants to support Capital purchases for education access Programming or video production instruction for high school students will be available each year, depending on the level of Capital equipment required under Section 9.2 in a given Fiscal Year. Request for grant funding will be included in the annual budget required under Section 8.2. Equipment purchased under this Section will be the property of 509J.

9.4 City funds available for Capital purchases in Section 9.2 and 9.3 total \$50,000 in FY 06-07, and up to \$90,000 in each of the following Fiscal Years of this Agreement.

9.5 The annual payment amount for Capital funds under Section 8 are subject to acceptance by the City of 509J's Capital budget, and final appropriation, in the City's annual budget process.

10. Termination

10.1 The City and 509J have entered into this Agreement under the federal and State laws in effect on the effective date of this Agreement which allow the City to require cable operators to obtain a franchise for use of the City public rights-of-way and to make PEG Access Capital contributions. The City reserves the right to request modifications to, or to seek early termination of, this Agreement to account for any changes in federal or State law that impair its ability to comply with the funding obligations set out in Section 9. 509J reserves the right to request modifications to, or to seek early termination of, this Agreement to account for any changes in federal or State law which impair its ability to comply with the service obligations set out in Section 4.

10.2 Any party may terminate its participation in this Agreement by giving the other party no less than 180 day written notice of intent to withdraw from this Agreement.

10.3 In the event of a termination, the parties will pay their respective payments and costs to the date of termination.

11. Default. Either party will be in default if they fail to make any payment required by this Agreement or if they fail to fulfill any of the material terms or conditions of this Agreement.

12. Living Wage. 509J agrees to comply with Corvallis Municipal Code Chapter 1.25 establishing and implementing the living wage. The City may terminate this Agreement at any time if 509J is found to be in violation of the Living Wage Ordinance and does not correct the violation consistent with section 1.25.090 of the Corvallis Municipal Code. 509J agrees to keep payroll records for employees working on this Agreement and to provide those records to the City if requested in accordance with section 1.25.070 of the Corvallis Municipal Code. 509J agrees to post the information provided by the City about the living wage in a location where employees are likely to see the information and agrees to give each employee working on City business information provided by the City about the living wage.

13. Assignment. 509J will not assign or transfer any interest in this Agreement. However, that does not prevent 509J from subcontracting the performance of any provision or obligation required by this Agreement, so long as 509J remains primarily responsible to the City for the performance of such provision or obligation.

14. General Provisions.

14.1 The City can disseminate and receive communications and notices regarding 509J's performance of this Agreement and the City oversight thereof, to require information to be submitted under this Agreement and to implement City directives with respect to this Agreement.

14.2 Notwithstanding any other provision of this Agreement to the contrary, each party is and will be solely responsible for the negligent or willful acts of its employees or authorized representatives and will be responsible for all costs related directly to the replacement or repair of the Public Access equipment and facilities caused by the negligent acts of its employees or authorized representatives.

14.3 Any controversy regarding the terms and conditions of this Agreement will be submitted to the Joint Advisory Board for review. The Board will make a recommendation for resolution to the City Council and 509J School Board. If resolution can not be achieved, the Agreement can be terminated in compliance with Section 10.2.

15. Notice. All notices provided under this Agreement will be sufficient if deposited in the United States Mail, postage prepaid, and addressed as follows:

If to 509J:

Assistant Superintendent
Corvallis School District 509J
1555 SW 35th Street
Corvallis, OR 97333

If to City:

Franchise Utility Specialist
City of Corvallis
P.O. Box 1083
Corvallis, OR 97339-1083

Notice of any change of address may be given by notice as provided in this Section.

16. Indemnity. Subject to the limitations and conditions of the Oregon Tort Claims Act ORS 30.260-30.300, each party agrees to hold the other harmless, to indemnify and to defend the other, its officers, agents, volunteers and employees from any and all liability, actions, claims, losses, damages or other costs including attorneys fees and witness costs that may be asserted by any person or entity arising from, during, or in connection with the performance of the work described in this Agreement, when such liability, action, claim, loss, damage or other cost results from the actions of that party in the course of this Agreement. Nothing in this Agreement shall be deemed to create a liability for any party in excess of the Oregon Tort claims limits for either party.

17. Nondiscrimination. The parties agree not to discriminate on the basis of race, religion, sex, color, age, disability, source of income, sexual orientation or national origin in the performance of this Agreement.

18. Waiver of Breach. Waiver of any breach of any provision of this Agreement by either party will not operate as a waiver of any subsequent breach of the same or any other provision of this Agreement.

19. Compliance with Laws. The parties will comply with all applicable federal, State and local laws, rules and regulations at all times in the performance of this Agreement.

20. Integration. This Agreement embodies the entire Agreement of the parties with respect to the subject matter hereof. There are no promises, terms, conditions, or obligations other than those contained herein. This Agreement will supersede all prior communications, representations, or Agreements, either oral or written, between the parties on this topic. This Agreement will not be amended except in writing, signed by both parties.

21. Interpretation. This Agreement will be governed by and interpreted in accordance with the laws of the state of Oregon. The parties to this Agreement do not intend to confer on any third party any rights under this Agreement.

22. Jurisdiction and Venue. All actions relating to this Agreement will be tried before the courts of the state of Oregon to the exclusion of all other courts which might have jurisdiction apart from this provision. Venue in any action will lie in the Circuit Court of Benton County, Oregon.

23. Term. The term of this Agreement is from September 1, 2006 through June 30, 2012.

The signatures below indicate the full acceptance of all of the terms and conditions provided herein.

Kathy Rodeman, Business Services Director
509J School District

Date

Jon S. Nelson, City Manager
City of Corvallis

Date

Approved As To Form:

James K. Brewer, City Attorney

Date

DRAFT

July 6, 2011

Anne Schuster, Board Chair
Corvallis School District 509J
1555 SW 35th Street
P O Box 3509J
Corvallis OR 97339

Dear Chair Schuster:

Former Superintendent Dawn Tarzian provided notice to the City in a June 10, 2011 letter terminating the 2000 City/District facilities agreement effective June 30, 2012. As a participant in the recent leadership retreat, I know you are fully aware of the intent of the City and District to develop a new master agreement in the upcoming year.

To be consistent with the District's June 10, 2011 action, the City Council considered both the letter and other City/District agreements in place. This letter provides notice of termination of our other agreements acknowledging our common goal of one master agreement.

The staff report to City Council is attached for your background. Attachment 4 notes our many agreements. Several have different termination notice requirements, but the City intent is to provide termination notice on all agreement effective June 30, 2012. By this date, our mutual goal is to have a master agreement in place that covers all previous agreements.

I look forward to improving the City/District relationship.

Sincerely,

Julie Jones Manning
Mayor

c: Karen Emery, Parks and Recreation Director
Parks, Natural Areas, and Recreation Board
Helen Higgins, Boys and Girls Club of Corvallis Executive Director

4052



Office of the Mayor
501 SW Madison Avenue
P.O. Box 1083
Corvallis, OR 97339-1083
(541) 766-6985
FAX: (541) 766-6780
e-mail: mayor@council.ci.corvallis.or.us

PROCLAMATION

ENHANCING COMMUNITY LIVABILITY – WALT SCHMIDT

JULY 2, 2011

- WHEREAS, Our community's well-being is enhanced by the efforts of citizens, every day, in a variety of ways; and
- WHEREAS, The community wishes to celebrate and honor the efforts of our neighbors in Enhancing Community Livability; and
- WHEREAS, Walt Schmidt is being honored today for his substantial contributions to our community as an independent Pioneer Business with Corvallis roots going back 83 years, when Walt's father bought a grocery store in 1928; and
- WHEREAS, After returning to Corvallis after World War II, Walt returned to retail business, first as the floor manager at Whiteside Hardware and then in his own business, leasing space at the original location of his father's grocery store, which had since been sold; and
- WHEREAS, Walt's initial business, 29th Street Home Supply, quickly evolved into a plant and garden supply business after a seed salesman paid a call and made Walt an offer he couldn't refuse, saying, "I'm going to write up an order, but I'm not going to bill you for it. I'll ship it down here, and we'll see what happens. If it doesn't sell, I'll pack it back on the truck, we'll shake hands, and that will be the end of it;" and
- WHEREAS, The formula was a success, prompting the construction of a new, larger garden center four years later on a vacant lot around the corner from the original store, proving many critics wrong about developing a retail business on what was then the edge of town; and
- WHEREAS, Schmidt's Garden Center continued to thrive amidst competition from many fronts by delivering excellent customer service and offering unique products and brands; and
- WHEREAS, Recent improvements included remodeling and expanding the original space, adding a greenhouse, and introducing a highly successful e-mail newsletter that Walt writes himself; and
- WHEREAS, Walt has laid a strong foundation for his daughter, Susan Yaukey, who operates Schmidt's Garden Center today and promises that, in the next 50 years, the wooden letters spelling "Schmidt's" – the originals from her grandfather's grocery store – will still hang over the front entrance and that Schmidt's Garden Center will still be experimenting with new ways to succeed.
- NOW, THEREFORE, I, Julie Jones Manning, Mayor of Corvallis, Oregon, do hereby proclaim **July 2, 2011**, to be **Walt Schmidt Day** in the City and urge all citizens to join me in recognizing the vital leadership role he has played as a successful independent business owner.

Julie Jones Manning, Mayor

Date

A Community That Honors Diversity



Office of the Mayor

501 SW Madison Avenue

P.O. Box 1083

Corvallis, OR 97339-1083

(541) 766-6985

FAX: (541) 766-6780

e-mail: mayor@council.ci.corvallis.or.us

PROCLAMATION

JON S. NELSON APPRECIATION DAY

JUNE 29, 2011

- WHEREAS, Jon S. Nelson began his public service career in 1982 with the City of Missoula, Montana, then served as City Manager for Pendleton, Oregon, before becoming City Manager for the City of Corvallis in 1993; and
- WHEREAS, As City Manager, Jon has been the chief executive for the City and its nearly 55,000 residents; and
- WHEREAS, Jon directed the activities of eight City departments, more than 400 employees, and served four mayors, ten City Councils, 50 different elected officials, and a multitude of advisory bodies, consistently striving for the best interests of the organization and the community; and
- WHEREAS, During Jon's tenure in Corvallis, he oversaw numerous organizational and community accomplishments, including creating a library district, implementing the *2020 Vision Statement*, completing the improvements to Riverfront Commemorative Park, acquiring several parcels of open space, completing the Combined Sewer Overflow project, updating the City's water system and transportation infrastructure, developing collaborative relationships with other governmental entities, fostering cooperation between the City and the school district in operating the Osborn Aquatic Center, extending Walnut Boulevard, enhancing the availability of City information online, implementing the sustainability goal including supporting the creation of what is now the Corvallis Sustainability Coalition, constructing two additional fire stations, establishing a living wage ordinance, creating a skate park and a dog park, forming a Metropolitan Planning Organization, adopting a second sister city, and commemorating the City's 150th birthday; and
- WHEREAS, Jon's leadership was recognized by his peers when he received the prestigious Herman Kehrli Award from the League of Oregon Cities, and the City itself has earned numerous awards of excellence, including the Distinguished Budget Award annually since 1994, Community Development Block Grant entitlement designation, Bicycle Friendly City designation, Blue Sky Award, U.S. EPA Green Power Leadership Award - Green Power Community of the Year, and International City/County Management Association Center for Performance Measurement Certificate of Excellence; and

WHEREAS, Jon guided the organization and community through numerous local and state legislative changes that enhanced community livability, including a Rental Housing Code, the State's first smoking ban in bars, additional civil rights and liberties for Corvallis residents, an Economic Vitality Partnership Agreement, sidewalk café guidelines, formation and expansion of the Benton/Corvallis Enterprise Zone, and a chronic nuisance property ordinance; and

WHEREAS, Eighteen City facilities were officially dedicated under Jon's oversight, and numerous plans, programs, projects, and studies were undertaken, including the Code Enforcement Program, Energy Efficiency and Conservation Block Grant Program, City Hall Block planning, Natural Features Inventory, economic development and financial strategies and stability, Economic Vitality Partnership/Infrastructure Improvement Fund, and a Downtown Master Plan; and

WHEREAS, Jon led the organization to acquire or transfer 12 properties for public benefit, including property for construction of affordable housing, and he dealt with a limitless assortment of issues difficult to categorize, including creating a City flag, addressing complaints about barking, off-leash, or vicious breeds of dogs, an overabundance of cats and wild turkeys, and the banning of Styrofoam food containers at City-related meetings; and

WHEREAS, After serving his community with unqualified distinction, unerring patience, and unwavering commitment for nearly two decades, Jon is retiring effective June 30, 2011; and

WHEREAS, We will miss Jon, but we wish him well and will re-commit ourselves to continuing the legacy of exceptional service that he leaves.

NOW, THEREFORE, I, Julie Jones Manning, Mayor of Corvallis, Oregon, do hereby proclaim **June 29, 2011**, to be **Jon S. Nelson Day** in the City and urge all citizens to join me in recognizing the vital leadership role Jon has played and in taking the opportunity to wish him well in his future endeavors.

Julie Jones Manning, Mayor

Date

COUNCIL REQUESTS

FOLLOW-UP REPORT

JUNE 30, 2011

1. Timeframe for Council Review of Parks Reservation Policy (Hervey)

Former City Manager Nelson mis-spoke, as there is no Council Policy on park reservations.

Park reservations are facilitated by the Parks and Recreation Department. Staff ensures that reservations and use are consistent with Corvallis Municipal Code (CMC) requirements. CMC Sections 5.01.120, Sound, and 5.03.030, Noise, are attached. Past policy discussions on this issue have recognized Corvallis Police and Parks not having staffing levels to enforce decibel-based measurements, the challenges of decibel level equipment enforcement, and the goals of the Downtown and parks to be activity areas, including music.

Department Directors have had follow-up conversations with staff so that amplified sound permit applicants are aware of the 150-foot "no audible sound" requirement, and applicants will sign off on their understanding of the CMC requirement.

2. Medical Marijuana Dispensary Licensing Requirements (Councilor Hirsch)

The Corvallis Police Department has a written policy that ensures the rights of Oregon Medical Marijuana Act (OMMA) cardholders to possess and use marijuana if done so pursuant to the OMMA (Oregon Revised Statute [ORS] Section 475.300, attached). However, the known business practices of what have become known as "marijuana dispensaries" are frequently in violation of Oregon law because they have a business practice of actually selling marijuana, which is in violation of Oregon and Federal law and not authorized under ORS 475.300. Under Oregon and Federal law, the City of Corvallis cannot license or zone for a marijuana dispensary that has a business practice of offering marijuana for sale, or for free for that matter, to any person not authorized to possess marijuana under the strict guidelines of the OMMA. As the OMMA prohibits sales of marijuana, there is no revenue opportunity for operators of such an enterprise, nor one for the City. Under the OMMA, marijuana can only be distributed from one registry identification cardholder or a designated primary caregiver to another registry identification

cardholder; and there can be no consideration paid for the transfer. The Corvallis City Attorney was consulted on this issue and has provided an opinion, which is attached.

Additionally, on June 3, 2011, the United States Department of Justice issued a notice to marijuana dispensaries that they were operating outside of Federal and Oregon law. A copy of that notice is attached. I note that the document is signed by most of the County District Attorneys, including Benton County District Attorney John Haroldson. While the Corvallis Police Department does not have enforcement jurisdiction of Federal drug laws, the ORS also prohibit the sale of marijuana under any circumstances; and violations of ORS would require enforcement. A copy of this Council request was provided to Benton County District Attorney John Haroldson, and his response is also attached.

3. Second Fenced Dog Park Follow-up (Nelson)

Attached is a memorandum from Parks and Recreation Director Emery regarding the possibility of creating a second fenced dog park.



Jon S. Nelson
City Manager

5.01.110.040

The City Manager shall keep the City Council advised of all permit applications approved or denied through the City Manager's report.
(Ord. 96-15 § 1, 1996; Ord. 95-34 § 1, 1995; Ord. 93-18 § 1, 07/19/93; Ord. 85-44, 1985; Ord. 84-70 § 2, 1984; Ord. 84-31 § 2, 1984)

Section 5.01.120 Sound.

1) No person shall disturb the peace in any park between the hours of 10:00 pm and 6:30 am. For purposes of this subsection, disturbing the peace is defined as including, but not being limited to, the following:

- a) Playing a musical instrument;
- b) Playing a radio;
- c) Shouting;
- d) Engaging in any organized games.

2) No person shall use any device to amplify sound in any park unless a valid permit has been issued by the City Manager under Section 5.03.030.020 herein.

3) The City Manager may issue a sound permit authorizing the use of one or more designated devices to amplify sound by one or more designated persons in a designated area of a park on a designated date between specific hours if, according to his or her reasonable discretion, the number of persons to be entertained or served by the use of sound can be adequately and reasonably served only by the amplification of sound. The City Manager may include conditions in such a permit which she or he deems reasonable; and may revoke a permit if the terms of the permit are violated; or may deny a permit to a person or group of persons who have violated the terms of a permit within the previous year.

4) No person who holds a valid sound permit issued by the City Manager shall amplify sound within a park in violation of any conditions stated in that permit.
(Ord. 82-78 § 4, 1982; Ord. 81-35 § 4, 1981; Ord. 72-27 § 13, 1972)

Section 5.01.130 Hours of use; sleeping and camping.

1) No person shall sleep in any park between the hours of 10:00 pm and 6:00 am, except as provided in subsection 3).

2) No person shall use any tent, shelter-half, motor home, vehicle, camper, or trailer as a shelter for housing or sleeping in any park area, except as provided in subsection 3).

3) The City Manager may, in his or her reasonable discretion, issue permits or designate areas for the use of tents, shelter-half, motor homes, vehicles, campers, or trailers as shelters for housing or sleeping in parks for any overnight sleeping in parks between the hours of 10:00 pm and 6:00 am.

(Ord. 82-78 § 5, 1982; Ord. 81-35 § 5, 1981; Ord. 72-27 § 14, 1972)

Section 5.01.140 Hours of park closure.

No person shall enter or use any park during posted hours of closure without a permit to do so from the City Manager.

(Ord. 81-35 § 6, 1981; Ord. 72-27 § 15, 1972)

Section 5.01.150 Liability.

All persons to whom an exclusive use permit has been granted must agree in writing to hold the City harmless and indemnify the City from any and all liability from injury to persons or property occurring as

5.03.020.040.04 No person shall distribute a handbill or advertisement to or on premises unless the handbill is folded or otherwise prepared or placed so that it will not be blown therefrom by the wind.

5.03.020.040.05 Distributors and their agents or employees making the actual distribution of handbills or advertisements shall utilize only public ways, streets, alleys, or sidewalks and the private walkways provided for customary approach to private premises to deposit the distributed material.

5.03.020.040.06 This subsection shall not be construed to include or restrain the distribution of the U.S. mail or newspapers.

5.03.020.040.07 A violation of this section is a Class B Infraction.
(Ord. 82-77 § 101.04, 1982)

Section 5.03.020.050 Distribution on vehicles.

No person, except the owner of an automobile or other vehicle or a public officer or employee in the performance of a public duty, shall distribute or in any manner place any handbill or advertisement in or on the automobile or other vehicle. The provisions of this Section shall not prohibit the handing, transmitting, or distributing of a handbill to an operator or occupant of a vehicle who is willing to accept the same. A violation of this Section is a Class B Infraction.
(Ord. 82-77 § 101.05, 1982)

Section 5.03.020.060 Removal of unlawful handbills.

Any handbill or advertisement prohibited by this Section may be taken down, moved, or destroyed by anyone.
(Ord. 88-50 § 2, 1988; Ord. 82-77 § 101.06, 1982)

Section 5.03.030 Article 5.03.030 Noise.

Section 5.03.030.010 Loud noises prohibited.

No person shall make, assist in making, continue, or cause to be made any unreasonably loud, disturbing, or unnecessary noise.
(Ord. 82-77 § 102.01, 1982)

Section 5.03.030.020 Specific prohibited noises.

The following acts are declared to be prohibited as unreasonably loud, disturbing, or unnecessary noises in violation of this Chapter:

5.03.030.020.01 Operating a vehicle or engine, either stationary or moving, so out of repair or so loaded as to create any loud grating, grinding, rattling, or other noise.

5.03.030.020.02 The sounding of a horn or signaling device except to give notice of the time to begin or stop work or as a warning of danger.

Corvallis Municipal Code

5.03.030.020.03 Blowing a steam whistle except to give notice of the time to begin or stop work or as a warning of danger.

5.03.030.020.04 Using a mechanical device operated by compressed air, steam, or otherwise, unless the noise thereby created is effectively muffled.

5.03.030.020.05 Various/miscellaneous activities, as follows:

1) Erecting, excavating for, demolishing, altering, or repairing a building, roadways, or utilities, other than between the hours of 7:00 am and 6:00 pm, except in case of urgent necessity in the interest of public safety.

2) Notwithstanding the time limits of subsection 1) of this Section, the actual owner or person in possession of property may do work on property actually occupied by that person between the hours of 7:00 am and 9:00 pm.

3) The City Manager may issue a permit authorizing activities otherwise prohibited by this Section outside of the specified time limits, if the City Manager determines that the public health, safety, and welfare will not be impaired by such activities and that substantial loss or inconvenience would result to the applicant unless the permit were granted. The City Manager may impose any reasonable conditions on the permit, including limiting the hours during which the activities may occur.

5.03.030.020.06 Using a gong or siren upon a vehicle, other than a police, fire, or other emergency vehicle.

5.03.030.020.07 Creating noise on a street adjacent to a school, institution of learning, church, or court of justice while the same is in use, or adjacent to a hospital or institution for the care of the sick or infirm, which noise unreasonably interferes with the operation of such institution or which noise disturbs patients.

5.03.030.020.08 Discharging in the open air the exhaust of a steam engine, internal combustion engine, motorboat, or motor vehicle except through a muffler or other device which effectively prevents loud or explosive noises.

5.03.030.020.09 Making a noise on a public street or in a public place by crying, calling, shouting, or by means of a whistle, rattle, bell, gong, clapper, horn, hammer, drum, musical instrument, or other device for the purpose of advertising goods, wares, or merchandise or of attracting attention or inviting patronage of any person to any business whatsoever.

5.03.030.020.10 Sound communication devices, as follows:

1) Playing, using, or operating any radio, musical instrument, phonograph, television set, tape recorder, loud speaker, or other machine or device for the producing, reproducing, or amplification of sound in such a manner as to be plainly audible:

a) within any dwelling unit which is not the source of the sound, between the hours of 10:00 p.m. and 7:00 a.m.; or

b) at a distance of 50 feet from the source of the sound.

2) As used in this Section, "plainly audible" means any sound for which the information content of that sound is unambiguously communicated to the listener, such as, but not limited to, understandable spoken speech, comprehension of whether a voice is raised or normal, or comprehensible musical rhythm or vocal sounds.

3) This section does not prohibit the reasonable use of mechanical loud speakers or sound amplifiers in the course of public events for which a permit has been issued in accordance with Section 5.03.030.030.

5.03.030.020.11 Using, operating, or permitting to be used or operated any mechanical loud speaker, sound truck, radio, television, or other instrument or sound-producing or sound-amplifying device for the purpose of entertaining or attempting to entertain or for the purpose of attracting attention to or inviting persons to a play, festival, picnic, or other event without first obtaining a permit in accordance with Section 5.03.030.030.

(Ord. 82-77 § 102.02, 1982)

Section 5.03.030.030 Amplified sound permit.

The City Manager, upon receiving a fee as provided in Chapter 8.03 as amended, shall issue a permit to any responsible person or organization for one of those specified purposes listed in Section 5.03.030.020 subsections 10) or 11) on a specified date between specified hours, if the sound will not be audible for over 150 feet from the speaker and provided that traffic on the streets is not obstructed.

(Ord. 82-77 § 102.03, 1982)

Section 5.03.030.040 Violations.

1) Unlawful amplified sound. A violation of Section 5.03.030.020 subsection 10) is a Class C Misdemeanor.

2) Unlawful noise. Except as provided in subsection 1) of this Section, a violation of any provision of 5.03.030 is a Class A Infraction.

(Ord. 88-50 § 2, 1988; Ord. 82-77 § 102.04, 1982)

Section 5.03.040 Article 5.03.040 Alcohol and drugs.

Section 5.03.040.010 Alcohol.

5.03.040.010.01 Definitions.

1) Alcoholic liquor - Any alcoholic beverage containing more than one-half of one percent of alcohol by volume and every liquid or solid, patented or not, containing alcohol, and capable of being consumed by a human being.

2) Commission - The Oregon Liquor Control Commission as provided for by the Oregon Liquor Control Act.

3) Juvenile party - A social gathering attended by one or more persons under the age of twenty-one (21).

4) Licensed premises - The room or enclosure at the address within the corporate limits of the City of Corvallis for which a license has been issued by the Commission for the serving, mixing, handling, or selling of alcoholic liquor.

5) Licensee - A person who has an alcoholic liquor license from the Commission authorizing such person to sell or dispense alcoholic liquor.

6) Oregon Liquor Control Act - The State law so designated by ORS 471.027 and includes the Oregon Distilled Liquor Control Act as defined by ORS 472.020.

7) Place of residence - A building which regularly or intermittently is occupied by a person for dwelling, lodging or sleeping purposes, whether or not the person is actually present.

8) Sell - Includes soliciting or receiving an order for or keeping, offering, or exposing for sale, delivering for value, or in any way other than gratuitous, peddling, keeping with intent to sell, to traffic in, for any consideration, promised or obtained, direct or indirect, or under any pretext or by any means, procuring or allowing to be procured alcoholic liquor for any other person.

MEMORANDUM

To: Chief Gary Boldizar, Corvallis Police Department
From: Jim Brewer, Deputy City Attorney 
Date: June 27, 2011
Subject: Council Follow-up Request: Medical Marijuana Dispensaries

Question:

What issues should the Council consider regarding authorizing licensing and zoning for medical marijuana dispensaries in order to raise revenue for the City of Corvallis?

Brief Answers:

The City Council probably does not have the ability to authorize licensing and zoning for medical marijuana dispensaries. While public policy and economic arguments can be made for the legalization of marijuana, the fact remains that the possession, sale, delivery and manufacture of marijuana is illegal in the United States. For purposes of State criminal laws, Oregon decriminalizes possession beneath a certain threshold amount and the use and delivery of marijuana under some restrictions for medical purposes. The threshold problem for the City Council is that changes in federal and state laws would be required before the City has the authority to take action that would allow the City to benefit from revenues the sale, delivery and manufacture of marijuana produces. A brief analysis follows:

1) Section 3 of the Corvallis City Charter only grants to the City the powers and rights granted by "the constitutions, statutes, and common law of the United States and of this State." Expressly authorizing activity which is prohibited by federal statute is therefore beyond the power of the City Council. Assuming that there is a cost to implement the licensing, permit, or zoning program, Council members must determine that the expenditure is consistent with the City Charter. If the expenditure is not consistent with the City Charter, Council members should be concerned about whether they would be expending money for a different purpose than authorized by law, and whether they would be personally liable for the repayment of those costs under the terms of ORS 294.100.

Looking to the future on this issue, however, Council might note that a bipartisan bill has been introduced before Congress which proposes to remove all Federal involvement in marijuana law, leaving the matter up to the individual states. If the bill were to become law, this particular obstacle would be removed.

2) Section 3 of the Charter also only authorizes the City to act in a manner consistent with Oregon's constitution, statutes and common law. Even if the City Council disregards the

conflicts with Federal criminal laws, or even if the Federal law were to change prior to the Council acting on this matter, the City still would not have the authority to legalize behavior which the state has made criminal. Article XI Section 2 of the Oregon Constitution expressly limits the Charter authority of home rule cities, making any home rule Charter enacted by the people of a municipal corporation subject to the Constitution and criminal laws of the State of Oregon. The Oregon Supreme Court has repeatedly commented that this provision "bars local governments from creating a safe haven for outlaws by legalizing, within the boundaries of the city, that which the legislature has made criminal statewide." Under state law, the sale, delivery and manufacture of marijuana for consideration is a crime. Again, assuming that there is a cost to create a program and assuming that public resources are used to pay those costs, individual council members should be concerned about whether they could be personally liable to repay those costs, under the terms of ORS 294.100.

Assuming that a change in Federal law allows the states to regulate marijuana, a change in State law would also be required before the City would have the authority to permit a marijuana dispensary.

3) If the City Council weighs acting in a manner that conflicts with Federal and State law, the Council should also consider that the City may not gain any financial benefit from collecting revenue from a medical marijuana dispensary in Oregon at all. Unlike the programs in other states, some of which implicitly permit collective or cooperative growing, manufacture and sale of marijuana (e.g. California), and some of which expressly permit the sale of medical marijuana and create a dispensary license and permit system (e.g., Colorado, Maine, New Mexico), the Oregon Medical Marijuana Act does not allow any "consideration" to be exchanged for medical marijuana. States that have created medical marijuana dispensary licenses and collect associated fees (e.g., New Mexico and Colorado) also have active state-administered medical marijuana regulatory programs, which collect the fees associated with these programs. Since Oregon does not allow consideration to be exchanged for medical marijuana, it's not clear how a medical marijuana dispensary could raise revenue to pay a licensing or permitting fee that is sufficient to pay for the regulation program. Since there is not a local sales tax, business tax, or income tax in place, the City does not have a ready mechanism to audit, monitor, measure, or collect revenue from an enterprise which is not allowed to accept anything of value for its services.

As District Attorney Haroldson mentions, the City should also be concerned that any funds used to pay for a license or permit program would likely be viewed by law enforcement as the result of activity that is illegal under Oregon and/or Federal law (possibly making the City a party to a criminal act), and therefore subject to criminal forfeiture processes. Accordingly, a change in both Federal and State law would be required before the City could depend on being able to keep any revenue it received from a marijuana dispensary.

4) In terms of creating a zone that permits medical marijuana dispensaries, the same concerns apply, regarding the limits that the Charter provisions, Constitutions and statutes place on the City's ability to act in a manner that permits or authorizes an activity which is forbidden under State or Federal laws.

If you have questions, concerns or comments, please feel free to call me at x-6906.



Department of Justice

United States Attorney Dwight C. Holton
District of Oregon

FOR IMMEDIATE RELEASE
FRIDAY, JUNE 3, 2011
WWW.USDOJ.GOV/USAO/OR

CONTACT: GERRI BADDEN
PHONE: 503-727-1033
GERRI.BADDEN@USDOJ.GOV

U.S. ATTORNEY, DISTRICT ATTORNEYS, SHERIFFS AND POLICE CHIEFS SERVE NOTICE ON OREGON MARIJUANA DISPENSARIES

PORTLAND, Ore. – United States Attorney Dwight C. Holton and District Attorneys, Sheriffs and Police Chiefs from across Oregon today joined together to serve notice on Oregon businesses selling marijuana that the sale of the drug for any purpose -- including for medical purposes -- violates both Federal and Oregon law. Law enforcement officials stressed that individuals and businesses that conduct sales of marijuana face the risk of prosecution, civil enforcement action, and seizure of assets.

“Oregon and Federal law make it illegal to sell marijuana – period, end of story,” said Holton. “The breathtaking surge in manufacture and distribution of marijuana in Oregon is putting marijuana in the hands of more and more healthy kids – and dispensaries are fueling this crisis. We are confident that responsible landlords and property owners will remove the operators of illegal dispensaries and ‘cannabis clubs.’”

District Attorney Walt Beglau explained that Oregon District Attorneys are seeing the problem statewide: “Drug traffickers are hiding behind the medical marijuana law to protect their sham operations. We have to rein in this outlaw atmosphere before any kid can walk into a storefront on Main Street in any town in Oregon and buy marijuana illegally.” Beglau, the District Attorney for Marion County, is the President of the Oregon District Attorneys Association. “This is a growing crisis we need to meet head on.”

Sheriff Tom Bergin, the Sheriff of Clatsop County and the President of the Oregon State Sheriff's Association, and Chief Mark Miranda, the Chief of Police in Newport and the President of the Oregon Association of Chiefs of Police, also joined the statement.

The notice to businesses is in keeping with the Department of Justice guidance to federal prosecutors and agents in States that have enacted laws authorizing the medical use of marijuana. That guidance articulates the Department's balanced approach, which effectively focuses the limited federal resources on drug traffickers and organizations as opposed to individuals with serious illnesses who use marijuana as part of a recommended treatment regimen consistent with applicable state law. The guidance also makes clear that federal officials will not tolerate those who hide behind claims of compliance with state laws to mask activity that is clearly illegal.

A copy of the notice is attached.



Department of Justice

United States Attorney Dwight C. Holton
District of Oregon

NOTICE TO OWNERS, OPERATORS AND LANDLORDS OF
OREGON MARIJUANA DISPENSARIES

JUNE 3, 2011

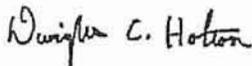
The sale of marijuana for any purpose -- including as medicine -- violates both Federal and Oregon law and will not be tolerated. People and businesses that conduct sales of marijuana face the risk of prosecution, civil enforcement action, and seizure of assets.

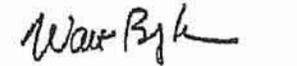
Knowingly financing a marijuana dispensary or allowing one to operate on your property also violates federal law and could subject financiers and landlords to civil and criminal penalties -- including forfeiture of any assets used in support of the criminal enterprise.

The Oregon Medical Marijuana Act, adopted by Oregon state voters in 1998, does not permit the sale of marijuana in any form. Although its provisions protect medical marijuana users who comply with its requirements from state criminal prosecution for drug crimes, the Act does not restrict seizure of marijuana plants, nor does it protect individuals or organizations from federal criminal prosecution under the federal Controlled Substances Act.

Prosecuting individuals and organizations involved in the cultivation and distribution of controlled substances, including marijuana, are core priorities of the United States Department of Justice. Consistent with federal law, the United States Attorney's Office for the District of Oregon may pursue criminal and civil actions for violations of the Controlled Substances Act when such action is warranted. Such criminal actions may include charges for the illegal manufacture, distribution or possession with intent to distribute marijuana in violation of Title 21, United States Code, Section 841; charges for knowingly opening, leasing, renting, maintaining, or using property for the manufacture, storage, or distribution of marijuana, in violation of Title 21, United States Code, Section 856; as well as charges under the federal money laundering statutes.

Similarly, under Oregon law, violators may be prosecuted for manufacturing marijuana under ORS 475.856, delivery of marijuana under ORS 475.860, and money laundering under ORS 164.170. Instrumentalities or proceeds associated with unlawful activity may be subject to Civil Forfeiture under ORS 131A.005 or Criminal Forfeiture under ORS 131.550.


Dwight C. Holton
United States Attorney
District of Oregon

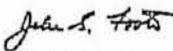

Walt Beglau
President, Oregon District
Attorneys Association

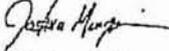

Thomas J. Bergin
President, Oregon State
Sheriffs' Association

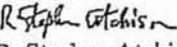

Mark J. Miranda
President, Oregon
Chiefs of Police


Matthew B. Shirtcliff
Baker County

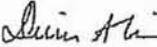

John M. Haroldson
Benton County


John S. Foote
Clackamas County


Joshua Marquis
Clatsop County

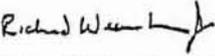

R. Stephen Atchison
Columbia County

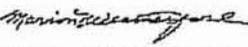

R. Paul Frasier
Coos County

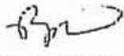

Daina Vitolins
Crook County

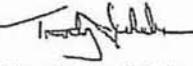

Everett Dial
Curry County


Patrick J. Flaherty
Deschutes County

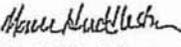

Richard Wesenberg, Jr.
Douglas County

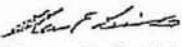

Marion T. Weatherford
Gilliam County

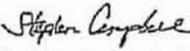

Ryan Joslin
Grant County

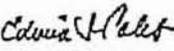

Timothy J. Colahan
Harney County

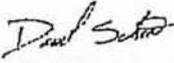

John T. Sewell
Hood River County


Mark Huddleston
Jackson County


Steven F. Leriche
Jefferson County

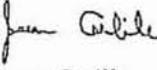

Stephen Campbell
Josephine County

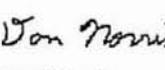

Edwin Caleb
Klamath County


David A. Shutt
Lake County

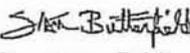

Alex Gardner
Lane County

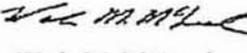

R. E. Bovett
Lincoln County

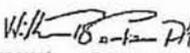

Jason Carlile
Linn County


Dan Norris
Malheur County

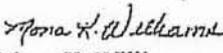

Justin W. Nelson
Morrow County

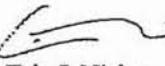

Stan Butterfield
Polk County


Wade M. McLeod
Sherman County

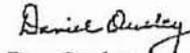

William B. Porter
Tillamook County

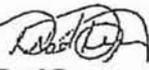

Timothy R. Thompson
Union County


Mona K. Williams
Wallowa County


Eric J. Nisley
Wasco County


Bob Hermann
Washington County


Dan Ousley
Wheeler County


Brad Berry
Yamhill County

Boldizar, Gary

From: HAROLDSON John [John.HAROLDSON@Co.Benton.OR.US]
Sent: Tuesday, June 21, 2011 10:20 AM
To: Boldizar, Gary
Subject: RE: Marijuana Dispensaries

Dear Gary:

I have read your attached statement and share in your concerns. Additionally, it is important to be mindful that despite the OMMA, marijuana possession, distribution, and manufacture, continue to be a violation of our Federal laws, and could be subject to criminal prosecution in Federal Court. I believe it would be prudent for the City to consider the risk of engaging in conduct which constitutes aiding and abetting in a criminal violation under color of law. There are a broad range of implications which need to be considered.

John M. Haroldson
Benton County District Attorney

From: Boldizar, Gary [mailto:Gary.Boldizar@ci.corvallis.or.us]
Sent: Tuesday, June 21, 2011 8:24 AM
To: HAROLDSON John
Subject: Marijuana Dispensaries

John. Yesterday in City Council Counselor Joel Hirsch requested that the City look into the zoning and permitting of a marijuana dispensary in Corvallis. I was instructed to provide what is called a "Council Request" response to this. Please take a look at my response and let me know what you think.

<<Council Request Marijuana Dispensaries.wpd>>

Gary D. Boldizar, Chief
Corvallis Police Department
(541) 766-6925

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6/21/2011

OREGON MEDICAL MARIJUANA ACT

1. **475.300 Findings.** The people of the state of Oregon hereby find that:

(1) Patients and doctors have found marijuana to be an effective treatment for suffering caused by debilitating medical conditions, and therefore, marijuana should be treated like other medicines;

(2) Oregonians suffering from debilitating medical conditions should be allowed to use small amounts of marijuana without fear of civil or criminal penalties when their doctors advise that such use may provide a medical benefit to them and when other reasonable restrictions are met regarding that use;

(3) ORS 475.300 to 475.346 are intended to allow Oregonians with debilitating medical conditions who may benefit from the medical use of marijuana to be able to discuss freely with their doctors the possible risks and benefits of medical marijuana use and to have the benefit of their doctor's professional advice; and

(4) ORS 475.300 to 475.346 are intended to make only those changes to existing Oregon laws that are necessary to protect patients and their doctors from criminal and civil penalties, and are not intended to change current civil and criminal laws governing the use of marijuana for nonmedical purposes. [1999 c.4 §2]

Note: 475.300 to 475.346 were adopted by the people by initiative petition but were not added to or made a part of ORS chapter 475 or any series therein. See Preface to Oregon Revised Statutes for further explanation.

475.302 Definitions for ORS 475.300 to 475.346. As used in ORS 475.300 to 475.346:

(1) "Attending physician" means a physician licensed under ORS chapter 677 who has primary responsibility for the care and treatment of a person diagnosed with a debilitating medical condition.

(2) "Authority" means the Oregon Health Authority.

(3) "Debilitating medical condition" means:

(a) Cancer, glaucoma, agitation due to Alzheimer's disease, positive status for human immunodeficiency virus or acquired immune deficiency syndrome, or treatment for these conditions;

(b) A medical condition or treatment for a medical condition that produces, for a specific patient, one or more of the following:

(A) Cachexia;

(B) Severe pain;

(C) Severe nausea;

(D) Seizures, including but not limited to seizures caused by epilepsy; or

(E) Persistent muscle spasms, including but not limited to spasms caused by multiple sclerosis; or

(c) Any other medical condition or treatment for a medical condition adopted by the authority by rule or approved by the authority pursuant to a petition submitted pursuant to ORS 475.334.

(4) "Delivery" has the meaning given that term in ORS 475.005. "Delivery" does not include transfer of marijuana by a registry identification cardholder to another registry identification cardholder if no consideration is paid for the transfer.

(5) "Designated primary caregiver" means an individual 18 years of age or older who has significant responsibility for managing the well-being of a person who has been diagnosed with a debilitating medical condition and who is designated as such on that person's application for a registry identification card or in other written notification to the authority. "Designated primary caregiver" does not include the person's attending physician.

(6) "Marijuana" has the meaning given that term in ORS 475.005.

(7) "Marijuana grow site" means a location where marijuana is produced for use by a registry identification cardholder and that is registered under the provisions of ORS 475.304.

(8) "Medical use of marijuana" means the production, possession, delivery, or administration of marijuana, or paraphernalia used to administer marijuana, as necessary for the exclusive benefit of a person to mitigate the symptoms or effects of the person's debilitating medical condition.

(9) "Production" has the meaning given that term in ORS 475.005.

(10) "Registry identification card" means a document issued by the authority that identifies a person authorized to engage in the medical use of marijuana and the person's designated primary caregiver, if any.

(11) "Usable marijuana" means the dried leaves and flowers of the plant Cannabis family Moraceae, and any mixture or preparation thereof, that are appropriate for medical use as allowed in ORS 475.300 to 475.346. "Usable marijuana" does not include the seeds, stalks and roots of the plant.

(12) "Written documentation" means a statement signed by the attending physician of a person diagnosed with a debilitating medical condition or copies of the person's relevant medical records. [1999 c.4 §3; 2001 c.900 §205; 2003 c.14 §305; 2005 c.22 §346; 2005 c.822 §1; 2007 c.573 §1; 2009 c.595 §964]

Note: See note under 475.300.

475.303 Advisory Committee on Medical Marijuana. (1) There is created the Advisory Committee on Medical Marijuana in the Oregon Health Authority, consisting of 11 members appointed by the Director of the Oregon Health Authority.

(2) The director shall appoint members of the committee from persons who possess registry identification cards, designated primary caregivers of persons who possess registry identification

cards and advocates of the Oregon Medical Marijuana Act.

(3) The committee shall advise the director on the administrative aspects of the Oregon Medical Marijuana Program, review current and proposed administrative rules of the program and provide annual input on the fee structure of the program.

(4) The committee shall meet at least four times per year, at times and places specified by the director.

(5) The authority shall provide staff support to the committee.

(6) All agencies of state government, as defined in ORS 174.111, are directed to assist the committee in the performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish information and advice that the members of the committee consider necessary to perform their duties. [2005 c.822 §7; 2009 c.595 §965]

Note: See note under 475.300. 475.303 was added to and made a part of 475.300 to 475.346 by legislative action.

475.304 Marijuana grow site registration system; rules. (1) The Oregon Health Authority shall establish by rule a marijuana grow site registration system to authorize production of marijuana by a registry identification cardholder, a designated primary caregiver who grows marijuana for the cardholder or a person who is responsible for a marijuana grow site. The marijuana grow site registration system adopted must require a registry identification cardholder to submit an application to the authority that includes:

(a) The name of the person responsible for the marijuana grow site;

(b) The address of the marijuana grow site;

(c) The registry identification card number of the registry cardholder for whom the marijuana is being produced; and

(d) Any other information the authority considers necessary.

(2) The authority shall issue a marijuana grow site registration card to a registry identification cardholder who has met the requirements of subsection (1) of this section.

(3) A person who has been issued a marijuana grow site registration card under this section must display the registration card at the marijuana grow site at all times when marijuana is being produced.

(4) A marijuana grow site registration card must be obtained and posted for each registry identification cardholder for whom marijuana is being produced at a marijuana grow site.

(5) All usable marijuana, plants, seedlings and seeds associated with the production of marijuana for a registry identification cardholder by a person responsible for a marijuana grow site are the property of the registry identification cardholder and must be provided to the registry identification cardholder upon request.

(6)(a) The authority shall conduct a criminal records check under ORS 181.534 of any person whose name is submitted as a person responsible for a marijuana grow site.

(b) A person convicted of a Class A or Class B felony under ORS 475.840 to 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not be issued a marijuana grow site registration card or produce marijuana for a registry identification cardholder for five years from the date of conviction.

(c) A person convicted more than once of a Class A or Class B felony under ORS 475.840 to 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not be issued a marijuana grow site registration card or produce marijuana for a registry identification cardholder.

(7) A registry identification cardholder or the designated primary caregiver of the cardholder may reimburse the person responsible for a marijuana grow site for the costs of supplies and utilities associated with the production of marijuana for the registry identification cardholder. No other costs associated with the production of marijuana for the registry identification cardholder, including the cost of labor, may be reimbursed. [2005 c.822 §8; 2007 c.573 §2; 2009 c.595 §966]

Note: Section 7, chapter 573, Oregon Laws 2007, provides:

Sec. 7. The amendments to ORS 475.304 and 475.320 by sections 2 and 5 of this 2007 Act apply only to a person convicted after January 1, 2006, of a Class A or Class B felony under ORS 475.840 to 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II. [2007 c.573 §7]

Note: See note under 475.300. 475.304 was added to and made a part of 475.300 to 475.346 by legislative action.

475.305 [1977 c.636 §1; 1979 c.674 §1; repealed by 1993 c.571 §30]

475.306 Medical use of marijuana; rules. (1) A person who possesses a registry identification card issued pursuant to ORS 475.309 may engage in, and a designated primary caregiver of such a person may assist in, the medical use of marijuana only as justified to mitigate the symptoms or effects of the person's debilitating medical condition.

(2) A person who is a registry identification cardholder must possess the registry identification card when using or transporting marijuana in a location other than the residence of the cardholder.

(3) The Oregon Health Authority shall define by rule when a marijuana plant is mature and when it is immature. The rule shall provide that a plant that has no flowers and that is less than 12 inches in height and less than 12 inches in diameter is a seedling or a start and is not a mature plant. [1999 c.4 §7; 2005 c.822 §2; 2009 c.595 §967]

Note: See note under 475.300.

475.309 Registry identification card; issuance; eligibility; duties of cardholder; immunity.

(1) Except as provided in ORS 475.316, 475.320 and 475.342, a person engaged in or assisting in the medical use of marijuana is excepted from the criminal laws of the state for possession, delivery or production of marijuana, aiding and abetting another in the possession, delivery or production of marijuana or any other criminal offense in which possession, delivery or production of marijuana is an element if the following conditions have been satisfied:

(a) The person holds a registry identification card issued pursuant to this section, has applied for a registry identification card pursuant to subsection (9) of this section, is the designated primary caregiver of the cardholder or applicant, or is the person responsible for a marijuana grow site that is producing marijuana for the cardholder and is registered under ORS 475.304; and

(b) The person who has a debilitating medical condition, the person's primary caregiver and the person responsible for a marijuana grow site that is producing marijuana for the cardholder and is registered under ORS 475.304 are collectively in possession of, delivering or producing marijuana for medical use in amounts allowed under ORS 475.320.

(2) The Oregon Health Authority shall establish and maintain a program for the issuance of registry identification cards to persons who meet the requirements of this section. Except as provided in subsection (3) of this section, the authority shall issue a registry identification card to any person who pays a fee in the amount established by the authority and provides the following:

(a) Valid, written documentation from the person's attending physician stating that the person has been diagnosed with a debilitating medical condition and that the medical use of marijuana may mitigate the symptoms or effects of the person's debilitating medical condition;

(b) The name, address and date of birth of the person;

(c) The name, address and telephone number of the person's attending physician;

(d) The name and address of the person's designated primary caregiver, if the person has designated a primary caregiver at the time of application; and

(e) A written statement that indicates whether the marijuana used by the cardholder will be produced at a location where the cardholder or designated primary caregiver is present or at another location.

(3) The authority shall issue a registry identification card to a person who is under 18 years of age if the person submits the materials required under subsection (2) of this section, and the custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age signs a written statement that:

(a) The attending physician of the person under 18 years of age has explained to that person and to the custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age the possible risks and benefits of the medical use of marijuana;

(b) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age consents to the use of marijuana by the person under 18 years of age for medical purposes;

(c) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to serve as the designated primary caregiver for the person under 18 years of age; and

(d) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to control the acquisition of marijuana and the dosage and frequency of use by the person under 18 years of age.

(4) A person applying for a registry identification card pursuant to this section may submit the information required in this section to a county health department for transmittal to the authority. A county health department that receives the information pursuant to this subsection shall transmit the information to the authority within five days of receipt of the information. Information received by a county health department pursuant to this subsection shall be confidential and not subject to disclosure, except as required to transmit the information to the authority.

(5)(a) The authority shall verify the information contained in an application submitted pursuant to this section and shall approve or deny an application within thirty days of receipt of the application.

(b) In addition to the authority granted to the authority under ORS 475.316 to deny an application, the authority may deny an application for the following reasons:

(A) The applicant did not provide the information required pursuant to this section to establish the applicant's debilitating medical condition and to document the applicant's consultation with an attending physician regarding the medical use of marijuana in connection with such condition, as provided in subsections (2) and (3) of this section;

(B) The authority determines that the information provided was falsified; or

(C) The applicant has been prohibited by a court order from obtaining a registry identification card.

(c) Denial of a registry identification card shall be considered a final authority action, subject to judicial review. Only the person whose application has been denied, or, in the case of a person under the age of 18 years of age whose application has been denied, the person's parent or legal guardian, shall have standing to contest the authority's action.

(d) Any person whose application has been denied may not reapply for six months from the date of the denial, unless so authorized by the authority or a court of competent jurisdiction.

(6)(a) If the authority has verified the information submitted pursuant to subsections (2) and (3) of this section and none of the reasons for denial listed in subsection (5)(b) of this section is applicable, the authority shall issue a serially numbered registry identification card within five days of verification of the information. The registry identification card shall state:

(A) The cardholder's name, address and date of birth;

(B) The date of issuance and expiration date of the registry identification card;

(C) The name and address of the person's designated primary caregiver, if any;

(D) Whether the marijuana used by the cardholder will be produced at a location where the cardholder or designated primary caregiver is present or at another location; and

(E) Any other information that the authority may specify by rule.

(b) When the person to whom the authority has issued a registry identification card pursuant to this section has specified a designated primary caregiver, the authority shall issue an identification card to the designated primary caregiver. The primary caregiver's registry identification card shall contain the information provided in paragraph (a) of this subsection.

(7)(a) A person who possesses a registry identification card shall:

(A) Notify the authority of any change in the person's name, address, attending physician or designated primary caregiver.

(B) If applicable, notify the designated primary caregiver of the cardholder and the person responsible for the marijuana grow site that produces marijuana for the cardholder of any change in status including, but not limited to:

(i) The assignment of another individual as the designated primary caregiver of the cardholder;

(ii) The assignment of another individual as the person responsible for a marijuana grow site producing marijuana for the cardholder; or

(iii) The end of the eligibility of the cardholder to hold a valid registry identification card.

(C) Annually submit to the authority:

(i) Updated written documentation from the cardholder's attending physician of the person's debilitating medical condition and that the medical use of marijuana may mitigate the symptoms or effects of the person's debilitating medical condition; and

(ii) The name of the person's designated primary caregiver if a primary caregiver has been designated for the upcoming year.

(b) If a person who possesses a registry identification card fails to comply with this subsection, the card shall be deemed expired. If a registry identification card expires, the identification card of any designated primary caregiver of the cardholder shall also expire.

(8)(a) A person who possesses a registry identification card pursuant to this section and who has been diagnosed by the person's attending physician as no longer having a debilitating medical condition or whose attending physician has determined that the medical use of marijuana is contraindicated for the person's debilitating medical condition shall return the registry identification card and any other associated Oregon Medical Marijuana Program cards to the authority within 30 calendar days of notification of the diagnosis or notification of the

contraindication.

(b) If, due to circumstances beyond the control of the registry identification cardholder, a cardholder is unable to obtain a second medical opinion about the cardholder's continuing eligibility to use medical marijuana before the 30-day period specified in paragraph (a) of this subsection has expired, the authority may grant the cardholder additional time to obtain a second opinion before requiring the cardholder to return the registry identification card and any associated cards.

(9) A person who has applied for a registry identification card pursuant to this section but whose application has not yet been approved or denied, and who is contacted by any law enforcement officer in connection with the person's administration, possession, delivery or production of marijuana for medical use may provide to the law enforcement officer a copy of the written documentation submitted to the authority pursuant to subsection (2) or (3) of this section and proof of the date of mailing or other transmission of the documentation to the authority. This documentation shall have the same legal effect as a registry identification card until such time as the person receives notification that the application has been approved or denied.

(10) A registry identification cardholder has the primary responsibility of notifying the primary caregiver and person responsible for the marijuana grow site that produces marijuana for the cardholder of any change in status of the cardholder. If the authority is notified by the cardholder that a primary caregiver or person responsible for a marijuana grow site has changed, the authority shall notify the primary caregiver or the person responsible for the marijuana grow site by mail at the address of record confirming the change in status and informing the caregiver or person that their card is no longer valid and must be returned to the authority.

(11) The authority shall revoke the registry identification card of a cardholder if a court has issued an order that prohibits the cardholder from participating in the medical use of marijuana or otherwise participating in the Oregon Medical Marijuana Program under ORS 475.300 to 475.346. The cardholder shall return the registry identification card to the authority within seven calendar days of notification of the revocation. If the cardholder is a patient, the patient shall return the patient's card and all other associated Oregon Medical Marijuana Program cards.

(12) The authority and employees and agents of the authority acting within the course and scope of their employment are immune from any civil liability that might be incurred or imposed for the performance of or failure to perform duties required by this section. [1999 c.4 §4; 1999 c.825 §2; 2003 c.14 §306; 2005 c.822 §3; 2007 c.573 §3; 2009 c.595 §968]

Note: See note under 475.300.

475.312 Designated primary caregiver. (1) If a person who possesses a registry identification card issued pursuant to ORS 475.309 chooses to have a designated primary caregiver, the person must designate the primary caregiver by including the primary caregiver's name and address:

(a) On the person's application for a registry identification card;

(b) In the annual updated information required under ORS 475.309; or

(c) In a written, signed statement submitted to the Oregon Health Authority.

(2) A person described in this section may have only one designated primary caregiver at any given time. [1999 c.4 §13; 2009 c.595 §969]

Note: See note under 475.300.

475.315 [1977 c.636 §2; 1979 c.674 §2; repealed by 1993 c.571 §30]

475.316 Limitations on cardholder's immunity from criminal laws involving marijuana. (1)

No person authorized to possess, deliver or produce marijuana for medical use pursuant to ORS 475.300 to 475.346 shall be excepted from the criminal laws of this state or shall be deemed to have established an affirmative defense to criminal charges of which possession, delivery or production of marijuana is an element if the person, in connection with the facts giving rise to such charges:

(a) Drives under the influence of marijuana as provided in ORS 813.010;

(b) Engages in the medical use of marijuana in a public place as that term is defined in ORS 161.015, or in public view or in a correctional facility as defined in ORS 162.135 (2) or youth correction facility as defined in ORS 162.135 (6);

(c) Delivers marijuana to any individual who the person knows is not in possession of a registry identification card;

(d) Delivers marijuana for consideration to any individual, even if the individual is in possession of a registry identification card;

(e) Manufactures or produces marijuana at a place other than a marijuana grow site authorized under ORS 475.304; or

(f) Manufactures or produces marijuana at more than one address.

(2) In addition to any other penalty allowed by law, a person who the Oregon Health Authority finds has willfully violated the provisions of ORS 475.300 to 475.346, or rules adopted under ORS 475.300 to 475.346, may be precluded from obtaining or using a registry identification card for the medical use of marijuana for a period of up to six months, at the discretion of the authority. [1999 c.4 §5; 1999 c.825 §3; 2005 c.822 §13; 2007 c.573 §4; 2009 c.595 §970]

Note: See note under 475.300.

475.319 Affirmative defense to certain criminal laws involving marijuana; notice. (1) Except as provided in ORS 475.316 and 475.342, it is an affirmative defense to a criminal charge of possession or production of marijuana, or any other criminal offense in which possession or production of marijuana is an element, that the person charged with the offense is a person who:

(a) Has been diagnosed with a debilitating medical condition within 12 months prior to arrest and been advised by the person's attending physician that the medical use of marijuana may mitigate the symptoms or effects of that debilitating medical condition;

(b) Is engaged in the medical use of marijuana; and

(c) Possesses or produces marijuana only in amounts permitted under ORS 475.320.

(2) It is not necessary for a person asserting an affirmative defense pursuant to this section to have received a registry identification card in order to assert the affirmative defense established in this section.

(3) No person engaged in the medical use of marijuana who claims that marijuana provides medically necessary benefits and who is charged with a crime pertaining to such use of marijuana shall be precluded from presenting a defense of choice of evils, as set forth in ORS 161.200, or from presenting evidence supporting the necessity of marijuana for treatment of a specific disease or medical condition, provided that the amount of marijuana at issue is no greater than permitted under ORS 475.320 and the patient has taken a substantial step to comply with the provisions of ORS 475.300 to 475.346.

(4) Any defendant proposing to use the affirmative defense provided for by this section in a criminal action shall, not less than five days before the trial of the cause, file and serve upon the district attorney a written notice of the intention to offer such a defense that specifically states the reasons why the defendant is entitled to assert and the factual basis for such affirmative defense. If the defendant fails to file and serve such notice, the defendant is not permitted to assert the affirmative defense at the trial of the cause unless the court for good cause orders otherwise. [1999 c.4 §6; 1999 c.825 §4; 2005 c.22 §347; 2005 c.822 §12]

Note: See note under 475.300.

475.320 Limits on amounts possessed. (1)(a) A registry identification cardholder or the designated primary caregiver of the cardholder may possess up to six mature marijuana plants and 24 ounces of usable marijuana.

(b) Notwithstanding paragraph (a) of this subsection, if a registry identification cardholder has been convicted of a Class A or Class B felony under ORS 475.840 to 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II, the registry identification cardholder or the designated primary caregiver of the cardholder may possess one ounce of usable marijuana at any given time for a period of five years from the date of the conviction.

(2) A person authorized under ORS 475.304 to produce marijuana at a marijuana grow site:

(a) May produce marijuana for and provide marijuana to a registry identification cardholder or that person's designated primary caregiver as authorized under this section.

(b) May possess up to six mature plants and up to 24 ounces of usable marijuana for each cardholder or caregiver for whom marijuana is being produced.

(c) May produce marijuana for no more than four registry identification cardholders or designated primary caregivers concurrently.

(d) Must obtain and display a marijuana grow site registration card issued under ORS 475.304 for each registry identification cardholder or designated primary caregiver for whom marijuana is being produced.

(e) Must provide all marijuana produced for a registry identification cardholder or designated primary caregiver to the cardholder or caregiver at the time the person responsible for a marijuana grow site ceases producing marijuana for the cardholder or caregiver.

(f) Must return the marijuana grow site registration card to the registry identification cardholder to whom the card was issued when requested to do so by the cardholder or when the person responsible for a marijuana grow site ceases producing marijuana for the cardholder or caregiver.

(3) Except as provided in subsections (1) and (2) of this section, a registry identification cardholder, the designated primary caregiver of the cardholder and the person responsible for a marijuana grow site producing marijuana for the registry identification cardholder may possess a combined total of up to six mature plants and 24 ounces of usable marijuana for that registry identification cardholder.

(4)(a) A registry identification cardholder and the designated primary caregiver of the cardholder may possess a combined total of up to 18 marijuana seedlings or starts as defined by rule of the Oregon Health Authority.

(b) A person responsible for a marijuana grow site may possess up to 18 marijuana seedlings or starts as defined by rule of the authority for each registry identification cardholder for whom the person responsible for the marijuana grow site is producing marijuana. [2005 c.822 §9; 2007 c.573 §5; 2009 c.595 §971]

Note: See first note under 475.304.

Note: See note under 475.300. 475.320 was added to and made a part of 475.300 to 475.346 by legislative action.

475.323 Effect of possession of registry identification card or designated primary caregiver card on search and seizure rights. (1) Possession of a registry identification card or designated primary caregiver identification card pursuant to ORS 475.309 does not alone constitute probable cause to search the person or property of the cardholder or otherwise subject the person or property of the cardholder to inspection by any governmental agency.

(2) Any property interest possessed, owned or used in connection with the medical use of marijuana or acts incidental to the medical use of marijuana that has been seized by state or local law enforcement officers may not be harmed, neglected, injured or destroyed while in the possession of any law enforcement agency. A law enforcement agency has no responsibility to maintain live marijuana plants lawfully seized. No such property interest may be forfeited under any provision of law providing for the forfeiture of property other than as a sentence imposed after conviction of a criminal offense. Usable marijuana and paraphernalia used to administer marijuana that was seized by any law enforcement office shall be returned immediately upon a determination by the district attorney in whose county the property was seized, or the district attorney's designee, that the person from whom the marijuana or paraphernalia used to

administer marijuana was seized is entitled to the protections contained in ORS 475.300 to 475.346. The determination may be evidenced, for example, by a decision not to prosecute, the dismissal of charges or acquittal. [1999 c.4 §8; 1999 c.825 §5; 2005 c.22 §348]

Note: See note under 475.300.

475.324 Limits on confiscation of marijuana. A law enforcement officer who determines that a registry identification cardholder is in possession of amounts of usable marijuana or numbers of marijuana plants in excess of the amount or number authorized by ORS 475.320 may confiscate only any usable marijuana or plants that are in excess of the amount or number authorized. [2005 c.822 §10]

Note: See note under 475.300. 475.324 was added to and made a part of 475.300 to 475.346 by legislative action.

475.325 [1977 c.636 §3; 1979 c.674 §3; repealed by 1993 c.571 §30]

475.326 Attending physician; limitation on civil liability and professional discipline. No attending physician may be subjected to civil penalty or discipline by the Oregon Medical Board for:

(1) Advising a person whom the attending physician has diagnosed as having a debilitating medical condition, or a person who the attending physician knows has been so diagnosed by another physician licensed under ORS chapter 677, about the risks and benefits of medical use of marijuana or that the medical use of marijuana may mitigate the symptoms or effects of the person's debilitating medical condition, provided the advice is based on the attending physician's personal assessment of the person's medical history and current medical condition; or

(2) Providing the written documentation necessary for issuance of a registry identification card under ORS 475.309, if the documentation is based on the attending physician's personal assessment of the applicant's medical history and current medical condition and the attending physician has discussed the potential medical risks and benefits of the medical use of marijuana with the applicant. [1999 c.4 §9; 2005 c.822 §11]

Note: See note under 475.300.

475.328 Limits on professional licensing board's authority to sanction licensee for medical use of marijuana; authorizes licensed health care professional to administer medical marijuana. (1) No professional licensing board may impose a civil penalty or take other disciplinary action against a licensee based on the licensee's medical use of marijuana in accordance with the provisions of ORS 475.300 to 475.346 or actions taken by the licensee that are necessary to carry out the licensee's role as a designated primary caregiver to a person who possesses a lawful registry identification card.

(2)(a) A licensed health care professional may administer medical marijuana to a person who possesses a registry identification card and resides in a licensed health care facility if the administration of pharmaceuticals is within the scope of practice of the licensed health care professional. Administration of medical marijuana under this subsection may not take place in a

public place as defined in ORS 161.015 or in the presence of a person under 18 years of age. If the medical marijuana administered under this subsection is smoked, adequate ventilation must be provided.

(b) Nothing in this subsection requires:

(A) A licensed health care professional to administer medical marijuana; or

(B) A licensed health care facility to make accommodations for the administration of medical marijuana. [1999 c.4 §10; 2005 c.822 §4]

Note: See note under 475.300.

475.331 List of persons issued registry identification cards, designated primary caregivers and authorized grow sites; disclosure. (1)(a) The Oregon Health Authority shall create and maintain a list of the persons to whom the authority has issued registry identification cards, the names of any designated primary caregivers and the addresses of authorized marijuana grow sites. Except as provided in subsection (2) of this section, the list shall be confidential and not subject to public disclosure.

(b) The authority shall develop a system by which authorized employees of state and local law enforcement agencies may verify at all times that a person is a lawful possessor of a registry identification card or the designated primary caregiver of a lawful possessor of a registry identification card or that a location is an authorized marijuana grow site.

(2) Names and other identifying information from the list established pursuant to subsection (1) of this section may be released to:

(a) Authorized employees of the authority as necessary to perform official duties of the authority; and

(b) Authorized employees of state or local law enforcement agencies, only as necessary to verify that a person is a lawful possessor of a registry identification card or the designated primary caregiver of a lawful possessor of a registry identification card or that a location is an authorized marijuana grow site. Prior to being provided identifying information from the list, authorized employees of state or local law enforcement agencies shall provide to the authority adequate identification, such as a badge number or similar authentication of authority.

(3) Authorized employees of state or local law enforcement agencies that obtain identifying information from the list as authorized under this section may not release or use the information for any purpose other than verification that a person is a lawful possessor of a registry identification card or the designated primary caregiver of a lawful possessor of a registry identification card or that a location is an authorized marijuana grow site. [1999 c.4 §12; 2005 c.822 §5; 2009 c.595 §972]

Note: See note under 475.300.

475.334 Adding diseases or conditions that qualify as debilitating medical conditions; rules. Any person may submit a petition to the Oregon Health Authority requesting that a particular

disease or condition be included among the diseases and conditions that qualify as debilitating medical conditions under ORS 475.302. The authority shall adopt rules establishing the manner in which the authority will evaluate petitions submitted under this section. Any rules adopted pursuant to this section shall require the authority to approve or deny a petition within 180 days of receipt of the petition by the authority. Denial of a petition shall be considered a final authority action subject to judicial review. [1999 c.4 §14; 2009 c.595 §973]

Note: See note under 475.300.

475.335 [1977 c.636 §4; 1979 c.674 §4; repealed by 1993 c.571 §30]

475.338 Rules. The Oregon Health Authority shall adopt all rules necessary for the implementation and administration of ORS 475.300 to 475.346. [1999 c.4 §15; 2009 c.595 §974]

Note: See note under 475.300.

475.340 Limitations on reimbursement of costs and employer accommodation. Nothing in ORS 475.300 to 475.346 shall be construed to require:

(1) A government medical assistance program or private health insurer to reimburse a person for costs associated with the medical use of marijuana; or

(2) An employer to accommodate the medical use of marijuana in any workplace. [1999 c.4 §16]

Note: See note under 475.300.

475.342 Limitations on protection from criminal liability. Nothing in ORS 475.300 to 475.346 shall protect a person from a criminal cause of action based on possession, production, or delivery of marijuana that is not authorized by ORS 475.300 to 475.346. [1999 c.4 §11]

Note: See note under 475.300.

475.345 [1977 c.636 §5; 1979 c.674 §5; repealed by 1993 c.571 §30]

475.346 Short title. ORS 475.300 to 475.346 shall be known as the Oregon Medical Marijuana Act. [1999 c.4 §1]

Note: See note under 475.300.

475.355 [1977 c.636 §6; 1979 c.674 §6; repealed by 1993 c.571 §30]

475.360 [1979 c.674 §10; repealed by 1993 c.571 §30]

475.365 [1977 c.636 §7; 1979 c.674 §7; repealed by 1993 c.571 §30]

475.375 [1977 c.636 §8; 1979 c.674 §8; repealed by 1993 c.571 §30]

MEMORANDUM



To: Mayor and City Council
From: Karen Emery, Director
Date: June 21, 2011
Subject: Second Fenced Dog Park Follow-up

Summary:

A second fenced dog park was considered in response to the temporary closure of the existing fenced dog park. An additional site was not identified for this purpose. The project will not be pursued further.

Background:

The fenced dog park at 3rd and B Street will be closed during the months of July through October, due to the construction of the Marys River Interceptor Project. This Public Works project will install a much needed additional sewer line to serve all of south and southeast Corvallis. The line goes through a portion of the fenced dog park. Additionally, the dog park provides an ideal area for project materials staging.

To offset the loss of use of the fenced dog park for approximately three months, Public Works offered to contribute to construction of an additional fenced dog park in an alternate location using project savings. In addition, the surfacing of the existing dog park will be upgraded as part of the project.

Discussion:

To determine a location for a second park, staff discussed a variety of options with the Parks, Natural Areas and Recreation Board (PNARB). PNARB referred back to the staff report they reviewed in 2008 for the first fenced dog park. PNARB also reviewed the Dog Park Selection guidelines prepared by staff and recommended by PNARB in 2009.

The following table reviews the sites that were previously considered listing both the opportunities and constraints for each site:

Park	Opportunity	Constraint
BMX Track	Parking available, no neighbors	Requires a Willamette River Greenway permit, is located within the floodplain, fences may not be permitted, conflicting uses

MLK, Jr. Park	Parking available	The grassy area is often used for informal soccer and Frisbee games. Potential natural feature conflicts
Woodland Meadow Park	Space available	Limited parking, Neighbors close by, conflicting uses
Pioneer Park	Parking available, Adequate space, no neighbors	In the Greenway, natural feature conflicts, fences may not be allowed

Three additional sites were reviewed for the second fenced dog park.

Village Green Park *	Adequate space, no natural features, limited neighbors, will get dogs off of school property	Limited parking, close to street
Bald Hill Park*	Adequate space, several areas to choose from, available parking at Reservoir Road	Significant natural features, may have to walk a bit from parking area to fenced area.
Porter Park*	Adequate space, many people already use it as a dog park	Close to Dixon Creek, limited parking, neighbors are close by

Findings:

After an in depth discussion at the May, 2011 PNARB meeting, staff felt that there was not a suitable site for a second fenced dog park at this time. Additionally, with recent staff and contract reductions in the Parks Division, staff felt there was not capacity for increased maintenance duties.

A second fenced dog park may be recommended through the Capital Improvement Projects process if a suitable location is determined in the future.

Attachments:

Dog off leash guidelines

Criteria for consideration before an area is designated as “Dog off Leash (DOL)”

1. Does the area in question contain wildlife habitat as identified in the *Corvallis Parks and Natural Areas Sustainable Operations Plan*? Does the area in question contain any Federal or State listed Threatened & Endangered plants or animals?

- Does it contain natural features that are protected under the Land Development Code?
- Could potential DOL impacts result in litigation?
 - “take” as defined in the Endangered Species Act
- To what degree could DOL impact the natural elements of the area in question?

2. Are there any potentially dangerous elements on the site (toxins, erodible soils, trip hazards, suspended hazards, etc.)?

- What is present on site which could endanger visitors and / or dogs?

3. Could potential DOL activity impact groundwater or rivers and streams?

- To what degree could DOL impact groundwater and streams?

4. Should the area in question have a sole use or could it accommodate a multiple use philosophy?

- What is the current function of the area in question?
- Is it already developed?
 - If so as what?
- Are there already multiple uses of the site?
- What activities could be expected to occur on the site?
- What is the compatibility of multiple uses on the site?

5. Is the parcel large enough?

- What is the size of the area in question?
 - Does it meet a minimum of 1 acre?
- What observations can be used from existing DOL areas or dog parks to determine an appropriately sized location?
- Is there a “carrying capacity” relative to parcel size for DOL areas or dog parks?

6. Does the area in question duplicate existing facilities in terms of proximity?

- Would the new DOL area serve a previously un-served element of the population?
- Is the park located in the same Quadrant as another DOL

7. Could the area in question be accessible to as wide a range of potential visitors as possible? Does the terrain of the area preclude use to some user groups?

- Do the natural features of the area exclude elements of the public?

8. Accessibility

- Sidewalks
- Roads

9. Operational Impacts

- Fence
- dog station
- water
- bark/ground cover
- staff

10. What is the proximity to neighbor's

- How will a DOL area impact the neighborhood?

**CITY OF CORVALLIS – COUNCIL REQUESTS – TRACKING REPORT
PENDING REQUESTS**

Council Request Item	Requested By	Date of Request	CM Report Due Date	Assigned to	Response in CM Rpt No.	Comments
Second Fenced Dog Park Follow-up	Nelson	05-25-11	06-14-11	Emery, K	CCR 06-30-11	
Medical Marijuana Dispensary Licensing Requirements	Hirsch	06-20-11	07-12-11	Boldizsar / Gibb	CCR 06-30-11	
Timeframe for Council Review of Parks Reservation Policy	Council	06-20-11	07-12-11	Nelson	CCR 06-30-11	

INTER

OFFICE

MEMO

To: Mayor and City Council
From: Ellen Volmert, Assistant City Manager
Subject: City Manager Recruitment: Status
Date: July 5, 2011

The City Manager recruitment deadline for applications is this Friday, July 8. Over 55 applications have been received and a number of advertisements have been placed. The City's consultant Phil McKenney has also been contacting potential candidates. He has spoken with most all of the Oregon "range riders" (retired city managers working for the League of Oregon Cities and consultants to city managers throughout the state). He has called all Oregon managers of cities over 18,000 and is in the process of contacting potential candidates from college towns outside of Oregon.

A work session with Mr. McKenney is scheduled for July 20 with materials available for you a day or two in advance. The work session will be held in executive session so that Mr. McKenney can present his recommendation of finalists and their materials. At this meeting, the City Council will select the finalists they wish to invite to the in town process as well as discuss the agenda for that process. For planning purposes the assumed dates for candidates being in town is August 4 and 5. It is assumed the City Council would then invite the top two or three back for a second visit and then make a selection. The consultant would then assist the City Council in contract negotiations with that candidate. This schedule is on track with the time line proposed in the initial contract with Peckham & McKenney.

This report is for informational purposes only. No action is required.



Ellen Volmert, Assistant City Manager

cc: Jon Nelson, City Manager

DECLARATION OF COOPERATION
Between
Boys & Girls Club of Corvallis; City of Corvallis;
and Corvallis School District 509J

This Declaration of Cooperation is made and entered into this 24th day of June, 2011, by and between Boys & Girls Club of Corvallis (BGCC), the City of Corvallis (City) and Corvallis School District 509J (SD). This document sets forth the basis for potential development of future collaborative agreements between BGCC, City, and SD.

The purpose of this declaration is to recognize that we have shared goals and are all dedicated to providing safe, quality, accessible recreational services for our community. With limited fiscal and facility resources, we recognize that we need to work in collaboration to provide the best range and type of services for all ages.

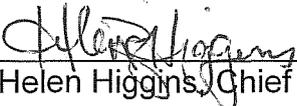
WHEREAS, the BGCC, City and SD all provide recreational services, we desire to make a commitment to work together in a professional manner and increase our collaboration to provide a range of programs for our community.

WHEREAS, there exist conflicting agreements and there has been poor communication between BGCC, City and SD, we desire to make a fresh start and commit to work collaboratively for the benefit of all community members.

THEREFORE, the BGCC, City, and SD hereby agree to make a commitment to work together, to strengthen and clarify our relationship and to provide leadership to prioritize development of both short term and long term solutions for community recreation. We further agree to explore additional collaborative opportunities related to community recreation and promotion of recreational opportunities for our community.

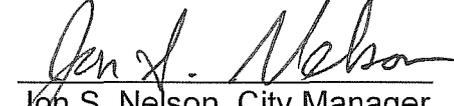
IN WITNESS WHEREOF, the parties have executed their signatures:

Boys & Girls Club of Corvallis



Helen Higgins, Chief Executive Officer

City of Corvallis



Jon S. Nelson, City Manager

Corvallis School District 509J



Dawn Tarzian, Superintendent

RECEIVED

JUN 30 2011

CITY MANAGERS
OFFICE

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BEFORE THE LAND USE BOARD OF APPEALS
OF THE STATE OF OREGON

LEAGUE OF WOMEN VOTERS OF CORVALLIS
and ELIZABETH FRENKEL,
Petitioners,

vs.

CITY OF CORVALLIS,
Respondent,

and

BRET FOX and THOMAS FOX
PROPERTIES, LLC,
Intervenors-Respondents.

LUBA No. 2011-002

FINAL OPINION
AND ORDER

Appeal from City of Corvallis.

Corinne C. Sherton, Salem, filed the petition for review and argued on behalf of petitioners. With her on the brief was Corinne C. Sherton PC.

David E. Coulombe, Corvallis, filed a response brief and James Brewer, Corvallis, argued on behalf of respondent. With him on the brief was Fewel, Brewer & Coulombe.

Michael C. Robinson, Portland, filed a response brief and Seth J. King argued on behalf of intervenors-respondents. With him on the brief was Perkins Coie LLP.

RYAN, Board Chair; BASSHAM, Board Member; HOLSTUN, Board Member, participated in the decision.

REMANDED

06/28/2011

You are entitled to judicial review of this Order. Judicial review is governed by the provisions of ORS 197.850.

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NATURE OF THE DECISION

Petitioners appeal a decision by the city approving a commercial planned development.

REPLY BRIEF

Petitioners move for permission to file a reply brief to respond to new matters raised in the city’s response brief. The reply brief is allowed.

FACTS

The subject property is comprised of three tax lots, 400, 500, and 600, that are zoned Mixed Use Community Shopping (MUCS). Tax lot 400 lies immediately to the north of tax lot 500 and to the east of tax lot 600. All of tax lot 400, and approximately the northern half of tax lots 500 and 600 are designated as a protected wetland, protected riparian corridor, and/or a protected floodplain on the city’s comprehensive plan maps. Dunawi Creek runs east to west along the northern part of tax lot 600 and along approximately the middle of tax lot 500.

Intervenor applied to develop approximately 179,319 square feet on the 6.64 acres comprising tax lots 500 and 600, including 43,000 square feet of retail and restaurant uses in seven buildings to be located on tax lot 500, and other transportation and stormwater infrastructure to be located on portions of tax lots 500 and 600. As part of the development intervenor also proposed to construct a 12-foot wide path within a 45-foot wide easement running east and west across tax lots 500 and 600, to the north of Dunawi Creek, within the protected wetland/riparian corridor/floodplain. The planning commission approved the applications, and petitioners appealed that decision to the city council. The city council approved the applications, and this appeal followed.

1 **FIRST ASSIGNMENT OF ERROR**

2 For nonresidential properties that are designated as protected wetlands, riparian
3 corridors, or floodplains, Corvallis Land Development Code (LDC) 4.11.50.02.b provides a
4 Minimum Assured Development Area (MADA) that is calculated by multiplying the acreage
5 of the site by the MADA per acre that is shown in LDC 4.11.50.02 Table 4.11-2 –
6 “Determining Minimum Assured Development Area (MADA) for Nonresidential Zones.”
7 Under LDC 4.11.50.02.b. and Table 4.11-2, the MADA for the site equaled 90,968 square
8 feet. In addition, LDC 4.11.50.02.c allows the MADA to be increased (MADA credits) in
9 certain circumstances beyond what is calculated according to LDC 4.11.50.02.b, including as
10 relevant here:

11 “c. **Additional Allowances for Determining the Minimum Assured**
12 **Development Area of Residential and Nonresidential Sites - The**
13 **Minimum Assured Development Area** calculated in Section
14 4.11.50.02.a and Section 4.11.50.02.b may be increased above the base
15 MADA by adding the areas determined by the provisions below:

16 “ * * * * *

17 “2. The area of Wetland mitigation that is required by the
18 Department of State Lands and/or the U.S. Army Corps of
19 Engineers when infrastructure must be extended through a
20 Wetland. The area credited shall be based upon the written
21 requirements of the associated permit approval of the
22 Department of State Lands and/or the U.S. Army Corps of
23 Engineers, whichever is greater;

24 “ * * * * *

25 “4. Trails required by the Corvallis Transportation Plan or the City
26 of Corvallis Park and Recreation Facilities Plan, or necessary
27 to provide public access to or through designated open space
28 areas.” (Bold in original.)

29 The city allowed MADA credits for the development so that the total of developable area
30 (MADA plus MADA credits) of the site equaled 180,728 square feet. The city adopted
31 findings that determined that the proposed path running from east to west along tax lots 500
32 and 600 was eligible for MADA credits totaling 24,776 square feet: 12,388 square feet for

1 the path itself, and 12,388 square feet for the area of wetland and riparian area mitigation that
2 the city concluded would be required to offset the effects of the path on the wetlands and
3 riparian areas.¹

4 In their first subassignment of error under the first assignment of error, petitioners
5 argue that the city's findings are inadequate to explain why the city determined that the path
6 qualifies for MADA credit under LDC 4.11.50.02.c.4, *i.e.*, either that the path is "required
7 by" the city's transportation plan or Park and Recreation Facilities Plan (PRFP), or that it is
8 "necessary to provide public access to or through designated open space areas." In their
9 second subassignment of error, petitioners argue that the city's findings are inadequate to
10 explain why the city awarded 12,388 square feet of MADA credit under LDC 4.11.50.02.c.2
11 for a mitigation area for constructing the path.

12 The city responds initially that petitioners failed to raise the issues presented in the
13 first assignment of error, and under ORS 197.763(1) and ORS 197.835(3) are precluded from
14 raising the issues for the first time at LUBA. In response to petitioners' first assignment of
15 error, the city maintains that no participant below ever raised an issue regarding whether the
16 path met the requirements for an award of MADA credits under LDC 4.11.50.02.c.4 and .2.

¹ The city adopted the following findings:

"[A party] contended that the number and extent of MADA credits associated with the development was 'especially troubling' and not consistent with the intent of the LDC. The Council finds that [intervenor] presented substantial evidence in the Application that the Project qualified for MADA credits. The Council further finds that City staff properly applied the provisions of the LDC in calculating credits. * * *

" * * * * *

"[A]s part of the complete land use applications filed, the applicant has provided calculations which indicate that the base MADA permitted in the underlying * * * zone, as well as the additional MADA credits warranted under LDC 4.11.50.02.c, contribute to a total MADA allowance of 180,728 square feet, and that the proposed development plan impacts approximately 179,319 square feet of the development site. The Council finds that the proposed development area falls within the MADA allowance for the site." Record 80-81, 84.

1 In their reply brief, petitioners respond that the issue of compliance with LDC
2 4.11.50.02.c.4 and .2 was raised at Record 270, where a participant stated that MADA credits
3 should not be awarded for the path under “LDC 4.11.50.02.c.” In *Lucier v. City of Medford*,
4 26 Or LUBA 213, 216 (1993), we held that in order to challenge the adequacy of adopted
5 findings, a petitioner must challenge the proposal’s compliance with a relevant criterion
6 during the local proceedings. We explained:

7 “The references in ORS 197.763(1) and 197.835[3] to ‘issues’ are references
8 to issues concerning the substantive and procedural requirements that must be
9 satisfied in rendering the challenged decision. Therefore, if a petitioner wishes
10 to argue that a particular approval criterion or procedural requirement is not
11 satisfied by a proposed land use action, the petitioner must raise the ‘issue’ of
12 compliance with that criterion below. However, contrary to respondent’s
13 suggestion, a petitioner is *not* required to anticipate the actual findings a local
14 government ultimately adopts in support of its final decision or question the
15 adequacy of the evidence accepted into the record to support such findings.

16 “In order to preserve the right to challenge at LUBA the adequacy of the
17 adopted findings to address a relevant criterion or the evidentiary support for
18 such findings, a petitioner must challenge the proposal’s compliance with that
19 criterion during the local proceedings. Once that is done, the petitioner may
20 challenge the adequacy of the findings and the supporting evidence to
21 demonstrate the proposal complies with the criterion. The particular findings
22 ultimately adopted or evidence ultimately relied on by the decision maker
23 need not be anticipated and specifically challenged during the local
24 proceedings.” (Emphasis in original.)

25 We agree with petitioners that the issue of whether the path qualifies for an award of MADA
26 credits under LDC 4.11.02.50.c.4 and .2 was raised at Record 270 with sufficient specificity
27 to allow petitioners to argue that the city’s findings regarding the proposal’s compliance with
28 LDC 4.11.50.02.c.4 and .2 are inadequate. *See also Columbia Riverkeeper v. Clatsop County*,
29 58 Or LUBA 190, 213 (2009) (where issues regarding compliance with approval criteria
30 were raised below, petitioners may challenge the adequacy of findings adopted regarding
31 those approval criteria).

32 The city and intervenor next respond by pointing to findings that the city adopted that
33 the path should be allowed to be developed in riparian and wetland areas under LDC

1 4.13.50.b.2 and LDC 4.13.80.01.c.2, and in order to comply with LDC block perimeter and
2 pedestrian connection standards, and argues that those findings suffice to explain the path
3 qualifies for MADA credits under LDC 4.11.50.02.c.4. Record 72-73. However, LDC
4 4.11.50.02.c.4 requires the city to address whether MADA credits for the path and for
5 mitigation for the path are justified because the path is “required by” the city’s PRFP or
6 transportation plan or “necessary to provide public access to or through dedicated open
7 space,” and LDC 4.11.50.02.c.2 requires the city to address whether MADA credits for
8 mitigation for allowing the path are justified because the mitigation area is required by the
9 Department of State Lands (DSL) or Army Corps of Engineers (ACOE). Those criteria
10 involve different considerations than the considerations that are required in order for the city
11 to determine whether the path should be allowed in a riparian and wetland area under LDC
12 4.13.50.b.2 and LDC 4.13.80.01.c.2, criteria which we discuss below in our resolution of the
13 second assignment of error. The findings at Record 72-73 do not contain any adequate
14 explanation by the city for why the path qualifies for MADA credit under LDC 4.11.50.02.c.

15 The first assignment of error is sustained.

16 **SECOND ASSIGNMENT OF ERROR**

17 **A. Introduction**

18 As noted above, the path crosses both a wetland and a riparian corridor. LDC
19 Chapter 4.13 contains provisions that are intended to preserve and protect riparian corridors
20 and wetlands. LDC 4.13.10. To that end, LDC 4.13.50.b prohibits building, paving, and
21 grading in riparian corridors and riparian-related areas, except for certain specified purposes
22 and only if the building, paving or grading is designed and constructed to minimize adverse
23 impacts to the riparian area:

24 **“Building, Paving, and Grading Activities** - The placement of structures or
25 impervious surfaces, as well as grading, excavation, and the placement of fill,
26 are prohibited. Exceptions to the drainageway restrictions may be made for
27 the purposes identified in items 1-7 of this Section, provided they are

1 *designed and constructed to minimize adverse impacts to Riparian Corridors*
2 *and Riparian-related Areas.*

3 “ * * * * *

4 “2. The location and construction of streets, utilities, bridges, bicycle, and
5 pedestrian facilities within Highly Protected Riparian Corridors and
6 Riparian related Areas must be deemed *necessary to maintain a*
7 *functional system* by the City Engineer. This Code, City
8 Transportation and Utility Master Plans, and other adopted City plans
9 shall guide this determination. The design standards of Chapter 4.0 -
10 Improvements Required with Development shall be applied to
11 minimize the impact to the subject area[.]” (Bold in original, italics
12 added.)

13 A similar provision, LDC 4.13.80.01.c prohibits building, grading, and paving activities in
14 wetlands except for specified purposes and only if the building paving or grading is designed
15 and constructed to minimize adverse impacts to the wetlands:

16 “**Building, Paving, and Grading Activities** - Within LPW areas, the
17 placement of structures or impervious surfaces, as well as grading, excavation,
18 and the placement of fill, is prohibited, except as outlined below. Exceptions
19 to the LPW restrictions may be made for the purposes identified in * * * ‘2,’
20 below, provided they are designed and constructed to minimize adverse
21 impacts to Wetland Functions.

22 “ * * * * *

23 “2. Activities outlined in sections 4.13.50.b.2, 4.13.50.b.5, and
24 4.13.50.b.6.” (Bold in original.)

25 **B. Minimize Adverse Impacts**

26 The decision approved construction of a “multi-use path” within the 45-foot wide
27 easement area shown on SP1.10, the plan sheet that was included in intervenor’s application,
28 which shows a 12-foot wide path that meanders its location within a 45-foot wide easement
29 that runs east to west across the property. Supplemental Record 1379.² The decision also
30 imposed a condition of approval, Condition 10, which in part requires the path to be

² The PRFP defines “multi-use path” as a “paved path entirely separated from the roadway and used by pedestrians, roller bladers, joggers and cyclists.” PRFP Glossary 2.

1 constructed in accordance with the city Parks and Recreation Facilities Plan (PRFP) Design
2 and Development Policies:

3 “With submittal of the construction cost estimate, the Applicant shall include
4 documentation of an approved fill permit, as required for wetland construction
5 and wetland mitigation by [DSL] and [ACOE], which documents final
6 acceptance by these agencies of the multi-use path construction and
7 alignment. * * *

8 “With submittal of the construction cost estimate, the applicant shall include
9 construction details for the multi-use path that comply with Parks Department
10 trail construction guidelines and DSL requirements, and includes the bench, as
11 identified on Sheet SP1.4, if permitted by DSL. Path construction shall
12 generally follow the ‘Design and Development Policies’ of the adopted
13 [PRFP] (Page 5-2), and final path alignment shall occur so as to minimize
14 removal of significant riparian area and to minimize impacts to the properly
15 functioning condition of the riparian corridor/drainageway. * * *” Record 15.

16 In the first subassignment of error and in a portion of their second subassignment of
17 error, we understand petitioners to argue that the city erred in approving the path to be
18 located in riparian and wetland areas because there is not substantial evidence in the record
19 to support a determination that the path will be “designed and constructed to minimize
20 adverse impacts” to the riparian areas and wetlands. According to petitioners, the city could
21 not determine that adverse impacts are minimized without knowing what the use of the path
22 will be, its exact location, and its exact design, and according to petitioners those features are
23 not known. In support of their argument, petitioners point out that the development plan that
24 was approved by the final decision contains a notation that the “Exact Path Location TBD.”
25 Supplemental Record 1365. Petitioners also point to findings adopted by the city that
26 specifically conclude that the city’s decision to approve the proposed planned development
27 that includes the path does not approve the precise design and construction materials for the
28 path. Record 74. Petitioners also argue that in imposing Condition 10, the city improperly
29 deferred finding compliance with LDC 4.13.50.b and 4.13.80.01.c to a later proceeding that
30 does not require notice and an opportunity for hearing.

1 Respondents respond, and we agree, that there is substantial evidence in the record to
2 support the city’s conclusion that as conditioned the path will minimize adverse impacts to
3 the riparian areas and wetlands under LDC 4.13.50.b and 4.13.80.1.c. First, the city
4 approved a planned development that proposes locating a “multi-use path,” a term that is
5 defined in the PRFP, within the 45-foot wide easement area shown at Supplemental Record
6 1379, and required that path to be designed and constructed in conformance with the PRFP
7 design guidelines for multi-use paths. Although petitioners quote some of the guidelines and
8 policies, petitioners do not explain why a multi-use path located within the easement area
9 that is designed and constructed in accordance with those policies will have more than a
10 minimal adverse impact on the protected areas.

11 We also agree with respondents that in imposing condition 10 the city did not defer
12 making a determination of compliance with LDC 4.13.50.b and 4.13.80.1.c to a future
13 proceeding. Rather, in imposing condition 10, the city approved the path in a location within
14 the 45-foot easement area, but allowed intervenor the flexibility to construct the path in the
15 location within that easement area that minimizes adverse impacts to the protected area.

16 **C. Necessary To Maintain a Functional System**

17 **1. Motion to Strike/Motion to Take Official Notice**

18 As explained above, one of the exceptions to the prohibition on development in
19 riparian and wetlands areas is for “[t]he location and construction of * * * bicycle, and
20 pedestrian facilities within Highly Protected Riparian Corridors and Riparian-related Areas”
21 that are “deemed necessary to maintain a functional system by the City Engineer.” LDC
22 4.13.50.1.b.2. The city adopted findings that the path is “necessary to maintain a functional
23 system.”

24 “[League of Women Voters of Corvallis] LWVC conceded that both the
25 City’s Trails Master Plan and [PRFP] depict a trail in this general location;
26 however, LWVC contends that this trail is conceptual only and was adopted
27 prior to adoption of the [Natural Features Inventory] NFI. As such, LWVC
28 contends that the trail designation did not take into account the wetlands

1 identified on the Property in the NFI. City staff responded by testifying that
2 another adopted plan, the West Corvallis/North Philomath Plan ('WCNPP')
3 identifies the Trail location inside of the natural features, thus showing a clear
4 intent to route the Trail there notwithstanding the existence of the resources.
5 Further City staff cited to specific WCNPP policies that support the Trail
6 location in stream corridors as follows:

7 "OS-I-1:

8 "Work with private landowners to obtain dedications of open space lands for
9 trails and preservation of natural systems.

10 "OS-I-7

11 "Where feasible, incorporate trails as part of stream corridors *as identified on*
12 *the Circulation Plan, Figure VI-1.*

13 "OS-I-9

14 "Locate Trails at the edge of riparian buffer zones to minimize impacts on the
15 natural functioning of the stream corridor and to preserve stream capacity.

16 "The Council concurs with the LWVC that standing alone, the conceptual
17 trails depicted in the Trails Master Plan and the [PRFP] may not justify this
18 location for the trail. However, the Council finds that there is additional
19 substantial evidence in the record that supports the proposed Trail location as
20 set forth in the WCNPP.

21 "The Council concurs with City staff findings that the Trail is 'necessary' in
22 this location to 'maintain a functional trail system' as depicted in the adopted
23 WCNPP and as further conceptually depicted in the Trails Master Plan and
24 the [PRFP]. The Council further finds that each of the cited plans was
25 approved by the Council through a public process." Record 72-73 (Emphasis
26 added.)

27 Petitioners attach to the petition for review a copy of Figure VI-1 from the
28 Circulation Plan that is part of the West Corvallis/North Philomath Plan (WCNPP) and that
29 is referenced in the findings quoted above. Petition for Review App. 90. Figure VI-1 is not
30 part of the record. In its response brief, intervenor moves to strike App. 90 and the portions
31 of the petition for review at pages 16-17 that discuss Figure VI-1 and other provisions of the
32 WCNPP that are not a part of the record. After the response brief was filed, petitioners filed
33 a motion for LUBA to take official notice under Oregon Evidence Code (OEC) 202(7) of

1 excerpts from the WCNPP that are attached to petitioners' motion, including Figure VI.³
2 Intervenor objects to the motion to take official notice to the extent that petitioners
3 improperly seek to use the attached excerpted provisions of the WCNPP to provide evidence
4 that rebuts the city engineer's conclusion that the path is "necessary to maintain a functional
5 system" under LDC 4.13.50.b.2.⁴

6 Petitioners respond, and we agree, that the WCNPP is a part of the Corvallis
7 Comprehensive Plan (CCP) and under OEC 202(7) is subject to official notice. We disagree
8 with intervenor that petitioners seek to use Figure VI-1 to provide evidence to rebut the city's
9 determination about the necessity of the path to maintain a functional system. As discussed
10 below, petitioners' argument based on Figure VI-1 is essentially a legal argument: in
11 determining whether a path must be located in a riparian corridor in order to maintain a
12 functional trail system, as "guided by" city plans presumably including the WCNPP, what
13 legal significance should be attached to the fact that the relevant plans depict a path in the
14 riparian corridor but describe the depicted path or its location as "conceptual." The answer
15 to that question depends on the city's interpretation of various provisions of the LDC and the
16 CCP, including the WCNPP. The WCNPP has been adopted as part of the CCP and we may
17 take official notice of it. Accordingly, petitioners' motion to take official notice is granted
18 and intervenor's motion to strike portions of the petition for review is denied.

³ OEC 202(7) provides that LUBA may take official notice of "[a]n ordinance, comprehensive plan or enactment of any county or incorporated city in this state[.]"

⁴ LUBA's review is limited by ORS 197.835(2)(a) to the record of the proceeding below, except in instances where an evidentiary hearing is authorized by ORS 197.835(2)(b). Thus LUBA may not take official notice of facts within documents that are subject to official notice under OEC 202, if notice of those facts is requested for an adjudicative purpose (i.e., to provide evidentiary support or countervailing evidence with respect to an applicable approval criterion that is at issue in the challenged decision). *Friends of Deschutes County v. Deschutes County*, 49 Or LUBA 100, 103-04 (2005); *Tualatin Riverkeepers v. ODEQ*, 55 Or LUBA 688, 692 (2007).

1 **2. Necessary to Maintain a Functional System**

2 As explained above, the city found that the exception to the general prohibition on
3 development in protected areas was allowed because the path is “necessary to maintain a
4 functional system” under LDC4.13.50.b.2 and LDC 4.13.80.01.c.2. In a portion of their
5 second subassignment of error, we understand petitioners to argue that the city misconstrued
6 applicable law in relying on portions of the WCNPP to conclude that the path is “necessary
7 to maintain a functional system.”⁵ According to petitioners, Figure VI from the circulation
8 plan that is a part of Chapter 6 of the WCNPP states that the trail locations are “conceptual
9 and may vary as more detailed plans are drafted,” suggesting that it may not be necessary to
10 locate the trail within the riparian area at all, and therefore it was error for the city to rely in
11 part on those conceptual trail locations to conclude that locating the path in the riparian area
12 is “necessary to maintain a functional system[.]”

13 Intervenor responds that the city’s interpretation of its land use regulations, including
14 LDC 4.13.50.b.2 and the WCNPP is required to be affirmed under ORS 197.829(1) because
15 the city’s interpretation of the relevant provisions is plausible. *Siporen v. City of Medford*,
16 349 Or 247, 259, 243 P3d 776 (2010). It is not entirely clear to us what the city council
17 understood the label “conceptual” to mean, but it apparently disagreed with petitioners that
18 the “conceptual” label means that the plan maps have no bearing on whether the plan
19 anticipates that the path will be located in the riparian area in order to provide a functional
20 trail system. The city clearly believes that plan maps depicting a path within the area of a
21 riparian corridor support a conclusion that a path must be located somewhere in the corridor
22 in order to provide a functional trail system. We cannot say that view is implausible or
23 inconsistent with any relevant plan or code text. The label “conceptual” could plausibly

⁵ The WCNPP has been adopted as a part of the city’s comprehensive plan.

1 mean that the exact location *within* the riparian corridor has yet to be determined, not that the
2 plans are indifferent as to whether the path is located inside or outside the riparian corridor.

3 **D. Development Associated with MADA**

4 LDC 4.13.50.b.6 provides that one of the seven enumerated purposes that the city
5 may rely on to allow development in a protected area is for “[d]evelopment associated with
6 [MADA] that would be allowed in accordance with [LDC Chapter 4.11] * * *.” In a
7 subassignment of error petitioners argue that the city erred in approving MADA credits for
8 the path and for that reason, LDC 4.13.50.b.6 cannot provide a basis for allowing
9 development in protected areas.

10 It is unclear from the city’s decision whether the city relied on LDC 4.13.50.b.6 to
11 allow development in the protected areas, but one of the incorporated findings at Record 756
12 suggest that the city relied at least in part on that subsection. If that is the case, then we
13 agree with petitioners that without findings justifying the award of MADA credit under LDC
14 4.11.50.02(c), the city may not rely on LDC 4.13.80.02.b.6 to allow development in the
15 protected areas.

16 The second assignment of error is sustained, in part.

17 **THIRD ASSIGNMENT OF ERROR**

18 LDC 4.13.80.01.e provides:

19 **“Department of State Lands and US Army Corps of Engineers**
20 **Notification Required** - In addition to the restrictions and requirements of
21 this Section, all proposed development activities within any Wetland are also
22 subject to Oregon Department of State Lands (DSL) and US Army Corps of
23 Engineers standards and approval. Where there is a difference, the more
24 restrictive regulation shall apply. In accordance with ORS 227.350, as
25 amended, the applicant shall be responsible for notifying DSL and the Corps
26 of Engineers whenever any portion of any Wetland is proposed for
27 development.

28 “No application for development will be accepted as complete until
29 documentation of such notification is provided. Additionally, no site
30 development permits, such as Grading and Excavation Permits, Public
31 Improvements by Private Contract Permits (PIPC), and Building Permits,

1 shall be issued until the City has received verification of DSL and Corps of
2 Engineers approval for development on the subject site.” (Bold in original).

3 In their third assignment of error, petitioners point to the current DSL fill and removal permit
4 for tax lot 500, which contains the following condition (condition 8):

5 **“Deed Restriction Recording.** Before disturbance of any wetland areas,
6 deed restrictions, for the avoided wetlands on tax lot 400 in its entirety * * *
7 and the proposed avoided PFO wetlands on tax lot 500 (202,653 square feet)
8 as shown on Sheet 1 of 1 dated November 16, 2004 shall be recorded with the
9 County Assessor’s office.” Record 350-51 (bold in original.)

10 According to petitioners, LDC 4.13.80.01.e prohibits the city from approving MADA credits
11 for the path and prohibits the city from approving the path until condition 8 has been
12 satisfied.

13 Respondents respond, and we agree, that LDC 4.13.80.01.e merely requires
14 intervenor to notify DSL of the development application in order for the city to deem the
15 planned development application complete, but it does not prohibit the city from approving
16 the application for a planned development on tax lot 500 or the location of the path within
17 the wetlands prior to DSL approval of a new fill and removal permit that approves the path,
18 as long as that approval is conditioned on receiving DSL permits prior to the issuance of any
19 site development permits. Here, the city imposed a condition of approval requiring DSL
20 approval of development activities on tax lot 500 prior to the issuance of site development
21 permits.⁶ That condition prevents the city from issuing site development permits for the

⁶ Condition 4 provides in relevant part:

“Development of the proposed public multi-use path north of Dunawi Creek, the remainder of Phase I * * * and Phase 2 * * * is either not authorized under the scope of the active DSL fill permit or relies on MADA credits associated with DSL approved wetland mitigation that has not yet been authorized. No development permits shall be issued for work beyond the scope of the active DSL fill permit and/or after expiration of the active DSL fill permit, until supplemental documentation, as required in LDC 4.13.80.1.e has been provided to the City. Permits for development that is reliant on DSL-approved wetland mitigation associated with MADA credits under LDC 4.11.50.02.c.2 shall not be authorized until documentation of the approved mitigation has been provided to the City, consistent with LDC 4.11.50.02.c.2.” Record 13.

1 path until DSL has issued a new wetland fill and removal permit for the area of the path and
2 until DSL has approved the mitigation area, if any, that will be required for the path.
3 Petitioners do not challenge condition 4 or otherwise explain why condition 4 is inadequate
4 to ensure that no site development of the path will occur until DSL has approved the
5 development.

6 The third assignment of error is denied.

7 **FOURTH ASSIGNMENT OF ERROR**

8 Intervenor proposes to locate above-ground stormwater detention facilities on a
9 portion of tax lot 600 that is currently within the 100-year floodplain, and on a portion of tax
10 lot 500 within the riparian easement area.⁷ Supplemental Record 1378.

11 **A. 10-Year Floodplain**

12 LDC 4.0.130.b.1 requires in relevant part that stormwater “[d]etention or retention
13 facilities shall be located outside the 10-year Floodplain or the riparian easement area,
14 whichever is greater.” In their fourth assignment of error, petitioners argue that the city’s
15 findings fail to address petitioners’ argument below that the 10-year floodplain has not been
16 mapped, and without that mapping, the city could not determine whether the facilities will be
17 located outside of the 10-year floodplain boundary.

18 Respondents point to the city’s findings that “[t]he Application includes substantial
19 evidence explaining how the proposed stormwater facilities are consistent with applicable
20 provisions of the LDC, including LDC 4.0.130.” Record 75. Respondents explain that the
21 application includes an illustration showing that after development, the stormwater detention
22 facility on tax lot 600 will be located outside the boundaries of the 100-year floodplain, and
23 explain that the 100-year floodplain includes the 10-year floodplain. Supplemental Record

⁷ LDC 4.13.70.02.d.2 Table 4.13-2 provides that the riparian easement area is 50 feet from the top of the bank of Dunawi Creek.

1 1378.⁸ We agree with respondents that the city’s findings are adequate to explain why the
2 city concluded that the stormwater facilities comply with LDC 4.0.130 and that the evidence
3 in the record supports that conclusion. Supplemental Record 1378 shows that the storm
4 water facility to be located on tax lot 600 is entirely outside of the post-development 100-
5 year floodplain, and is therefore necessarily outside of the 10-year floodplain.⁹

6 **B. Riparian Easement Area Encroachment**

7 LDC 4.13.70.02.d.2 Table 4.13-2 provides that the riparian easement area is 50 feet
8 from the top of the bank of Dunawi Creek. LDC 4.13.70.02.d.4 provides:

9 “If, through the provisions of Chapter 4.11 - Minimum Assured Development
10 Area (MADA), it is determined that encroachment into a Riparian Corridor
11 area is necessary to allow for utilization of the Minimum Assured
12 Development Area, any associated easement requirement shall be relaxed to
13 the extent necessary to allow for the minimum necessary encroachment into
14 the resource area.”

15 Thus LDC 4.13.70.02.d.4 allows encroachment of development into the 50-foot riparian
16 easement area in order for development to meet allowed MADA.

17 Some of the incorporated findings suggest that the city may have allowed
18 development of the stormwater detention facility within the riparian easement area on tax lot
19 500 under LDC 4.13.70.02.d.4. Record 680. In a portion of their fourth assignment of error,
20 we understand petitioners to contend that if their first assignment of error is sustained, the
21 city also erred in relying on LDC 4.13.70.02.d.4 to allow development within the riparian
22 easement area where the total MADA has not yet been determined. We agree with
23 petitioners that without knowing the MADA for the development, the city could not

⁸ According to the plan at Supplemental Record 1378, the detention pond on tax lot 600 will be located outside of the *post-development* 100-year floodplain, which is north of the pre-development 100-year floodplain due to construction of a new culvert.

⁹ As the city explains “[a] 100-year Flood Plain indicates the maximum level of flooding expected to occur every hundred years; in other words, there is a 1% chance of maximum level flooding each year. In a 10-year Flood Plain there is a 10% chance every year of maximum level flooding.” Response Brief of City 28, n 9.

1 determine under LDC 4.13.70.02.d.2 whether “encroachment into a Riparian Corridor area is
2 necessary to allow for utilization of” MADA.

3 The fourth assignment of error is sustained, in part.

4 The city’s decision is remanded.

**ADMINISTRATIVE SERVICES COMMITTEE
SCHEDULED ITEMS**

June 30, 2011

MEETING DATE	AGENDA ITEM
July 6	<ul style="list-style-type: none"> • Sustainable City Services Statement Proposal • Property Tax-Related Financial Policies Review
July 20	No meeting
August 3	<ul style="list-style-type: none"> • Land Use Application Fees Review • Council Policy Review: <ul style="list-style-type: none"> • CP 91-3.02, "City Compensation Policy"
August 17	
September 7	<ul style="list-style-type: none"> • Land Use Application Fees Review
September 21	<ul style="list-style-type: none"> • Economic Development Allocations Fourth Quarter Report
October 5	<ul style="list-style-type: none"> • Fourth Quarter Operating Report • Council Policy Reviews: <ul style="list-style-type: none"> • CP 04-1.09, "Public Access Television" • CP 93-1.06, "Guidelines for Use of the City Logo" • CP 94-2.09, "Council Orientation" • CP 91-3.04, "Separation Policy"
October 19	<ul style="list-style-type: none"> • Council Policy Review: <ul style="list-style-type: none"> • CP 08-1.11, "Identity Theft Prevention and Red Flag Alerts"
November 9	<ul style="list-style-type: none"> • Council Policy Reviews: <ul style="list-style-type: none"> • CP 91-2.03, "Expense Reimbursement" • CP 98-2.10, "Use of E-Mail by Mayor and City Council" • Comprehensive Annual Financial Report
November 23	<ul style="list-style-type: none"> • Utility Rate Annual Review
December 7	<ul style="list-style-type: none"> • Council Policy Review: <ul style="list-style-type: none"> • CP 91-2.02, "Council Process" • CP 97-10.01 - 10.08, "Financial Policies" • First Quarter Operating Report
December 21	

ASC PENDING ITEMS

- | | |
|--|-----------------------|
| • Economic Development Policy on Tourism | Community Development |
| • Utility Rate Structure Review | Public Works |
| • Voluntary Donations on Electronic Utility Payments | Finance |

Regular Meeting Date and Location:

Wednesday following Council, 4:00 pm – Madison Avenue Meeting Room

**HUMAN SERVICES COMMITTEE
SCHEDULED ITEMS**

June 30, 2011

MEETING DATE	AGENDA ITEM
July 6	<ul style="list-style-type: none"> • Greenbelt Land Trust Bald Hill Land Acquisition • Declaration of Cooperation Between City/Benton County/Greenbelt Land Trust • Corvallis Farmers Market Annual Report • Parks and Recreation Annual Fee Review
July 19	<ul style="list-style-type: none"> • Willamette Neighborhood Housing Services Third Quarter Report
August 2	
August 16	<ul style="list-style-type: none"> • Social Services Semi-Annual Report
September 7	
September 20	<ul style="list-style-type: none"> • Rental Housing Program Annual Report • Willamette Neighborhood Housing Services Fourth Quarter Report
October 4	<ul style="list-style-type: none"> • Council Policy Review: <ul style="list-style-type: none"> • CP 93-4.11, "Public Library Policy for Selecting and Discarding Materials" • CP 99-4.14, "Use of City Hall Plaza and Kiosk"
October 18	
November 8	<ul style="list-style-type: none"> • Council Policy Review: <ul style="list-style-type: none"> • CP 91-4.01, "Guidelines for Selling in Parks"
November 22	
December 6	<ul style="list-style-type: none"> • Council Policy Review: <ul style="list-style-type: none"> • CP 91-1.03, "Naming of Public Facilities and Land" • CP 92-5.04, "Hate/Bias Violence"
December 20	

HSC PENDING ITEMS

- | | |
|---|---|
| <ul style="list-style-type: none"> • Communication Plan Annual Report • Council Policy Review: CP 00-6.05, "Social Service Funding Policy" • Indoor Furniture Placed Outdoors • Municipal Code Review: Chapter 5.01, "City Park Regulations" (Alcoholic Beverages in Parks) | <ul style="list-style-type: none"> City Manager's Office Community Development Community Development Parks & Recreation |
|---|---|

Regular Meeting Date and Location:

Tuesday following Council, 12:00 pm – Madison Avenue Meeting Room

**URBAN SERVICES COMMITTEE
SCHEDULED ITEMS**

June 30, 2011

MEETING DATE	AGENDA ITEM
July 7	No meeting
July 21	<ul style="list-style-type: none"> • Ponderosa Avenue Jurisdiction • Food Carts – Initial Discussion
August 4	No meeting
August 18	<ul style="list-style-type: none"> • Council Policy Review: <ul style="list-style-type: none"> • CP 99-7.14, "Prepayment for Public Street Improvements"
September 8	<ul style="list-style-type: none"> • Council Policy Review: <ul style="list-style-type: none"> • CP 02-7.15, "Fee-in-Lieu Parking Program"
September 22	
October 6	<ul style="list-style-type: none"> • Council Policy Review: <ul style="list-style-type: none"> • CP 91-7.01, "Assessments - Sanitary Sewer and Water System Improvements" • CP 91-7.02, "Assessments - Storm System" • CP 91-7.03, "Assessments - Street Improvements" • CP 91-7.11, "Water Main Extensions and Fire Protection" • CP 91-8.01, "Watershed Easement Considerations" • CP 91-9.04, "Street Lighting Policy" • CP 08-9.07, "Traffic Calming Program"
October 20	<ul style="list-style-type: none"> • Council Policy Review: <ul style="list-style-type: none"> • CP 04-1.08, "Organizational Sustainability"
November 10	
November 24	No meeting
December 8	<ul style="list-style-type: none"> • Council Policy Review: <ul style="list-style-type: none"> • CP 91-7.09, "Traffic Control Devices, Cost of" • CP 91-7.10, "Water Line Replacement Policy" • CP 91-9.01, "Crosswalks"
December 22	

USC PENDING ITEMS

- | | |
|---|-----------------------|
| • Council Policy Review: CP 91-7.04, "Building Permits" | Community Development |
| • Council Policy Review: CP 91-9.03, "Residential Parking Permit District Fees" | Public Works |
| • Energy Efficiency and Conservation Block Grant (EECBG) Program Update | Public Works |
| • Fire Protection Services in Health Hazard Residential Areas | Fire |
| • Reducing Potential for Fire Spread Involving Natural Resources | Fire |

Regular Meeting Date and Location:

Thursday following Council, 5:00 pm – Madison Avenue Meeting Room

UPCOMING MEETINGS OF INTEREST



City of Corvallis

JULY - NOVEMBER 2011
(Updated June 30, 2011)

JULY 2011

Date	Time	Group	Location	Subject/Note
1	7:00 am	Bicycle and Pedestrian Adv Cmsn	Madison Avenue Mtg Rm	
2		No Government Comment Corner		
4		City Holiday - all offices closed		
5	7:00 am	Airport Commission	Madison Avenue Mtg Rm	
5	12:00 pm	City Council	Downtown Fire Station	
5	5:30 pm	Downtown Parking Committee	Madison Avenue Mtg Rm	
5	7:00 pm	City Council	Downtown Fire Station	<i>work session</i>
6	7:30 am	City Legislative Committee	City Hall Meeting Room A	
6	12:00 pm	Human Services Committee	Madison Avenue Mtg Rm	
6	4:00 pm	Administrative Services Committee	Madison Avenue Mtg Rm	
6	7:00 pm	Planning Commission	Downtown Fire Station	
7	5:00 pm	Urban Services Committee	Madison Avenue Mtg Rm	
7	7:00 pm	Committee for Citizen Involvement	Madison Avenue Mtg Rm	
9	10:00 am	Government Comment Corner	Library Lobby - TBD	
11	3:00 pm	Economic Development Cmsn	Downtown Fire Station	
12	7:00 pm	Historic Resources Commission	Downtown Fire Station	
13	8:20 am	Citizens Advisory Cmsn on Transit	Madison Avenue Mtg Rm	
13	5:30 pm	Downtown Commission	Madison Avenue Mtg Rm	
14	8:00 am	Citizens Advisory Cmsn on Civic Beautification and Urban Forestry	Parks and Rec Conf Rm	
16	10:00 am	Government Comment Corner	Library Lobby - Hal Brauner	
18	12:00 pm	City Council	Downtown Fire Station	
18	4:30 pm	Airport Industrial Park Plng Cmte	Downtown Fire Station	
18	7:00 pm	City Council	Downtown Fire Station	
19	12:00 pm	Human Services Committee	Madison Avenue Mtg Rm	
19	7:00 pm	Historic Resources Commission	Madison Avenue Mtg Rm	<i>special meeting</i>
20	7:30 am	City Legislative Committee	City Hall Meeting Room A	
20	12:00 pm	Housing and Community Dev Cmsn	Madison Avenue Mtg Rm	
20	4:00 pm	Administrative Services Committee	Madison Avenue Mtg Rm	
20	5:00 pm	City Council Executive Session	Madison Ave Mtg Rm	City Manager recruitment
20	5:30 pm	Watershed Mgmt Adv Cmsn	Madison Avenue Mtg Rm	
20	7:00 pm	Planning Commission	Downtown Fire Station	
21	5:00 pm	Urban Services Committee	Madison Avenue Mtg Rm	
21	6:30 pm	Parks, Natural Areas, and Rec Brd	Downtown Fire Station	
23	10:00 am	Government Comment Corner	Library Lobby - Biff Traber	
25	4:30 pm	Airport Industrial Park Plng Cmte	Downtown Fire Station	
26	12:00 pm	Cmsn for Martin Luther King, Jr.	Madison Avenue Mtg Rm	
28	5:30 pm	Arts and Culture Commission	Parks and Rec Conf Rm	
30	10:00 am	Government Comment Corner	Library Lobby - Linda Modrell	

AUGUST 2011

Date	Time	Group	Location	Subject/Note
1	12:00 pm	City Council	Downtown Fire Station	
1	7:00 pm	City Council	Downtown Fire Station	
2	7:00 am	Airport Commission	Madison Avenue Mtg Rm	
2	12:00 pm	Human Services Committee	Madison Avenue Mtg Rm	
2	5:30 pm	Downtown Parking Committee	Madison Avenue Mtg Rm	
3	7:30 am	City Legislative Committee	Cornell Meeting Room City Hall Meeting Room A	
3	4:00 pm	Administrative Services Committee	Madison Avenue Mtg Rm	
3	7:00 pm	Planning Commission	Downtown Fire Station	
3	7:30 pm	Library Board	Library Board Room	
4	TBD	City Council	to be determined	City Manager interviews
4	5:00 pm	Urban Services Committee	Madison Avenue Mtg Rm	
4	7:00 pm	Committee for Citizen Involvement	Madison Avenue Mtg Rm	
5	TBD	City Council	to be determined	City Manager interviews
5	7:00 am	Bicycle and Pedestrian Adv Cmsn	Madison Avenue Mtg Rm	
6	10:00 am	Government Comment Corner	Library Lobby - TBD	
8	3:00 pm	Economic Development Cmsn	Madison Avenue Mtg Rm	
9	7:00 pm	Historic Resources Commission	Downtown Fire Station	
10	8:20 am	Citizens Adv Cmsn on Transit	Madison Avenue Mtg Rm	
10	5:30 pm	Downtown Commission	Madison Avenue Mtg Rm	
11	8:00 am	Citizens Advisory Cmsn on Civic Beautification and Urban Forestry	Parks and Rec Conf Rm	
13	10:00 am	Government Comment Corner	Library Lobby - TBD	
15	12:00 pm	City Council	Downtown Fire Station	
15	7:00 pm	City Council	Downtown Fire Station	
16	12:00 pm	Human Services Committee	Madison Avenue Mtg Rm	
17	7:30 am	City Legislative Committee	City Hall Meeting Room A	
17	12:00 pm	Housing and Community Dev Cmsn	Madison Avenue Mtg Rm	
17	4:00 pm	Administrative Services Committee	Madison Avenue Mtg Rm	
17	5:30 pm	Watershed Mgmt Adv Cmsn	Madison Avenue Mtg Rm	
17	7:00 pm	Planning Commission	Downtown Fire Station	
18	5:00 pm	Urban Services Committee	Madison Avenue Mtg Rm	
18	6:30 pm	Parks, Natural Areas, and Rec Brd	Downtown Fire Station	
20	10:00 am	Government Comment Corner	Library Lobby - Julie Manning	
22	4:30 pm	Airport Industrial Park Plng Cmte	Downtown Fire Station	
23	12:00 pm	Cmsn for Martin Luther King, Jr.	Madison Avenue Mtg Rm	
25	5:30 pm	Arts and Culture Commission	Parks and Rec Conf Rm	
27	10:00 am	Government Comment Corner	Library Lobby - TBD	

SEPTEMBER 2011

Date	Time	Group	Location	Subject/Note
1	7:00 pm	Committee for Citizen Involvement	Madison Avenue Mtg Rm	
2	7:00 am	Bicycle and Pedestrian Adv Cmsn	Madison Avenue Mtg Rm	
3		No Government Comment Corner		
5		City Holiday - all offices closed		
6	7:00 am	Airport Commission	Madison Avenue Mtg Rm	
6	12:00 pm	City Council	Downtown Fire Station	
6	7:00 pm	City Council	Downtown Fire Station	
7	12:00 pm	Human Services Committee	Madison Avenue Mtg Rm	

Date	Time	Group	Location	Subject/Note
7	4:00 pm	Administrative Services Committee	Madison Avenue Mtg Rm	
7	5:30 pm	Downtown Parking Committee	Madison Avenue Mtg Rm	
7	7:00 pm	Planning Commission	Downtown Fire Station	
7	7:30 pm	Library Board	Library Board Room	
8	8:00 am	Citizens Advisory Cmsn on Civic Beautification and Urban Forestry	Parks and Rec Conf Rm	
8	5:00 pm	Urban Services Committee	Madison Avenue Mtg Rm	
10	10:00 am	Government Comment Corner	Library Lobby - Dan Brown	
12	3:00 pm	Economic Development Cmsn	Madison Avenue Mtg Rm	
12	7:00 pm	Mayor/City Council/City Manager Quarterly Work Session	Madison Avenue Mtg Rm	tentative
13	7:00 pm	Ward 5 Meeting (Beilstein)	to be determined	City sponsored
13	7:00 pm	Historic Resources Commission	Downtown Fire Station	
14	8:20 am	Citizens Adv Cmsn on Transit	Madison Avenue Mtg Rm	
14	5:30 pm	Downtown Commission	Madison Avenue Mtg Rm	
15	6:30 pm	Parks, Natural Areas, and Rec Brd	Downtown Fire Station	
19	12:00 pm	City Council	Downtown Fire Station	
19	7:00 pm	City Council	Downtown Fire Station	
20	12:00 pm	Human Services Committee	Madison Avenue Mtg Rm	
21	12:00 pm	Housing and Community Dev Cmsn	Madison Avenue Mtg Rm	
21	4:00 pm	Administrative Services Committee	Madison Avenue Mtg Rm	
21	5:30 pm	Watershed Mgmt Adv Cmsn	Madison Avenue Mtg Rm	
21	7:00 pm	Planning Commission	Downtown Fire Station	
22	5:00 pm	Urban Services Committee	Madison Avenue Mtg Rm	
22	5:30 pm	Arts and Culture Commission	Parks and Rec Conf Rm	
24	10:00 am	Government Comment Corner	Library Lobby - Richard Hervey	
26	4:30 pm	Airport Industrial Park Plng Cmte	Downtown Fire Station	
27	12:00 pm	Cmsn for Martin Luther King, Jr.	Madison Avenue Mtg Rm	

OCTOBER 2011

Date	Time	Group	Location	Subject/Note
1	10:00 am	Government Comment Corner	Library Lobby - Jeanne Raymond	
3	12:00 pm	City Council	Downtown Fire Station	
3	7:00 pm	City Council	Downtown Fire Station	
4	7:00 am	Airport Commission	Madison Avenue Mtg Rm	
4	12:00 pm	Human Services Committee	Madison Avenue Mtg Rm	
4	5:30 pm	Downtown Parking Committee	Madison Avenue Mtg Rm	
5	4:00 pm	Administrative Services Committee	Madison Avenue Mtg Rm	
5	7:30 pm	Library Board	Library Board Room	
6	5:00 pm	Urban Services Committee	Madison Avenue Mtg Rm	
7	7:00 am	Bicycle & Pedestrian Adv Cmsn	Madison Avenue Mtg Rm	
8	10:00 am	Government Comment Corner	Library Lobby - Hal Brauner	
10	3:00 pm	Economic Development Cmsn	Madison Avenue Mtg Rm	
11	7:00 pm	Ward 3 (Hervey) meeting	TBD	City sponsored
12	8:20 am	Citizens Adv Cmsn on Transit	Madison Avenue Mtg Rm	
13	8:00 am	Citizens Advisory Cmsn on Civic Beautification and Urban Forestry	Parks and Rec Conf Rm	
15	10:00 am	Government Comment Corner	Library Lobby - Julie Manning	
17	12:00 pm	City Council	Downtown Fire Station	
17	7:00 pm	City Council	Downtown Fire Station	

Date	Time	Group	Location	Subject/Note
18	12:00 pm	Human Services Committee	Madison Avenue Mtg Rm	
19	4:00 pm	Administrative Services Committee	Madison Avenue Mtg Rm	
19	5:30 pm	Watershed Mgmt Adv Cmsn	Madison Avenue Mtg Rm	
20	5:00 pm	Urban Services Committee	Madison Avenue Mtg Rm	
20	6:30 pm	Parks, Natural Areas, and Rec Brd	Downtown Fire Station	
22	10:00 am	Government Comment Corner	Library Lobby - Biff Traber	
25	12:00 pm	Cmsn for Martin Luther King, Jr.	Madison Avenue Mtg Rm	
27	5:30 pm	Arts and Culture Commission	Parks and Rec Conf Rm	
29	10:00 am	Government Comment Corner	Library Lobby - Mark O'Brien	

NOVEMBER 2011

Date	Time	Group	Location	Subject/Note
1	7:00 am	<i>Airport Commission</i>	<i>Madison Avenue Mtg Rm</i>	
1	5:30 pm	<i>Downtown Parking Committee</i>	<i>Madison Avenue Mtg Rm</i>	
2	7:30 pm	<i>Library Board</i>	<i>Library Board Room</i>	
4	7:00 am	<i>Bicycle and Pedestrian Adv Cmsn</i>	<i>Madison Avenue Mtg Rm</i>	
5	10:00 am	<i>Government Comment Corner</i>	<i>Library Lobby - TBD</i>	
7	12:00 pm	City Council	Downtown Fire Station	
7	7:00 pm	City Council	Downtown Fire Station	
8	12:00 pm	<i>Human Services Committee</i>	<i>Madison Avenue Mtg Rm</i>	
9	8:20 am	<i>Citizens Adv Cmsn on Transit</i>	<i>Madison Avenue Mtg Rm</i>	
9	4:00 pm	<i>Administrative Services Committee</i>	<i>Madison Avenue Mtg Rm</i>	
9	5:30 pm	<i>Downtown Commission</i>	<i>Downtown Fire Station</i>	
10	8:00 am	<i>Citizens Advisory Cmsn on Civic Beautification and Urban Forestry</i>	<i>Parks and Rec Conf Rm</i>	
10	5:00 pm	<i>Urban Services Committee</i>	<i>Madison Avenue Mtg Rm</i>	
11		<i>City Holiday - all offices closed</i>		
12		<i>No Government Comment Corner</i>		
14	3:00 pm	<i>Economic Development Cmsn</i>	<i>Madison Avenue Mtg Rm</i>	
16	5:30 pm	<i>Watershed Mgmt Adv Cmsn</i>	<i>Madison Avenue Mtg Rm</i>	
17	6:30 pm	<i>Parks, Natural Areas, and Rec Brd</i>	<i>Parks and Rec Conf Rm</i>	
19	10:00 am	<i>Government Comment Corner</i>	<i>Library Lobby - TBD</i>	
21	12:00 pm	City Council	Downtown Fire Station	
21	7:00 pm	City Council	Downtown Fire Station	
22	12:00 pm	<i>Human Services Committee</i>	<i>Madison Avenue Mtg Rm</i>	
22	12:00 pm	<i>Cmsn for Martin Luther King, Jr.</i>	<i>City Hall Meeting Room A</i>	
23	4:00 pm	<i>Administrative Services Committee</i>	<i>Madison Avenue Mtg Rm</i>	
24		<i>No Urban Services Committee</i>	<i>Madison Avenue Mtg Rm</i>	
24	5:30 pm	<i>Arts and Culture Commission</i>	<i>Parks and Rec Conf Rm</i>	
26		<i>No Government Comment Corner</i>		

Bold type – involves the Council **Strikeout** type – meeting canceled *Italics* type – new meeting
TBD To be Determined

**URBAN SERVICES COMMITTEE
MINUTES
June 23, 2011**

Present

Richard Hervey, Chair
Hal Brauner
Roan Hogg

Staff

Ellen Volmert, Assistant City Manager
Jim Mitchell, Transportation and Buildings
Division Manager
Emely Day, City Manager's Office

SUMMARY OF DISCUSSION

Agenda Item	Information Only	Held for Further Review	Recommendations
I. Airport Base Lease Rates Adjustment			<ul style="list-style-type: none"> • Increase the current Corvallis Municipal Airport and Airport Industrial Park land lease rates and continue with annual Consumer Price Index adjustments, as recommended by staff • Increase the Airport Industrial Park lease rate for the shovel-ready site by \$.02 per square foot per year, adjusted annually by the Consumer Price Index over the term of the lease to recover wetland mitigation costs, and authorize staff to negotiate, as an option, a lease that collects \$11,500 per acre at the beginning of the lease term, instead of the annual amount • Return the Oregon Business Development Department loan of \$475,000
II. Airport Lease – Skoro			Approve the land lease with Tom Skoro and authorize the City Manager to sign the lease agreement with Tom Skoro and the release of the current lease with the Fred Lowther Trust
III. Airport Lease Addendum – Hand			Approve the lease addendum with Richard Hand and authorize the City Manager to sign the lease addendum
IV. Other Business	Yes		

CONTENT OF DISCUSSION

Councilor Hervey called the meeting to order at 5:00 pm.

I. Airport Base Lease Rates Adjustment (Attachment)

Transportation and Buildings Division Manager Mitchell explained that the airport base lease rate adjustment staff report involved three elements:

- Adjustments to base lease rates for Corvallis Municipal Airport (CMA) properties and Airport Industrial Park (AIP) properties,
- Whether to recover wetland mitigation costs previously incurred for the shovel-ready site, and
- Whether to return or spend a loan from the State of Oregon Business Development Department.

Mr. Mitchell referenced a supplemental staff report, which addressed Councilor Hervey's earlier questions regarding the loan and lease rates.

Lease Rates

Council Policy CP 97-7.13, Municipal Airport and Industrial Park Leases, directs that lease rates be adjusted at five-year intervals. Per the Policy, the City hires an appraiser to determine the market values of the CMA and AIP properties. The Council may then adjust the lease rates to ten percent of the appraised value, thereby establishing the base rate. Staff presented to the Airport Commission the appraisal and a recommendation of rate adjustments. The Commission did not want to recommend the full adjustment that would be prompted by the appraisal or the increase proposed by staff and, rather, recommended maintaining the current lease rates as an incentive for development. The Commission questioned why currently low rates did not equate to more development at CMA and AIP and expressed concern that implementing the full rate adjustment might stifle development further. The lease rate adjustment would affect only some of the current CMA and AIP leases and any future leases. Airport leases are typically for long terms. Five CMA and three AIP leases would be affected by the lease rate adjustment; other leases do not include a clause regarding lease rate adjustments and, therefore, would not be affected.

The Airport Commission recommended maintaining the current CMA and AIP lease rates with annual Consumer Price Index adjustments and not implementing market value adjustments.

Wetland Mitigation Costs

The City expects to spend \$475,000 to mitigate the wetland conditions at the shovel-ready portion of the AIP. Previously, staff spoke to the Council regarding finding a means of repaying the mitigation loan to the Airport Fund; this is typically done through lease rate adjustments or fees for tenants on the shovel-ready site. The Airport Commission

reviewed some options presented by staff and recommended recovering the costs over the 30-year life of a lease, which equates to \$.02 per square foot per year. The Commission recommended adjusting the lease rate for the shovel-ready portion of AIP by two cents per square foot (from \$.09 to \$.11)

State Loan

The City secured a 25-year loan, with a total debt liability of \$900,000. Staff reviewed the status of the Airport Fund and how Airport-related bills were being paid and asked the City's Finance Director for a recommendation whether to spend the loan funds and incur the related debt or continue paying expenses from the existing Airport Fund revenue. The City has spent almost \$300,000 for various costs (easement purchase, construction costs, consulting fees, etc.). Project costs will be greater initially, lower at the ten-year point (when the Department of Environmental Quality and the Division of State Lands [DSL] will conduct monitoring), and \$50,000 to \$60,000 at the end of the project to establish an escrow account to generate revenue to pay for continuing maintenance of the wetland. The wetland plan approved by the DSL and the United States Army Corps of Engineers requires that, when the time arrives, the City can determine whether to establish an escrow account and how such an account would be used to maintain the wetlands in perpetuity. Currently, financial planning includes a \$60,000 "placeholder" ten years into the future for an escrow account.

Of the \$475,000 loan amount, the City spent \$300,000 and expects to spend \$60,000 in approximately ten years; the remainder would be spent for construction, monitoring, and maintenance. Staff recommended continuing to use revenue from the solvent Airport Fund for wetland mitigation expenses and returning the loan.

Mr. Mitchell confirmed that the \$300,000 in expenses were paid from the Airport Fund; no loan funds were spent.

Councilor Hervey said the option of recovering wetland mitigation costs over the "term of a lease" seemed confusing, as lease durations varied. He questioned whether the City would be subsidizing businesses or recovering their investment, given the current interest rates.

Mr. Mitchell referenced the March 25 staff report to the Airport Commission, which outlined three options:

- Add an initial charge of \$11,500 per acre to the cost of a lease or negotiate payment options for a long-term lease;
- Add \$871 per acre per year to new 30-year leases in the wetland mitigation area (this equates to \$26,130 per acre, assuming future dollar values); or
- Do not recover wetland mitigation costs.

Staff recommended the first alternative because of cash-flow considerations. The Airport Commission recommended the second option. The Commission was interested in the

third option but supported the second option. A tenant of five acres or less would benefit by paying the fee up-front, rather than over the term of the lease.

Mr. Mitchell reviewed the standard Airport complex lease terms:

- AIP – 40 years, with two ten-year extension options
- Fixed-base operators and specialized aviation service operations – 30 years
- Private hangar – 20 years
- City-owned building – 10 years

Mr. Mitchell said the Airport Commission has a fairly balanced composition of pilot/airport and economic development interests. Two Commissioners identified the problem of the increasing gap between the lease rate and the market rate. At the time of the previous market rate adjustment, lease rates were adjusted for CMA leases to the market value appraisal; however, AIP lease rates were at an amount less than the market rate. These Commissioners questioned whether the City undervalued the property and lost revenue opportunities that could fund future projects. Other Commissioners countered that, if the Airport property was undervalued, it should be full of tenants. They suggested that the market value appraisal seemed to miss a comparative market factor. Ultimately, the Commission recommended not increasing lease rates and keeping the rates under market value as an incentive.

Councilor Brauner inquired whether it was possible to determine whether the lease rates or other factors were causing the low occupancy at the Airport complex. He pondered whether the appraisal process should be changed or if a different study was needed.

Councilor Hervey noted that tenants who located at the Airport complex because it suited their needs, without consideration of lease rates, might be willing to pay more. However, increasing lease rates may deter other potential tenants. He suggested that, prior to the next market value appraisal, staff review the appraisal criteria and determine whether tenants would pay higher lease rates and remain at the Airport. This may be a better approach than setting a lease rate with the hope that it would not deter potential tenants.

Mr. Mitchell responded that staff did not consider the land lease cost a deterrent, particularly for industrial activities. The land lease is a minor cost in the total package of building a manufacturing facility and improvements. Staff was concerned with having a lease rate too different from the market value. Staff believes other factors are deterrents to tenants, such as the inability to secure loans without owning property. Long-term tenants were able to secure leases because of the long-term lease at the Airport. Staff believes marketing of the AIP is a greater issue. The City owns the land, so there is no incentive for a Realtor to market the property to tenants. Staff considered possible incentives to marketing the AIP property, such as a "finder's fee." Staff took measures to create incentives for tenants, such as the shovel-ready property. It is difficult to find property in the Willamette Valley comparable to the shovel-ready AIP property, which has the wetlands mitigated, City utilities, transportation, and fiber optic access and is outside the City for lower property taxes.

Lease Rates

Councilor Brauner opined that the lease rates were not a major factor in why businesses did or did not locate at the Airport complex. Not increasing the lease rates could result in the City losing a revenue opportunity. He questioned whether to increase the lease rate to the full market value recommendation or to a lower amount. He did not want to ignore a Council fiscal policy that could generate revenue.

Councilor Hervey observed that the issue involved balancing a Council Policy that was developed for broad applicability. The Council Policy goals section includes "Permit maximum generation of revenues to the Airport Fund in a manner consistent with sound business practices," "Facilitate the investment of private capital to develop the Airport and Airport Industrial Park," and "Compete on an equitable basis with private industrial properties." Based upon these goals, increasing the lease rate to less than the market value recommendation would not violate the Policy.

Councilor Hogg expressed a preference for staff's recommendation or the full market value recommendation to avoid subsidizing CMA and AIP businesses. The Council adopted a goal of maximizing revenue. The full market value recommendation would generate an additional \$200,000 per year. Lease rates do not appear to be deterring people from locating at CMA or AIP.

Based upon a motion moved and seconded by Councilors Brauner and Hogg, respectively, the Committee unanimously recommends that Council increase the current Corvallis Municipal Airport and Airport Industrial Park land lease rates and continue with annual Consumer Price Index adjustments, as recommended by staff.

Wetland Mitigation Costs

In response to Councilor Brauner's inquiry, Mr. Mitchell confirmed that the lease rate could be increased by \$.02 per square foot per year, and staff could be given the flexibility to negotiate that the mitigation cost recovery be paid at the beginning of the lease. Staff recommended that the \$11,500 be assessed at the beginning of the lease, with staff having the authority to negotiate another payment plan.

Based upon a motion moved and seconded by Councilors Brauner and Hogg, respectively, the Committee unanimously recommends that Council increase the Airport Industrial Park lease rate for the shovel-ready site by \$.02 per square foot per year, adjusted annually by the Consumer Price Index over the term of the lease to recover wetland mitigation costs, and authorize staff to negotiate, as an option, a lease that collects \$11,500 per acre at the beginning of the lease term, instead of the annual amount.

State Loan

Mr. Mitchell confirmed that the City had not incurred interest on the loan, as no loan funds were expended. The State asked whether the City would use the loan funds; if not, the funds could be invested elsewhere in the state.

Councilor Brauner said he could not justify incurring debt for something the City was able to pay for.

Based upon a motion moved and seconded by Councilors Brauner and Hogg, respectively, the Committee unanimously recommends that Council return the Oregon Business Development Department loan of \$475,000.

II. Airport Lease – Skoro (Attachment)

Mr. Mitchell explained that the land lease involved the property under the first corporate hangar constructed at CMA. The hangar was constructed in approximately 1983, under a lease with a clause requiring that, upon lease termination, the tenant must remove all improvements, or the City could take possession of the improvements or remove the improvements and charge the tenant for the work. The Council addressed a similar situation recently and determined that such cases would be evaluated individually.

In the subject case, a hangar sale was negotiated, and Tom Skoro would like a new lease for the property. The Council must decide whether to allow the early termination of the current lease to allow for this sale and new lease or keep the current lease to its termination in October 2013. Fred Lowther indicated to staff that if the City keeps the current lease with him, he plans to remove the hangar. The hangar is not in poor condition, but taking possession of the building would change the City's role from being an airport operator to being a landlord with another building to maintain. The City is not prepared to maintain a corporate hangar. The Council's decision could establish a precedent for similar future situations. The Airport Commission recommended that the City not take possession of the hangar, terminate the current Fred Lowther Trust lease, enter into a new lease with Mr. Skoro, and allow Mr. Skoro to own the hangar.

Councilors Hogg and Brauner, respectively, moved and seconded to recommend that the Council approve the land lease with Tom Skoro and authorize the City Manager to sign the lease agreement with Tom Skoro and the release of the current lease with the Fred Lowther Trust.

Councilor Hervey said he was a member of the Committee last term when a similar situation occurred. He preferred the precedent of investing in the Airport complex, as it helped secure the long-term goodwill of airport tenants and made the Airport complex more attractive to prospective tenants.

Based upon the foregoing motion, the Committee unanimously recommends that Council approve the land lease with Tom Skoro and authorize the City Manager to sign the lease agreement with Tom Skoro and the release of the current lease with the Fred Lowther Trust.

III. Airport Lease Addendum – Hand (Attachment)

Mr. Mitchell explained that Richard Hand is building a corporate hangar at the end of a taxi lane, so the taxi lane must be extended across the front of the tenant's hangar. The Airport Handbook requires that the tenant construct the full-width taxi lane, with reimbursement from a future tenant across the taxi lane. The proposed lease addendum would establish that the City will incorporate the reimbursement in the next lease for the facing tenant. The reimbursement amount would be indexed to the *Engineering News Record*, similar to other City engineering projects. Staff recommended that the City Manager sign the lease addendum.

Based upon a motion moved and seconded by Councilors Hogg and Brauner, respectively, the Committee unanimously recommends that Council approve the lease addendum with Richard Hand and authorize the City Manager to sign the lease addendum.

IV. Other Business

- A. Assistant City Manager Volmert distributed a memorandum from Community Development Director Gibb (Attachment A) explaining that the staff report regarding food carts will not be ready for the July 7 Committee meeting, as was scheduled.
- B. The Urban Services Committee meeting scheduled for July 7, 2011, is canceled, due to lack of agenda items ready for discussion.
- C. The next regular Urban Services Committee meeting is scheduled for July 21, 2011, at 5:00 pm, in the Madison Avenue Meeting Room.

Councilor Hervey adjourned the meeting at 5:42 pm.

Respectfully submitted,

Richard Hervey, Chair

MEMORANDUM

DATE: June 23, 2011

TO: Urban Services Committee

FROM: Ken Gibb, Community Development Director 

RE: Upcoming USC agenda item

As you know, earlier this year USC and the City Council supported moving ahead with development of a draft ordinance that would permit food carts on a year-round basis.

At that time, we had hoped to get a draft back to USC within about 6 weeks. However, based on other priority work program commitments such as the Airport Industrial Park Master Plan Update, we have not had the staff capacity to meet that target.

At this point, we anticipate bringing an outline of a proposed ordinance for USC review in late July or early August. After incorporating initial USC and Council feedback, a second USC meeting would be scheduled for the purpose of hearing public comment on a draft ordinance and developing a recommendation to the City Council for a municipal code amendment.

Please feel free to contact me should you have questions.

MEMORANDUM

TO: Urban Services Committee

FROM: Steve Rogers, Public Works Director 

DATE: April 20, 2011

SUBJECT: Airport Base Lease Rates Adjustment and Wetland Mitigation Cost Recovery

ISSUE

- A) Should the City change the airport base lease rates as per the Council Policy CP 97-7.13 Municipal Airport and Airport Industrial Park Leases?
- B) How should the City recover costs for wetland mitigation from future tenants?
- C) Should the City return the loan given by the Oregon Business Development Department (OBDD) for the wetlands mitigation in the shovel-ready site and instead pay-as-we go using current Airport funds?

BACKGROUND

- A) Council Policy CP 97-7.13 Municipal Airport and Industrial Park Leases (attached), states:
 - 7.13.030.016 Land Rental Rates
 - a. As a basis for establishing uniform land rental rates in the future for various parcels of Airport and Airport Industrial Park property, the City will periodically obtain an independent appraisal of the current market value of the land. The annual ground rental will be established on the basis of a given percentage of the appraised market value of the given parcels. A Consumer Price Index (CPI) may be used in conjunction with the appraisal to set inflation adjustments.
 - b. The percentage used for this determinate will be applied consistently to all Airport and Airport Industrial Park land and building tenants. Current leases reflect the annualized percentage of ten percent (10%) of the appraised value.
 - c. All future lease agreements will provide for readjustment of the land rental rate every five years so that the Airport and Airport Industrial Park may at all times receive income which is appropriate to the changing value of the land.
- B) In 2008 the City Council agreed to assess future tenants in the shovel-ready site for the

costs of the wetlands mitigation as the strategy of generating the revenue to repay a loan from the OBDD.

- C) The development of the wetlands mitigation plan, the acquisition of the joint wetlands permit from the US Army Corps of Engineers and Oregon Department of State Lands, the purchase of the conservation easement and the first year of construction of the mitigation site have been accomplished using current Airport Fund revenues and without accessing the OBDD loan.

DISCUSSION

- A) A market appraisal of the Airport and AIP properties was completed in early 2011. Based on this appraisal and CP 97-7.13, the base rate for the airport leases would increase from \$0.225/sq ft/yr to \$0.30/sqft/yr and the base rate in the AIP would increase from \$0.09/sq ft/yr to \$0.20/sqft/yr. These adjustments would affect a small number of current tenants and all future tenants.

The Airport Commission discussed these changes at their April 5, 2011, meeting and recommend maintaining the base lease rates for both areas at the current rate with only the annual CPI adjustments (staff report attached). The Commission expressed concern that increasing the base lease rate would have a negative effect on the marketability of the airport and AIP to future tenants and wished to maintain the incentive currently offered by the lease rates. Although there were two Commissioners who expressed concerns with the widening gap between the current rates and the "market" rates, the vote on the recommendation was unanimous.

The Commission's recommendation is not consistent with the council policy but it is not without precedent. Following the last market appraisal, conducted in 2006, the Commission recommended and Council approved an AIP lease rate of \$0.0825/sq ft/yr, less than a full market adjustment to \$0.15/sqft/yr. The full market adjustment was made on the Airport properties.

- B) The Airport Commission considered a number of methods to assess the costs of the wetlands mitigation in the shovel-ready site to future tenants. Options discussed included recovering the cost by acre up front at the time of the lease, recovering the cost at future value at the end of the lease, recovering the cost over the term of the lease (typically 30 years), or not assessing any cost to the tenant (staff report attached). The recommendation from the Airport Commission is to increase the lease rate in the shovel-ready site by \$0.02/sqft/yr (adjusted annually by the CPI) and recover the future cost over the term of the lease.

The Commission also discussed how costs to mitigate wetlands on other airport and AIP properties could be done. They recommended that the costs should be negotiated by the City on a case-by-case basis for new leases in these other areas.

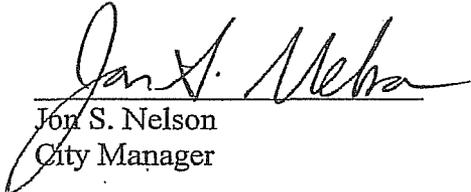
- C) The City arranged for a loan of \$475,000 through OBDD to cover the anticipated cost of

developing the wetlands mitigation plan, acquiring the joint permit and conservation easement and construction, maintaining and monitoring the wetlands mitigation site. To date, the costs associated with developing the plan, getting the permit and easement and the first year of construction of the mitigation plan have been incurred and covered by Airport Fund current revenue. This was done since the Fund has the capacity to cover these costs without acquiring the loan and associated interest costs. Future annual expenses are anticipated to be well within the Fund's ability to pay with current revenues. To make the State funds available for other development opportunities in Oregon, the staff and Airport Commission recommend returning the loan to OBDD.

RECOMMENDATION

- A) The Airport Commission recommends maintaining the current lease rates in both the Airport and AIP and continuing with annual CPI adjustments.
- B) The Airport Commission recommends recovering the wetlands mitigation costs on land in the Certified Industrial Site (shovel-ready) by increasing the base rate by \$0.02/sqft/yr and adjusting it annually by the CPI.
- C) Staff recommends returning the OBDD loan for wetlands mitigation costs for the shovel-ready site to OBDD.

Review and concur:


Jon S. Nelson
City Manager

attachments: CP 97-7.13 Municipal Airport and Airport Industrial Park Leases
March 25, 2011 Staff Report
October 25, 2010 Staff Report

CITY OF CORVALLIS

COUNCIL POLICY MANUAL

POLICY AREA 7 - COMMUNITY IMPROVEMENT

CP 97-7.13 Municipal Airport and Industrial Park Leases

Adopted June 2, 1997

Revised March 2001

Revised June 7, 2004

Revised April 2, 2007

Revised March 15, 2010

7.13.010 Purpose

- a. The purpose of the Municipal Airport and Industrial Park Lease Policy is to provide a sound, consistent document on which the City of Corvallis can respond to the interests of financially stable and responsible tenants to the Airport and Airport Industrial Park and can administer tenant leaseholds fairly and uniformly.
- b. The policy is adopted so that all current and prospective tenants will be fully aware of the rules for Airport and Airport Industrial Park property administration and be treated in a fair and equitable manner.
- c. Other purposes of the policy include maintaining a stable revenue source to the airport, protection of tenants, and guidelines for airport-related business decisions.
- d. This policy pertains only to leases of City-owned land and property, and excludes permits on other commercial activities listed in the Minimum Standards.

7.13.020 Policy Goals

7.13.020.10 These policies are designed to assure Airport and Airport Industrial Park tenants of a desirable business climate while minimizing administrative and operational concerns.

7.13.020.20 In developing the various elements of the Airport and Airport Industrial Park Lease Policy, the goal is to negotiate lease agreements that will:

- a. Fulfill long-term public service goals inherent in the operation of public use facilities;
- b. Define operational costs in the leased areas that are to be covered by the lessee;
- c. Permit maximum generation of revenues to the Airport Fund in a manner consistent with sound business practices;
- d. Facilitate the investment of private capital to develop the Airport and Airport Industrial Park; and
- e. Compete on an equitable basis with private industrial properties.

7.13.030 Policy Guidelines

The following policy guidelines will be utilized in the future leasing of Airport and Airport Industrial Park property.

7.13.030.010 Lease or Operating Agreements Required

No person, firm or organization will be permitted to operate business activities in the Airport or Airport Industrial Park without a valid lease, sublease or license.

7.13.030.011 Standardized Leases

The City will develop standardized leases for tenants of each particular business classification listed below.

- a. Fixed Base Operators (FBO)
- b. Specialized Aviation Service Operator (SASO)
- c. Industrial Tenants - Ground Lease
- d. Hangar Tenants - Ground Lease
- e. T-hangar Rental Agreement

7.13.030.012 Uses, Rights, and Obligations

- a. The uses and rights granted to tenants will be consistent with and specifically defined in the Corvallis Airport Industrial Park Master Plan,

Airport Master Plan and land use plans. In addition, services or facilities development that will be required of the lessee will be specifically stated in an agreed lease document, as will any restrictions on uses, rights, and obligations.

- b. All tenants are obligated to abide by all City of Corvallis municipal codes, standards, and policies.
- c. Tenants shall be liable for all costs, fines, assessments and other liabilities arising from their use of the premises, including any that result in the need for environmental cleanup under state or federal regulations.
- d. Tenant shall maintain, during entire term of the lease, the minimum insurance requirements as stated in the lease.

7.13.030.013 Minimum Improvements and Investment Standards

- a. Any tenant who enters into a lease with the City of Corvallis with the intention of constructing owned or leased facilities will be obligated to commence construction of such facilities within 12 months from the date the lease is signed and to complete construction within 12 months of the commencement date.
- b. The lessee may apply for up to a six-month extension to the time periods provided written request is given 90 days prior to the end of either 12 month period. This notice shall include the new expected completion date.
- c. All constructed facilities will meet the minimum code and land development requirements of the City of Corvallis. Building construction and materials will adhere to the Airport and Corvallis Airport Industrial Park Master Plans with a stated goal of holding to a higher development standard and to protect the investment of existing tenants.
- d. Further, all Airport and Airport Industrial Park leases will require the lessee to comply with the requirements of all applicable City Master Plans as approved by the Corvallis City Council. Future tenant improvements within the Airport and Airport Industrial Park in full compliance with the approved plans may include parcel assessments or charges. Those assessments or charges shall be the same as those charged which apply within the corporate limits of the City of Corvallis.

7.13.030.014 Leased Areas

Land under buildings, parking areas, or any other areas specifically designated in the lease will be made available for the exclusive use of the tenant and, as such, the tenant will pay rent on the area designated.

7.13.030.015 Types of Rates and Charges

The principle underlying the establishment of lease rates is that each tenant in the Airport and Airport Industrial Park should pay an appropriate fair market rate for such tenancy of use. With regard to the various uses of Airport property, the following policies apply:

- a. All land and building tenants will be required to pay for the gross land area leased. In addition, any tenant of a City-owned building will be required to pay building rent.
- b. All leases will identify, in the lease language, ground rents and building rents separately, as well as any other use fees or charges.
- c. The lessee will also promptly pay all personal property taxes levied against those improvements owned or leased by the lessee.

7.13.030.016 Land Rental Rates

- a. As a basis for establishing uniform land rental rates in the future for various parcels of Airport and Airport Industrial Park property, the City will periodically obtain an independent appraisal of the current market value of the land. The annual ground rental will be established on the basis of a given percentage of the appraised market value of the given parcels. A Consumer Price Index (CPI) may be used in conjunction with the appraisal to set inflation adjustments.
- b. The percentage used for this determinate will be applied consistently to all Airport and Airport Industrial Park land and building tenants. Current leases reflect the annualized percentage of ten percent (10%) of the appraised value.
- c. All future lease agreements will provide for readjustment of the land rental rate every five years so that the Airport and Airport Industrial Park may at all times receive income which is appropriate to the changing value of the land.

7.13.030.017 Term (Duration of Lease)

The term (duration) of all Airport and Airport Industrial Park lease agreements will be determined on the following basis:

- a. All agreements will be long enough to permit any tenant making a substantial capital investment in facilities, new or improved, to amortize the capital investment over the duration of the lease. This will also allow the tenant to secure the funding sources required to make this capital

investment. Terms may be extended upon prior agreement reached during the negotiation of lease terms.

1) In the event an extended term is considered, provision will be made for rental terms during negotiations of the lease.

2) Following are the basic guidelines for lease terms:

City-Owned Building	10 years
Private Hangar	20 years
FBO/SASO	30 years
Private Industry	40 years

3) Longer lease terms or extensions may be permitted based on the following criteria:

- * Investment in Buildings and Grounds
- * Capital Intensive Operations
- * Service to other Airport or Airport Industrial Park users
- * Family Wage Job creation
- * Extension of Public Infrastructure; Benefit to Other Parcels (i.e., roads, water, sewer)
- * Ability to Attract New Aviation Business
- * Improvements Likely to Remain Following Lease Termination
- * Availability of Grant/Loan Money
- * Suitability of Location on the Airport or Within the Airport Industrial Park

4) Lease extensions will be limited to no more than two (2) ten (10) year periods.

b. All agreements with terms less than those stated in 7.13.030.017a will be subject to the same rental rate adjustments. These adjustments will be based on current market values and CPI percentages as per 7.13.030.016.

7.13.030.018 Options/Rights of First Refusal

Options and rights of first refusal to lease land may be considered. Tenants, having fully leased the areas stated in the initial lease agreement, may acquire additional property through the option process. Options may run up to a maximum of five (5) years at an annual rate equal to one month's current lease rate per acre (or lot, if smaller than one acre).

7.13.030.019 Maintenance Policies

a. The following maintenance policy has been adopted for the various users of the Airport Industrial Park and Airport:

1) Buildings and Grounds

The lessee will be required to provide all needed maintenance for the gross area of land leased and all privately owned facilities on that land. Maintenance of any City-owned structures will be negotiated on a net basis. Under a negotiated net lease, building area tenants are required to assume full responsibility for providing all utilities and daily services, and will be fully responsible for maintenance, repair, upkeep, and operation of leased premises, except for basic structural maintenance.

2) Terminal Building

The City of Corvallis will provide structural maintenance of the main terminal building. The tenant will be required to provide fire insurance, internal maintenance and other day-to-day services as needed.

- b. Net leases for all building areas and ground leases, result in a minimum of operational costs to the City of Corvallis.
- c. The City of Corvallis shall be the sole judge of the quality of maintenance and, given written notice, the City of Corvallis may require the lessee to perform maintenance as necessary. In the event this maintenance is not undertaken as required, the City of Corvallis will have the right to perform such needed maintenance and bill the lessee for the actual cost of the maintenance.

7.13.030.020 Performance and Operating Standards

- a. All leases granting commercial uses in the Airport and the Airport Industrial Park may include clauses governing the hours of operation, types of operation, the extent of services offered and required, staffing requirements, and the quality of performance that will be required of the lessee. The quality of performance will be evaluated by the City of Corvallis.
- b. Performance standard clauses are essential in commercial leases (such as car rental agencies, fixed base operator, restaurants, etc.) to ensure that the performance level is consistent with the expectations of service.

7.13.030.021 Rights on Termination

Any improvements or personal property remaining upon the leased property thirty (30) days after the termination of the lease shall become property

owned by the City of Corvallis.

7.13.030.022 Encumbrances

- a. Leases for all uses may permit the lessee to subordinate the leasehold improvements for financial purposes, with the sublessee approved in advance by the City of Corvallis.
- b. To protect the mortgager's interests, the mortgager shall be granted the right to cure any default on the part of the lessee in the payment of rent and, in the event of default, to assume the lessee's position under the lease. The encumbrance clause assists in the private investment for financing capital improvements, protects the mortgager's interests, and does not compromise the interests of the Airport Industrial Park and Airport.

7.13.030.023 Subleasing/Assignment

Subleasing and/or assignment of land leases and City owned building leases will not be permitted without prior written approval of the City of Corvallis as to both the sublessee and the sublease that will be entered into specifically with regard to the privileges and obligations to be granted. Approval will not be withheld without reasonable cause.

7.13.030.024 Nondiscrimination

The Lessee agrees that no person shall be excluded from the use of the premises based on age, citizenship status, color, familial status, gender identity or expression, marital status, mental disability, national origin, physical disability, race, religion, religious observance, sex, sexual orientation, and source or level of income. Such discrimination poses a threat to the health, safety and general welfare of the citizens of Corvallis and menaces the institutions and foundation fo our community.

7.13.030.025 Cancellation Clauses

In addition to the usual cancellation clauses by the City of Corvallis for default of the lessee, any aviation class tenant shall be given the right to cancel the current lease if:

- a. The Airport no longer functions as a transportation facility;
- b. The use of the Airport is restricted so as to prevent the lessee from operating for a period of ninety (90) consecutive days; or
- c. The City of Corvallis defaults in any of the terms, covenants, or agreements of the lease.

7.13.030.026 Short-Term Leases in City-Owned Facilities

- The City of Corvallis may, in addition to the stated requirements as set forth in this document, require all lessees to provide a letter of credit or security deposit equivalent to three months of rent.

7.13.040 Policy Review and Update

This Community Improvement Policy shall be reviewed by the Public Works Director every three years in March and updated as appropriate.

MEMORANDUM

TO: Airport Commission

FROM: Dan Mason, Airport Coordinator
Lisa Namba, Transportation Services Supervisor

DATE: March 25, 2011

SUBJECT: **Airport Land Lease Rate Adjustments and Wetland Mitigation Cost Recovery**

ISSUE

- a) Should Airport and Airport Industrial Park (AIP) leases be adjusted based on the recent market appraisal for the airport properties, per City Council Policy CP 97-7.13?
- b) What methodology should be used to recover wetland mitigation costs for the shovel-ready area in the AIP?

BACKGROUND

- a) Airport and AIP lease rates are adjusted periodically per CP 97-7.13. A market appraisal was conducted in early 2011 to establish lease rates.

The Airport land lease rate is currently **\$0.225/sq ft/yr** and will be adjusted by the annual Consumers Price Index (1.5%) to **\$0.228/sqft/yr**. The recent appraisal report would establish the lease rate at **\$0.30/sqft/yr**.

The AIP land lease rate is currently **\$0.09/sq ft/yr** and will be adjusted by the annual Consumers Price Index (1.5%) to **\$0.091/sqft/yr**. The recent appraisal report would establish the lease rate at **\$0.20/sqft/yr**.

- b) The Airport Commission has recently been discussing the recovery of wetland mitigation costs for the shovel-ready area in the AIP. In 2008 the City Council authorized entering into a \$475,000 Oregon Business Development Department (OBDD) loan for the wetland mitigation project, based on the understanding that the loan would be repaid by recovering the costs from new leases in the shovel-ready site.

DISCUSSION

- a) Adjusting the Airport and AIP lease rates to the full amount based on the appraisal report and consistent with the Council Policy may hamper efforts to market the property to future tenants and negatively effect the five current Airport and three current AIP tenants who would be affected. The 2006 appraisal resulted in a similar situation and the City Council, on the recommendation of the Airport Commission, approved a smaller adjustment.

Staff has developed three options for this periodic adjustment of lease rates:

1. Consistent with the Council Policy, make the full adjustments per the appraisal.
2. Make a smaller adjustment by raising the Airport lease rate to **\$0.24/sqft/yr** and the AIP rate to

\$0.12/sqft/yr.

3. Make a larger adjustment by raising the Airport lease rate **\$0.25/sqft/yr** and raising the AIP lease rate to **\$0.15/sqft/yr**.

Staff recommends the second option, to continue to provide the incentive of below market lease rates.

b) Costs for wetland mitigation have been and will continue to be incurred for the shovel-ready area (Phase C). Discussions related to recovering those costs have taken place at the Airport Commission and City Council levels. The cash balance in the Airport Fund has allowed the City to refrain from using the OBDD loan to date. Not recovering the costs for the wetland mitigation reduces the available funds for future large-scale infrastructure Airport projects that facilitate development.

Staff has developed the following options for recovering wetland mitigation costs (rates below are in 2010 values and would be adjusted by CPI in future years):

Wetland Mitigation Recovery - shovel-ready area leases

1. Add \$11,500/acre to the cost of a lease as an up-front payment that can be negotiated to allow other payment options.
2. Add \$871/acre/yr (\$0.02/sqft/yr) to new leases in this area to recover the cost over the initial term of the lease (30 years).
3. Do not recover the costs for wetland mitigation.

Wetland Mitigation Recovery - Other AIP and Airport area leases

1. Tenants pay the wetland mitigation costs and handle the removal/fill permit process at the time of development.
2. Add \$1,481/acre/yr (\$0.034/sqft/yr)* to new leases in these areas to recover the cost over the initial term of the lease (30 years). This alternative would require the establishment of a reserve in the Airport Fund for this purpose. Depending on the timing of development, demand for the funds may outstrip the availability of reserves in the Airport Fund.

* Calculated using wetlands delineated in AIP areas only. However, it assumes there will be equal or fewer wetlands per acre in the Airport than exist in the rest of the AIP. This may not be valid because no current delineation exists in this area.

Staff recommends the first option in each area to preserve the Airport Fund's ability to support future large-scale infrastructure projects in the Airport and AIP. Further, this avoids the inherent risks described above in the second option for the other AIP/Airport areas.

REQUESTED ACTION

Staff requests the Airport Commission review the above options and make a recommendation to the City Council.

Memorandum

TO: Airport Commission

FROM: Lisa Namba, Transportation Services Supervisor

DATE: October 25, 2010

SUBJECT: Airport Industrial Park Wetland Mitigation Cost Recovery

ISSUE

The City has obtained permits and will be constructing wetland improvements on a property near Junction City to mitigate the loss of 17.72 acres of wetlands on a portion of the Airport Industrial Park (AIP). This is intended to enhance the marketability of the AIP and accelerate economic development and job creation. Staff is seeking direction on how to recover the expenses for these activities from new tenants in that portion of the Airport Industrial Park.

BACKGROUND

In 2007 the City received a State of Oregon certified industrial site designation ("shovel ready") for 41.28 acres known as Phase C in a portion of the AIP. As part of the certification process, the City was required to mitigate the loss of the 17.72 acres of wetlands on the site to ensure the ability to obtain construction permits within six months. Since Phase C is within 10,000 feet of the Corvallis Municipal Airport runways, onsite mitigation was not an option under FAA rules. In 2006, when the City was looking for mitigation sites, there were no local mitigation banks with enough available acres. In 2009 the City obtained a \$475,000 reimbursable loan through the Oregon Business Development Department (OBDD) for the offsite wetland mitigation.

DISCUSSION

The City needs to determine a methodology for recovering the cost of the mitigation from new leases in Phase C. Basic assumptions include that the City will be seeking to recover \$475,000 (present value) and that the assessed fee will be \$11,500 per leased acre rather than being calculated on a per wetland acre basis. Below are some possible alternatives:

- 1) Recover the total wetland fee in the first year of the lease. In 2010 this amount would be \$11,500 per leased acre. In subsequent years the fee amount would go up to assess interest.
- 2) Recover the wetland fee, including interest, over a relatively short period of time, five years, for example.
- 3) Recover the wetland fee, including interest, near the end of the initial lease term to allow distribution of capital costs for the lessee.
- 4) Recover the wetland fee, including interest, over a longer period, perhaps the entire period of the initial lease term (up to 40 years).

The City could provide a choice of options depending on the lease size. For example, smaller sites may have options 1 and 2 available while larger sites could have the full range of options available.

REQUESTED ACTION

Staff requests the Airport Commission discuss the alternatives presented, along with others that may be suggested, and provide direction to staff for development of lease language that would implement the selected wetland mitigation cost recovery methodology.

MEMORANDUM

TO: Urban Services Committee

FROM: Steve Rogers, Public Works Director 

DATE: June 7, 2011

SUBJECT: Airport Base Lease Rates Adjustment and Wetland Mitigation Cost Recovery Follow-up Questions from Councilor Hervey

The answers to Councilor Hervey's questions are provided in a Q and A format:

Q1: Re: page 9, Background C) and page 20, March 25th Memorandum from Dan Mason to the Airport commission discussion point 3) – How much lower is the value of the Airport Fund than it would have been had we used the OBDD loan?

A1: The amount of the loan is \$475,000; with interest over the term of the loan, the Airport Fund would pay over \$900,000. By paying the costs directly, the Airport Fund is expected to pay \$475,000. Since the start of the project in 2008-09 (and not including the costs included in a grant), the Airport Fund has directly funded \$282,064. This purchased the conservation easement (\$175,562), permit fees (\$9,205), first year construction of mitigation site cost (\$28,885 - encumbered \$60,000), and consultant fees for development of the plan and monitoring the construction (\$144,592).

Q2: Re: page 9, Discussion point A, please clarify the dollar amount of the increase in the Market appraisal of the Airport and AIP properties. Likewise, can the incentive between current lease rates and "market" rates, be used in conjunction with EZ tax breaks should a business move in or expand at the airport? What was the justification of the different treatment between AIP and Airport leases rate increases?

A2: Assuming the best way to answer this first question is to determine two numbers - all airport (north of the east/west taxiway) and AIP acreage at the current rates and at the "market" rates and then only the acreage currently leased in each area at the current and market rates.

	Total area					
	Acres	Current rate(\$/sf/yr)	Value/year	Market rate (\$/sf/yr)	Value/year	Increase in value/year
Airport *	159	0.225	\$ 1,558,359	0.30	\$ 2,077,812	\$ 519,453
AIP	220	0.09	\$ 862,488	0.20	\$ 1,916,640	\$ 1,054,152

* Airport property north of the east/west taxiway

	Currently leased area **					
	Acres	Current rate(\$/sf/yr)	Value/year	Market rate (\$/sf/yr)	Value/year	Increase in value/year
Airport	10.80	0.225	\$ 105,851	0.30	\$ 141,134	\$ 35,284
AIP	38.23	0.09	\$ 149,877	0.20	\$ 333,060	\$ 183,183

** Value/year figures are significantly overstated, as only a small portion of current leases would be affected, due to language in existing leases. Market rates would only apply to newer and future leases.

The below-market land lease rates can be and are used as an additional incentive to lease property at the airport and the AIP. This long-standing incentive occurs without or without the Enterprise Zone.

According to the market appraisal report, the airport properties are more highly valued due to proximity and access to the airport facilities (taxiways, runways, hangars, etc.). As with all commercial appraisals, the consultant used comparable Oregon general aviation airports to establish the "market" rates.

Q3: Re: page 10, Discussion point C, What's the interest rate on the OBDD loan? What else might we have chosen to do with the money in the airport fund? I understand that attracting new businesses would be eased by better roads and an electrical substation. I have a pie in the sky idea that a community funded wastewater pretreatment system might anchor a food business sector out there. I'm guessing that the funds used were much smaller than any of these improvements would cost. Is the Airport Fund a place where we could be looking to accrue funds sufficient to fund one of these projects? Or serve as our match for a grant for such?

A3: The interest rate on the loan is 4.62%.

As per the staff report to the Airport Commission dated January 28, 2011 (attached), there is a large list of potential projects at the airport that need future funding.

The Airport Fund does accrue a balance to fund projects such as the wetlands mitigation, utility system expansions, roadway, city hangar and airport system improvements. The development approach at the airport has historically been much like development in other areas of the City where the developer pays for the expansion of the infrastructure when the infrastructure is needed. The FAA expects revenues from the airport, including the AIP, to be used to fund the operation, maintenance and enhancement of airport facilities.

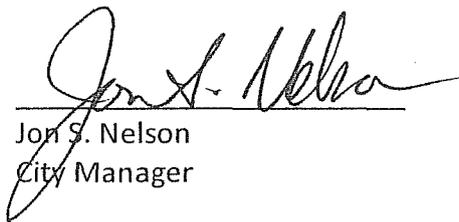
Q4: Re: page 12, Policy Goals section 7.13.020.20 e – I don't see in the supplied background information any words about equivalent costs for businesses to locate elsewhere. Is that what the appraisal determined? And are we thus not competing on an equitable basis with private industrial properties?

A4: The market appraisal was done to establish the base land lease rate, as per City Council Policy CP 97-7.13. The costs for businesses to locate at the airport/AIP are similar to, or less than costs for the same development on private land in a similar area. One of the issues we hear is that not being able to own the property makes acquiring business loans more difficult, which is why the City offers such long-term leases. In the case of the airport and AIP, these properties are outside the city, but within the UGB. These properties have access to roadways, city utilities, natural gas and high-speed (fiber-optic) telecommunications infrastructure. According to Pacificorp there is an additional 4 MW of power currently available to serve the area and this amount can be increased if there is demand for it. Because the property is City

owned, government grants and low-interest loans can be acquired by the City to aid in the installation, enhancement and extension of public infrastructure. These are benefits not available to private property owners, especially property owners outside the city limits.

In the case of the certified (shovel-ready) site, the City and State have invested in the costs necessary to do the environmental, land-use and infrastructure studies (including mitigating the wetlands) to ensure that a new development can acquire all necessary permits to allow the construction of a facility to start within 180 days of submitting the application. Very few industrial sites in the Willamette Valley have this certification and this provides a significant advantage of locating a new industrial business at this site over others.

Review and concur:



Jon S. Nelson
City Manager

attachment: January 28, 2011 Staff Report to Airport Commission

Memorandum

TO: Airport Commission

FROM: Dan Mason, Airport Manager

DATE: January 28, 2011

SUBJECT: Funding Future Infrastructure Construction at the Airport

The City of Corvallis has long-standing policies that infrastructure necessary to support development in the community is paid for by the developer. Consistent with these, this approach has been taken with development at the Airport and Airport Industrial Park (AIP).

Recently, when the methodology to recover wetland mitigation costs from future tenants in the shovel-ready site was discussed by the Commission, this approach was questioned. It was suggested that the Airport Fund bear the costs without reimbursement, to provide a greater incentive to development. A decision to not recover infrastructure costs funded by the Airport Fund will require a change in the City Council's policies on infrastructure related to development and limit the City's funding ability for other projects and initiatives at the Airport.

Attached is a list of potential future projects at the Airport and AIP. The list includes estimated costs and staff priority rankings (1-3, with 1 being the highest priority). Approximate annual revenue to the Airport Fund is \$377,000 and the annual operating costs and debt service at the Airport are approximately \$291,000 for FY10-11.

Staff requests the Airport Commission review the list and discuss a general approach for funding infrastructure improvements. At the meeting, staff will guide the Commission through a prioritization exercise to determine the top ten projects.

AIRPORT FUND PROJECT COSTS
2011

		Staff Priority	AC Priority	Comments
<u>AIRPORT</u>				
<u>MAIN HANGAR BUILDING</u>				
1. Replace ten 2 nd floor windows	\$25,000.	1		
2. Re-roof main hangar roof (membrane roof)	\$100,000.	1		
3. Re-side Main Hangar	\$50,000	1		
4. Replace Sanitary Sewer line (163')	\$65,000.	3		
5. Upgrade 6"waterline to 8"or 12" for Fire prevention	\$140,000.	3		
<u>WATER/SEWER/STORM SYSTEM (CIP Project)</u>				
6. Loop waterline behind REACH (270')	\$69,000.	2		
7. San. Sewer Extension to S. end of Plumley St.	\$345,000 to \$465,000.	2		
8. Water line Extension to South end of Plumley	\$58,000 to \$76,000.	2		
9. Repaint exterior, tape and repaint interior of T-hangar 5600	\$20,000.	1		
10. Repaint exterior, tape and repaint interior of T-hangar 5620	\$20,000.	1		
11. Repaint exterior T-hangar 5640	\$10,000.	1		
<u>AIRPORT FACILITY</u>				
12. Match for Airport Master Plan	\$12,500.	1		
13. Pave asphalt on end of T-hangars (Looney/Zoeller)(25' x 230')	\$48,000.	3		
14. Pave asphalt between Lowther and Dapp hangars (35' x 80')	\$23,000.	3		
15. Pave parkinglot behind REACH (230'x90')	\$175,000.	3		
16. Pave parkinglot north of HTSI (90' x 300')	\$229,000.	3		

	Staff Priority	AC Priority	Comments
17. Pave grass strip north of 5600 (50' x 400') Poss tiedowns \$170,000.	3		
18. Build 2 new T-hangars N of 5575 (270' x 50')* \$800,000-\$1,000,000.	2		
19. Build extension to T-hangar 5600 (325' x 35') * \$400,000.	2		
20. Build extension to T-hangar 5620 (300' x 35') * \$400,000.	2		
21. Match for Const. concrete apron east of ramp (425' x 185') \$65,000.	2		
22. Match for 16,000 feet of fencing \$55,000.	3		
23. Match for taxilane extensions \$50,000.	2		
24. Airport Ave. CIP (Hwy 99W to RR) \$72,000.	3		
25. Airport Ave. CIP (Hwy 99W to RR) \$133,000.	3		
26. Airport Ave. / Hwy 99W Signal light \$250,000.	3		
X. Restroom in T-hangar area \$100,000.	2		
AIRPORT INDUSTRIAL PARK			
27. Wetland Mitigation of Shovel-Ready Area \$475,000.	1		
28. Wetland Mitigation of rest of AIP wetlands \$3,318,600.	3		
29. Pave Convill to edge of leases (220' x 60') \$112,000.	3		
30. Pave Convill from leases to Ingalls(1840' x 60') \$937,000.	3		
31. Pave Ingalls to edge of lease (400' x 70') \$237,000.	3		

	Staff Priority	AC Priority	Comments
32. Pave Ingalls from lease to Convill (915' x 70') \$542,000.	3		
33. SCDMP Piping AIP to Dry Creek \$1,775,000.	3		
Y. Plumley re-alignment north end \$?	2		
TOTALS			\$10,931,100.

*Income generators

MEMORANDUM

TO: Urban Services Committee

FROM: Steve Rogers, Public Works Director 

DATE: June 7, 2011

SUBJECT: Airport Lease - Skoro Corporate Hangar (5560 SW Plumley Place)

ISSUE

Mr. Tom Skoro has requested a land lease with the City of Corvallis for an existing private corporate hangar at the Corvallis Municipal airport.

BACKGROUND

This hangar was the first corporate hangar built at Corvallis Municipal Airport. The original land lease was with Advanced Control Technology, Inc. on October 27, 1983 for a 20 year term ending October 6, 2003. The land lease was assumed by CH2M Hill in 1984 and then by the Fred Lowther Trust on September 14, 1995. This lease included one renewal option for a term of ten years. That lease extension will terminate on October 6, 2013. Mr. Skoro wants to purchase the hangar from the Fred Lowther Trust and enter into a new ground lease with the City for a 20 year term beginning in July, 2011 with two 10 year options. Approval of this request requires termination of the current lease with the Fred Lowther Trust.

DISCUSSION

Section 23, Removal of Improvements, of the original lease states: "This lease shall terminate at the end of the primary term or the renewal term if exercised. Upon termination, Lessee shall have no right or interest in any of the leased premises." In the past, the City Attorney has advised that the City could become owners of the improvements because of this statement. Mr. Fred Lowther, the current owner, has had the building on the market off and on for the last five years. During that period, he has received income from it for only two years.

Options available to the City include:

1. taking ownership of the building at termination of the current lease and then either:
 - a. removing it or
 - b. making the building and land available with a triple-net (or other) lease
2. not take ownership of the building, allow the current owner to sell it, and enter into a new land lease with the new owner.

Recently, the Airport Commission and City Council dealt with a similar situation. In considering

the value and cost of ownership of the building and the potential loss of goodwill with the current tenants at the airport and in the Industrial Park, the Airport Commission recommended and the Council concurred with leaving the ownership of the building in private hands.

Staff recommends Option 2. This option preserves goodwill with current tenants and doesn't jeopardize the City's ability to attract new tenants. Additionally, this option continues the City's primary role as airport operator and not landlord.

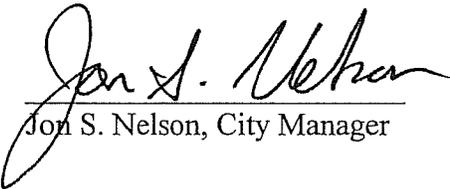
The proposed land lease (attached) will generate revenue to the Airport Fund in the amount of \$2,626.56 per year which is \$100 more than the current lease.

At the Airport Commission meeting on June 7, 2011, the Airport Commission unanimously voted to recommend Option 2 and that the lease agreement be forwarded to the City Council for approval and that the City release the current lease with the Fred Lowther Trust.

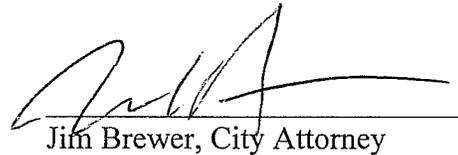
RECOMMENDATION

Staff recommends that the Urban Services Committee recommend the City Council approve the land lease and authorize the City Manager to sign the lease agreement with Tom Skoro and the release on the current lease with the Fred Lowther Trust.

Review and concur:



Jon S. Nelson, City Manager



Jim Brewer, City Attorney

Attachments: Proposed Skoro land lease agreement
 Release of Lease Agreement

FOR COUNTY RECORDING ONLY:

AFTER RECORDING RETURN TO CITY OF CORVALLIS
ENGINEERING DIVISION, CITY HALL, EXT 5058

LAND LEASE AGREEMENT CORVALLIS AIRPORT

THIS LEASE, made this ___ day of _____, 20___, is by and between the City of Corvallis, an Oregon municipal corporation, hereinafter referred to as the City, and **Tom Skoro**, an individual, hereinafter referred to as the Lessee.

1. PREMISES

The Corvallis Municipal Airport is owned and managed by the City of Corvallis and is operated as an Enterprise Fund, in that all fees, land leases and rent revenues are retained by the City exclusively for the operation of the Airport. The City, in consideration of the terms, covenants, and agreements contained herein, does hereby lease to the Lessee the following property located at the Corvallis Municipal Airport:

See attached Exhibit "A" property description and Exhibit "B" site map.

2. TERM

The Lessee shall have the right to the possession, use, and enjoyment of the leased property for a period of Twenty (20) years, beginning on **July 1, 2011** and ending **June 30, 2031**. The term of this lease may be extended for up to two additional ten-year periods provided Lessee notifies the City in writing at least sixty (60) days prior to the termination date of this lease. The City shall not withhold its approval for the extension unreasonably. Good reasons for the City to withhold its approval would include but not be limited to; failure of Lessee to provide insurance; failure of Lessee to make timely payment of rent; or City's determination of a better use of the property. Prior to termination of the second ten (10) year extension period, the City and Lessee may negotiate a new lease agreement (terms as per City policy at that time) in which ownership of improvements will remain with the Lessee. The City shall not unreasonably withhold such consent to that agreement.

3. RENT

A. Rental Rate. Lessee shall pay in advance, an annual rent payment by the first day of the month beginning **July 1, 2011**, and continue payments annually by July 1st thereafter during the term of this lease. The rate for the above-described land shall be determined as follows:

\$0.228 per square foot per year = **\$2,626.56** as an annual base rent. Rental payments are made payable to the City of Corvallis and are to be delivered in person or mailed to the City at the address given in Section 21 of this lease.

B. Late Charges. It is hereby agreed that if rent is unpaid after fifteen (15) days following the due date, the Lessee shall pay a late charge of \$1.00 per day computed to include the first day due and continuing until both rent and late charges are fully paid. Payments will be applied first to the late charges, then to outstanding rent.

C. Annual Adjustment. The rental rate shall be adjusted annually utilizing the January through December U.S. City Average Consumer Price Index, with adjustments made July 1st following the publication of the annual index, commencing July 1, 2012. The City shall give written notice to Lessee at least thirty (30) days in advance of the annual adjustment date.

D. Land Rental Rate Adjustment. Notwithstanding 3C above, each 5 year anniversary date commencing 2015, the land lease rate may be adjusted based on 10% of the appraised market value of the parcel.

E. Extended Term. If this lease is extended as provided in Section 2 of this lease, the rental rate shall continue to be adjusted on the basis described in Section 3-C and 3-D above.

4. USE OF THE PROPERTY

A. Scope of Operation. Lessee shall occupy and maintain the aircraft hangar on the leased premises for private use by the Lessee in accordance with City of Corvallis Council Policy 7.13, as revised. Lessee shall comply with the conditions of the airport rules and regulations, as identified in the Corvallis Airport Handbook - Rules, Regulations, Pilot Information and Building Standards (Airport Handbook), and by this reference incorporated into and made a part of this lease. The Airport Handbook may be revised from time to time by the City.

B. Conformance with Laws. Lessee shall conform to all applicable laws and regulations, municipal, state, and federal, affecting the premises and the use thereof.

C. Nuisance. Lessee shall not use or permit the use or occupancy of the property for any illegal purposes, or commit or permit anything which may constitute a menace or hazard to the safety of persons using the property, or which would tend to create a nuisance, or that interferes with the safe operation of aircraft using the Corvallis Municipal Airport.

D. Hazardous Materials. Lessee shall not store or handle on the premises or discharge onto the property any hazardous wastes or toxic substances, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 to 9675, and as further defined by state law and the City's Sewer Regulations, Municipal Code Chapter 4.03 as amended, except upon prior written notification to the City and in strict compliance with rules and regulations of the United States and the State of Oregon and in conformance with the provisions of this lease. Any violation of this section may, at the City's option, cause this lease to be immediately terminated in accordance with the provisions of Section 18 of this lease.

E. Roads. Lessee shall be entitled to reasonable use for its purposes of the roads and

taxiways now existing and serving the leased property. The City may locate and relocate roads as desirable to improve the Corvallis Municipal Airport so long as reasonable and adjacent access is provided to Lessee.

5. WATER, WASTEWATER, AND STORM WATER SYSTEMS

A. Water, Drainage, and Domestic Waste. The City agrees to provide the use and benefits of the public water, wastewater, and storm water systems as they now exist or may be later modified. Conditions for the use of these systems shall be the same as the conditions and regulations applying within the corporate limits of the City of Corvallis, including any assessments or charges for any expansion or intensification of Lessee's use of the property.

B. Utility Bills. Water, wastewater, and storm water charges shall be paid by the Lessee in addition to the basic land lease and at the same rates applicable within the corporate limits of the City of Corvallis. The Lessee shall promptly pay all water, wastewater, and storm water charges, and all other utility charges, for the premises as they come due.

C. Prohibited Discharges. Discharge of industrial waste, as that term is defined in the City of Corvallis Municipal Code, Chapter 4.03 Sewer Regulations (as presently constituted or as amended hereafter), into the sanitary sewer system, drainage system, surface ponds or ditches, or elsewhere is specifically prohibited, except as permitted by a valid Industrial Wastewater Discharge Permit in strict accordance with the Sewer Use Ordinance and applicable state and federal laws. Violation of any provision contained in the City of Corvallis Municipal Code, Chapter 4.03 Sewer Regulations (as presently constituted or as amended hereafter), may cause this lease to be immediately terminated in accordance with the provisions of Section 18 of this lease.

D. Discharge Response Procedures. In the event of any discharge or spill of noxious or hazardous material into the environment, wastewater system, or storm water system, Lessee shall immediately notify the Oregon Department of Environmental Quality and the City. The City and any appropriate state or federal agency shall have the right to inspect the premises immediately to determine if the discharge or spill constitutes a violation of any local, state, or federal laws, rules, or regulations. If a violation exists, the City shall notify the Lessee of the specific violations and Lessee shall immediately cease all activities and use of the property until the violations are remedied, all at the Lessee's sole cost and expense and without expense whatsoever to the City.

E. South Corvallis Drainage Master Plan. Lessee hereby agrees to comply with the requirements of the "South Corvallis Drainage Master Plan," approved by the City Council in December 1998, or as amended. Future improvements within the Corvallis Municipal Airport, in compliance with the approved drainage plan, may include parcel assessments or charges. Conditions and regulations for any assessment or charges shall be similar to those conditions or regulations applying within the corporate limits of the City of Corvallis.

6. DEVELOPMENT STANDARDS

This agreement is made subject to the terms and conditions as referenced in Chapter XIV Development and Building Standards of the Airport Handbook. In addition, compliance with all Corvallis development regulations is required relative to the City's Land Development Code (LDC). Where not otherwise specified by the Airport Handbook, the County's zoning

provisions shall apply. Enforcement of development provisions is the responsibility of the City's Development Services Division.

7. ALTERATIONS, IMPROVEMENTS AND GENERAL MAINTENANCE

A. Right to Construct. The Lessee, at its own expense, may construct improvements on the leased property in compliance with all applicable city, county, and state laws and regulations and issuance of necessary permits.

B. Ownership of Improvements. Any improvements on the leased property shall belong to the Lessee. At termination of the lease, the City may retain the improvements or direct Lessee to remove the improvements at the Lessee's expense within a reasonable time period as determined by the City. If the improvements are not removed by this time, the City may remove the improvements at Lessee's expense.

C. Sale of Improvements. City shall have the first right of refusal to purchase Lessee's improvements.

D. General Maintenance. During the entire term of this lease, and for any additional time that Lessee shall hold the leased premises, Lessee shall keep the premises, including improvements, in neat, sanitary, well-maintained condition.

No machinery, equipment, or property of any kind shall be stored or kept outside of the building; and any wrecked, permanently disabled, or otherwise unsightly aircraft shall not be kept unless housed within the hangar space.

Lessee shall permit no aircraft at any time to be left standing unattended or parked, even temporarily, upon any roadway/taxiway or access road within said airport, and the City shall have the right and privilege, at the expense of the Lessee, to remove from any public road or access road which approaches the airport or within the airport any such aircraft that Lessee or any of its tenants may leave standing or parked upon any such road or roadway/taxiway.

Lessee or any guest shall not park any vehicle outside the boundary of the leased premises herein described other than designated public parking areas. Any vehicle parked in violation of this section shall be moved at Lessee's expense by City.

8. ENTRY ON PROPERTY

A. Right to Inspect. The City shall have the right to enter the property at any reasonable time or times to examine the condition of the premises or Lessee's compliance with the terms of this lease.

B. Access. The City retains the right to enter the leased premises at any reasonable time or times to repair or modify City utilities located upon the property or to conduct repairs or other work on the property.

9. ASSIGNMENT AND SUBLETTING

The Lessee shall not assign or sublease this land lease without the prior written consent of the City; provided, however, that the City shall not unreasonably withhold such consent

subject to the following conditions:

1) No sublease shall relieve Lessee from primary liability for any of its obligations under this lease, and Lessee shall continue to remain primarily liable for payment of rent and for performance and observance of its other obligations and agreements under this lease.

2) Every sublease shall require the sublessee to comply with and observe all obligations of the Lessee under this lease, with the exception of the obligation to pay rent to the City.

10. LIENS

The Lessee shall promptly pay for any material and labor used to improve the leased property and shall keep the leased property free of any liens or encumbrances.

11. TAXES

The Lessee shall promptly pay all real and personal property taxes levied upon the leased premises during the tax year that they become due. Lessee shall not permit a lien for other than the current year's taxes to be placed on the leased property.

12. INSURANCE

A. Coverage Requirements. The Lessee shall purchase and maintain General Liability insurance that provides at least premises and operations coverage. The limit of liability shall be no less than \$1,000,000 per occurrence with not less than a \$2,000,000 general aggregate. The policy shall name the City of Corvallis, its officers, agents, and employees as an additional insured - Lessor.

B. Certificate of Insurance. At the time that this lease is signed, the Lessee shall provide to the City a certificate of insurance complying with the requirements of this section and indicating that insurer will provide the City with 30 days notice prior to cancellation. A current certificate shall be maintained at all times during the term of this lease.

13. HOLD HARMLESS

A. General. The Lessee shall at all times indemnify, protect, defend, and hold the City of Corvallis, its officers, agents, and employees harmless from any claims, demands, losses, actions, or expenses, including attorney's fees, to which the City may be subject by reason of any property damage or personal injury arising or alleged to arise from the acts or omissions of the Lessee, its agents, or its employees, or in connection with the use, occupancy, or condition of the property.

B. Environmental Protection. The Lessee shall be liable for, and shall hold the City harmless from, all costs, fines, assessments, and other liabilities arising from Lessee's use of the premises resulting in the need for environmental cleanup under state or federal environmental protection and liability laws, including, but not limited to, costs of investigation, remedial and removal actions, and post-cleanup monitoring arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 to 9675,

as presently constituted or hereafter amended.

14. NONDISCRIMINATION

The Lessee agrees that no person shall be excluded from participation in the use of the premises on the basis of age, citizenship status, color, familial status, gender identity or expression, marital status, mental disability, national origin, physical disability, race, religion, religious observance, sex, sexual orientation, and source or level of income or shall otherwise be subjected to discrimination in the use of the premises.

15. CONDITIONS ON PROPERTY BY THE UNITED STATES OF AMERICA

This agreement is made subject to the terms and conditions and restrictions of transfer recorded in Book 121, Page 40 and Book 125, Page 239, deed records of Benton County, Oregon, as modified by the Instrument of Release recorded in Book 182, Page 238 of said deed records.

16. WAIVER OF BREACH

A waiver by the City of a breach of any term, covenant, or condition of this lease by the Lessee shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition of the lease.

17. DEFAULT

A. Declaration of Default. Except as otherwise provided in this lease, the City shall have the right to declare this lease terminated and to enter the property and take possession upon either of the following events:

1) Rent and Other Payments. If the annual rent or any other payment obligation, including but not limited to property taxes and utility bills, remains unpaid for a period of 30 days after it is due; or

2) Other Obligations. If any other default is made in this lease and is not corrected after 30 days written notice to the Lessee. Where the default is of such nature that it cannot reasonably be remedied within the 30-day period, the Lessee shall not be deemed in default if the Lessee proceeds with reasonable diligence and good faith to effect correction of the default.

B. Court Action. It is understood that either party shall have the right to institute any proceeding at law or in equity against the other party for violating or threatening to violate any provision of this lease. Proceedings may be initiated against the violating party for a restraining injunction or for damages or for both. In no case shall a waiver by either party of the right to seek relief under this provision constitute a waiver of any other or further violation.

18. TERMINATION

A. Immediate Termination. Where a specific violation of this lease gives the City the option to terminate this lease immediately, this lease shall be terminated upon written notification to the Lessee.

B. Termination Upon 30 Days Default. In the event of any other default under Section 17 of this lease, the lease may be terminated at the option of the City upon written notification to the Lessee.

C. Surrender Upon Termination. Upon termination or the expiration of the term of the lease, the Lessee will quit and surrender the property to the City in as good order and condition as it was at the time the Lessee first entered and took possession of the property under this or a prior lease, usual wear and damage by the elements excepted.

D. Restoration of Property. Upon termination or expiration of this lease or Lessee's vacating the premises for any reason, the Lessee shall, at its own expense, remove and properly dispose of all tanks, structures, and other facilities containing waste products, toxic, hazardous, or otherwise, which exist on the leased property or beneath its surface as directed by the City. Lessee shall comply with all applicable state and federal requirements regarding the safe removal and proper disposal of said facilities containing waste products. If the Lessee fails to comply or does not fully comply with this requirement, the Lessee agrees that the City may cause the waste products and facilities to be removed and properly disposed of, and, further, Lessee agrees to pay the cost thereof with interest at the legal rate from the date of expenditure.

E. Holding Over. No holding over upon expiration of this lease shall be construed as a renewal thereof. Any holding over by the Lessee after the expiration of the term of this lease or any extension thereof shall be as a tenant from month to month only and not otherwise.

19. RECORDING FEES

The lease will be recorded with the Benton County Assessor's Office and the Lessee shall be responsible for paying all associated fees.

20. ATTORNEY FEES

If any suit or action is instituted in connection with any controversy arising out of this lease, the prevailing party shall be entitled to recover, in addition to damages and costs, such sum as the trial court or appellate court, as the case may be, may adjudge reasonable as attorney fees.

21. NOTICE

When any notice or anything in writing is required or permitted to be given under this lease, the notice shall be deemed given when actually delivered or 96 hours after deposited in United States mail, with proper postage affixed, directed to the following address:

City: City of Corvallis
Public Works Department
Attention: Airport Manager
P.O. Box 1083
Corvallis, Oregon 97339-1083

Lessee: Tom Skoro
16300 NW 31st Court
Vancouver, WA 98685
360-606-9404
tskoro@msn.com

22. PREVIOUS LEASE TERMINATION

Upon execution of this lease, the previous lease on this property dated October 27, 1983 is terminated.

IN WITNESS WHEREOF, the parties hereto have executed this lease the date and year first written below.

DATED this _____ day of _____, 20__.

TOM SKORO

STATE OF OREGON)
) ss.
COUNTY OF BENTON)

Personally appeared the above-named RICHARD HAND, who acknowledged he is an individual and he accepted the foregoing instrument. Before me this _____ day of _____, 20__.

NOTARY PUBLIC FOR OREGON

My Commission Expires _____

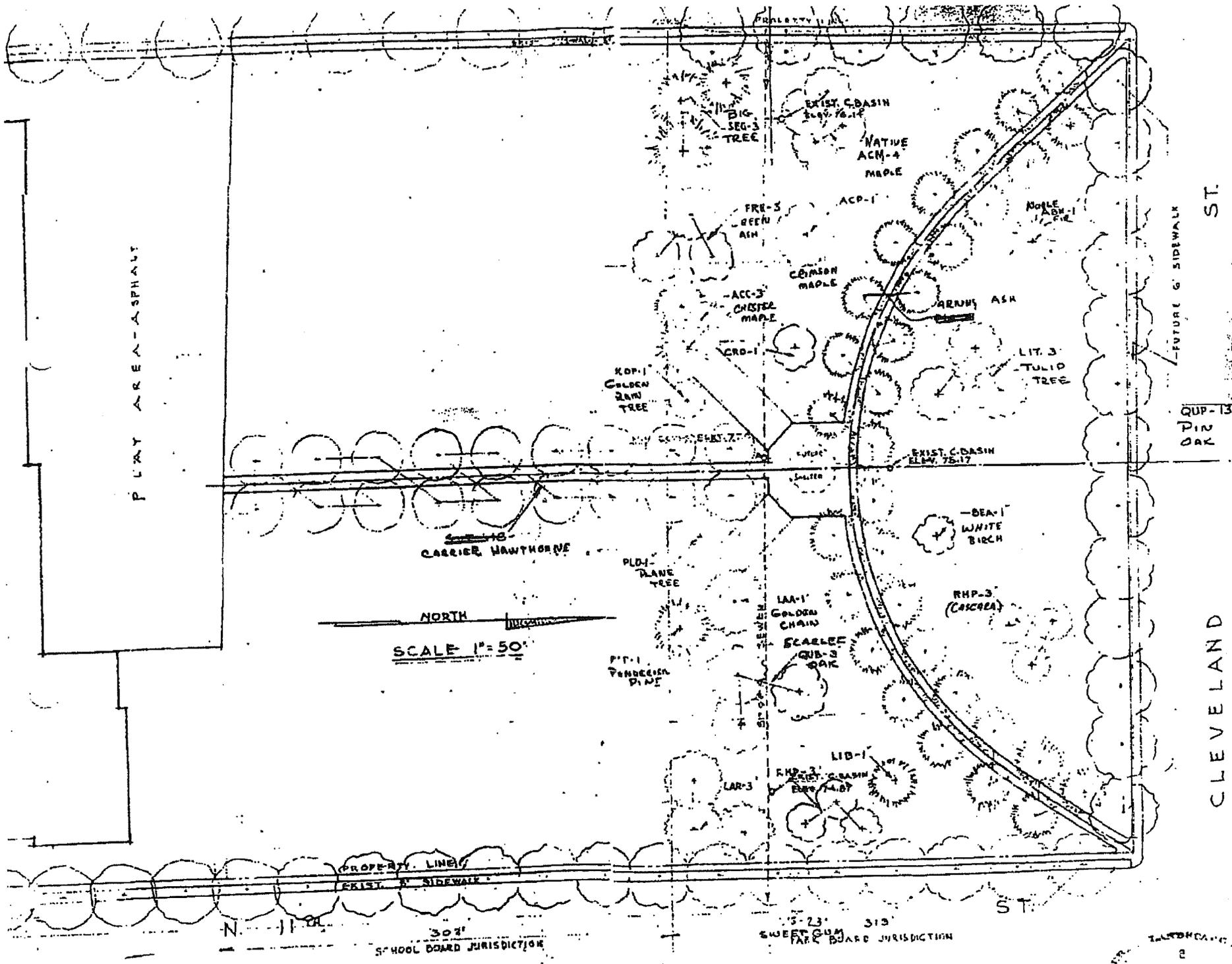
Exhibit "A"

Skoro lease

A tract of land, situate in the North West 1/4 of Section 27, Township 12 South, Range 5 West, Willamette Meridian, Benton County, Oregon. More particularly described as follows.

Commencing from the southeast corner of the Alfred Rhinehart D.L.C. No. 73, thence South, 202.43 feet and East, 811.58 feet to the **TRUE POINT OF BEGINNING**; thence North 59°10'44" West 128.00 feet to a point; thence North 30°49'16" East 90.00 feet to a point; thence South 59°10'44" East 128.00 feet to a point; thence South 30°49'16" West 90.00 feet to the **TRUE POINT OF BEGINNING**.

Said tract containing 11,520 square feet more or less.



PLAY AREA - ASPHALT

CARRIER HAWTHORNE

NORTH
SCALE 1"=50"

ST.

CLEVELAND

QUP-13
OAK

FUTURE S. SIDEWALK

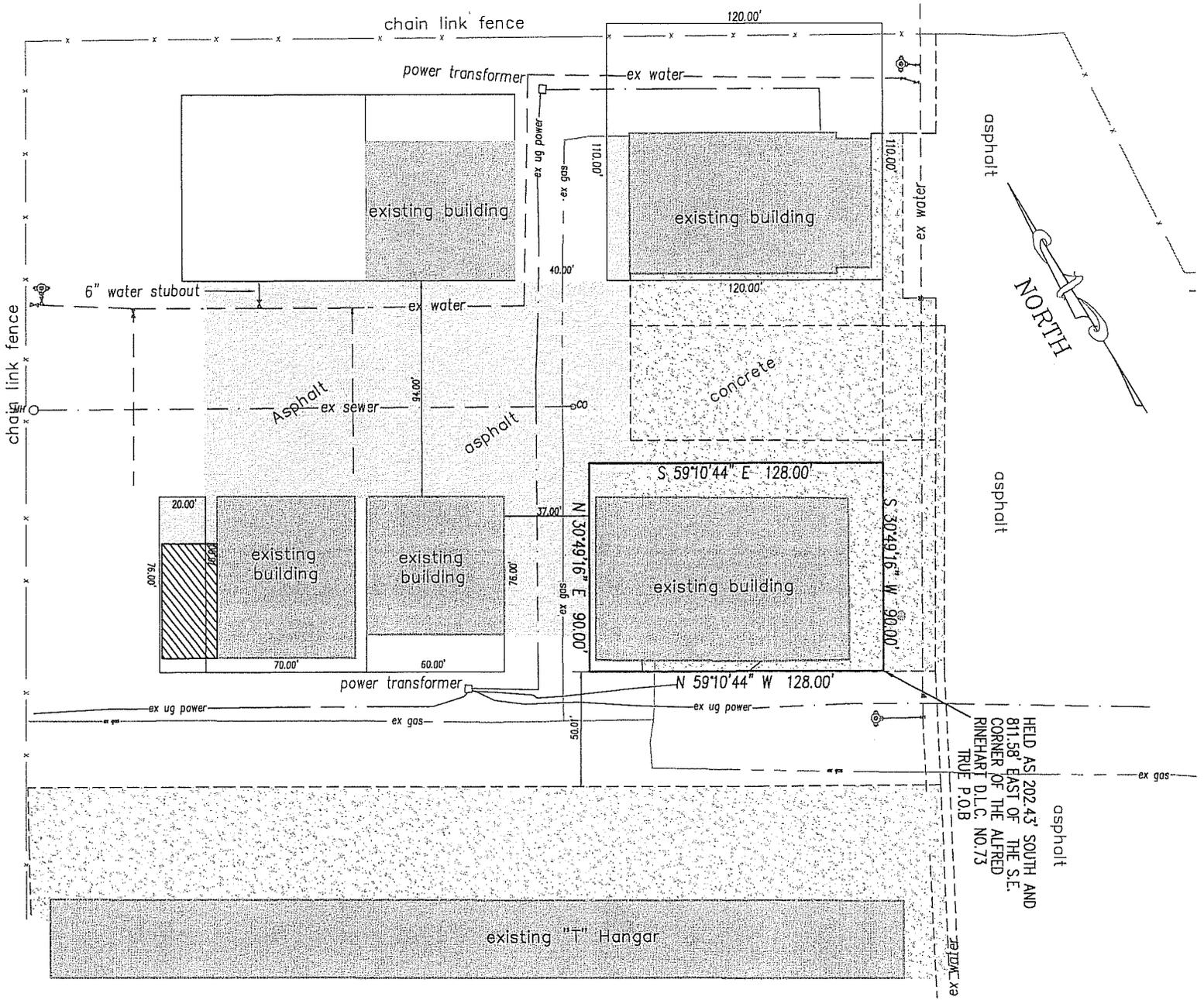
PROPERTY LINE
EXIST. S. SIDEWALK

307'
SCHOOL BOARD JURISDICTION

5-23' 313
SWEET GUM PARK BOARD JURISDICTION

ST.

FUTURE S. SIDEWALK



HELD AS 2022.43' SOUTH AND
811.58' EAST OF THE S.E.
CORNER OF THE ALFRED
RINEHART D.L.C. NO.73
TRUE POB

DESIGNED
DRAWN CB
CHECKED
DATE APRIL 2011
SCALE: 1" = 60'

CITY OF CORVALLIS
90' X 128' LEASE SITE
SKORO -- EXHIBIT "B"



RELEASE OF LEASE

A lease was made between the City of Corvallis, an Oregon municipal corporation, referred to as the City and Advanced Control Technology, Inc., referred to as the Lessee, dated October 27, 1983, for the corporate hangar site located at 5560 SW Plumley Place located at the Corvallis Municipal Airport. The lease has since been assigned to CH2M Hill who assigned it to the Fred Lowther Trust, the current Lessee.

CONDITIONS:

1. The lease expires October 6, 2013. The Fred Lowther Trust is in the process of selling the improvements on the property, and requests to be released from the existing land lease. The new owner has requested a new land lease for the property.
2. The yearly rent of \$2,526.63 has been paid and all charges to the Airport are current through August, 2011. The rent will be prorated upon execution of the new lease.
3. The Fred Lowther Trust has complied with all requirements and conditions in the lease.
4. This Release will not go into effect until the new lease is executed.

ACCEPTANCE:

It is hereby agreed by both parties, having all conditions met, to release all interest, claims, and positions to the lease dated _____, 2011.

Effective this date _____, 2011.

Jon S. Nelson, City Manager
City of Corvallis

Fred R. Lowther, Trustee
Fred Lowther Trust

Approved to as form

City Attorney

Memorandum

TO: Urban Services Committee

FROM: Steve Rogers, Public Works Director 

DATE: June 7, 2011

SUBJECT: Airport Lease Addendum - Hand Corporate Hangar

ISSUE

Mr. Richard Hand has requested an addendum to his land lease with the City of Corvallis to formalize the reimbursement of the cost for the taxilane half-width he recently constructed in front of his new corporate hangar.

BACKGROUND

Mr. Hand recently completed construction of a corporate hangar on his leased property and has constructed the full-width taxilane in front of that property per Section 7.C of the land lease dated February 8, 2010 (attached). In accordance with the Airport Handbook referenced in that section, Mr. Hand will be reimbursed for half of the taxilane cost when a hangar is built across the taxilane from his. In the past, a lease addendum has documented that cost and a method for calculating interest for the future reimbursement.

DISCUSSION

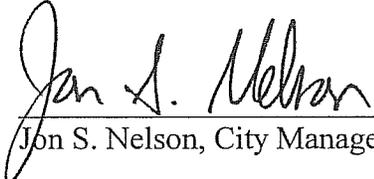
There is no additional revenue or cost to the City resulting from this addendum. The future reimbursable cost adjustment on the amount is calculated using the Engineering News Record Seattle Construction Cost Index as per Municipal Code 2.16 Recovery Charge for Public Improvements.

At the Airport Commission meeting on June 7, 2011, the Airport Commission unanimously voted to recommend that the lease addendum be forwarded to the City Council for approval.

REQUESTED ACTION

Staff requests that the Urban Services Committee recommend the City Council approve this lease addendum and authorize the City Manager to sign the lease addendum.

Review and concur:


Jon S. Nelson, City Manager

Attachments: Land Lease Agreement (February 8, 2010)
Lease Addendum

After recording return to:
City of Corvallis-Engineering
Development Review
Linda Ackeret

BENTON COUNTY, OREGON 2010-462844
DE-LEASE
Cnt=1 SIn=7 COUNTER2 03/09/2010 10:58:23 AM
\$55.00 \$11.00 \$17.00 \$10.00 \$20.00 \$113.00



I, James V. Morales, County Clerk for Benton County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.

James V. Morales - County Clerk



FOR COUNTY RECORDING ONLY:

AFTER RECORDING RETURN TO CITY OF CORVALLIS
ENGINEERING DIVISION, CITY HALL, EXT 5058

LAND LEASE AGREEMENT CORVALLIS AIRPORT

THIS LEASE, made this 8 day of Feb., 2010, is by and between the City of Corvallis, an Oregon municipal corporation, hereinafter referred to as the City, and **Richard Hand**, an individual, hereinafter referred to as the Lessee.

1. PREMISES

The Corvallis Municipal Airport is owned and managed by the City of Corvallis and is operated as an Enterprise Fund, in that all fees, land leases and rent revenues are retained by the City for the exclusive operation of the Airport. The City, in consideration of the terms, covenants, and agreements contained herein, does hereby lease to the Lessee the following property located at the Corvallis Municipal Airport:

See Attached Exhibit "A" site plan and Exhibit "B" legal.

2. TERM

The Lessee shall have the right to the possession, use, and enjoyment of the leased property for a period of Twenty (20) years, beginning on **January 1, 2010** and ending **December 31, 2029**. The term of this lease may be extended for up to two additional ten-year periods provided Lessee notifies the City in writing at least sixty (60) days prior to the termination date of this lease.

3. RENT

March 1, 2010
A. Rental Rate. Lessee shall pay in advance, an annual rent payment by the first day of the month beginning ~~January 1, 2010~~ and continue payments annually by the first day of that month thereafter during the term of this lease. The rate for the above-described land shall be determined as follows: **\$0.225** per square foot per year = **\$1,170.00** as an annual base rent. Rental payments are made payable to the City of Corvallis and are to be delivered in person or mailed to the City at the address given in Section 21 of this lease.

B. Late Charges. It is hereby agreed that if rent is unpaid after fifteen (15) days following the due date, the Lessee shall pay a late charge of \$1.00 per day computed to include the first day due and continuing until both rent and late charges are fully paid. Payments will be applied first to the late charges, then to outstanding rent.

C. Annual Adjustment. The rental rate shall be adjusted annually utilizing the January through December U.S. City Average Consumer Price Index, with adjustments made July 1 following the publication of the annual index, commencing July 2010. The City shall give written notice to Lessee at least thirty (30) days in advance of the annual adjustment date.

D. Land Rental Rate Adjustment. Notwithstanding 3C above, each 5 year anniversary date commencing 2015, the land lease rate will be adjusted based on 10% of the appraised market value of the parcel.

E. Extended Term. If this lease is extended as provided in Section 2 of this lease, the rental rate shall continue to be adjusted annually on the basis described in Section 3-C and 3-D above.

4. USE OF THE PROPERTY

A. Scope of Operation. Lessee shall construct an aircraft hangar on the leased premises for private use by the Lessee in accordance with City of Corvallis Council Policy 7.13, as revised. Lessee shall comply with the conditions of the airport rules and regulations, as identified in the Corvallis Airport Handbook - Rules, Regulations, Pilot Information and Building Standards (Airport Handbook), and by this reference incorporated into and made a part of this lease. The Airport Handbook may be revised from time to time by the City.

B. Conformance with Laws. Lessee shall conform to all applicable laws and regulations, municipal, state, and federal, affecting the premises and the use thereof.

C. Nuisance. Lessee shall not use or permit the use or occupancy of the property for any illegal purposes, or commit or permit anything which may constitute a menace or hazard to the safety of persons using the property, or which would tend to create a nuisance, or that interferes with the safe operation of aircraft using the Corvallis Municipal Airport.

D. Hazardous Materials. Lessee shall not store or handle on the premises or discharge onto the property any hazardous wastes or toxic substances, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 to 9675, and as further defined by state law and the City's Sewer Regulations, Municipal Code Chapter 4.03 as amended, except upon prior written notification to the City and in strict compliance with rules and regulations of the United States and the State of Oregon and in conformance with the provisions of this lease. Any violation of this section may, at the City's option, cause this lease to be immediately terminated in accordance with the provisions of Section 18 of this lease.

E. Roads. Lessee shall be entitled to reasonable use for its purposes of the roads and taxiways now existing and serving the leased property. The City may locate and relocate roads as desirable to improve the Corvallis Municipal Airport so long as reasonable and adjacent access is provided to Lessee.

5. WATER, WASTEWATER, AND STORM WATER SYSTEMS

A. Water, Drainage, and Domestic Waste. The City agrees to provide the use and benefits of the public water, wastewater, and storm water systems as they now exist or may be later modified. Conditions for the use of these systems shall be the same as the conditions and regulations applying within the corporate limits of the City of Corvallis, including any assessments or charges for any expansion or intensification of Lessee's use of the property.

B. Utility Bills. Water, wastewater, and storm water charges shall be paid by the Lessee in addition to the basic monthly land lease and at the same rates applicable within the corporate limits of the City of Corvallis. The Lessee shall promptly pay all water, wastewater, and storm water charges, and all other utility charges, for the premises as they come due.

C. Prohibited Discharges. Discharge of industrial waste, as that term is defined in the City of Corvallis Municipal Code, Chapter 4.03 Sewer Regulations (as presently constituted or as amended hereafter), into the sanitary sewer system, drainage system, surface ponds or ditches, or elsewhere is specifically prohibited, except as permitted by a valid Industrial Wastewater Discharge Permit in strict accordance with the Sewer Use Ordinance and applicable state and federal laws. Violation of any provision contained in the City of Corvallis Municipal Code, Chapter 4.03 Sewer Regulations (as presently constituted or as amended hereafter), may cause this lease to be immediately terminated in accordance with the provisions of Section 18 of this lease.

D. Discharge Response Procedures. In the event of any discharge or spill of noxious or hazardous material into the environment, wastewater system, or storm water system, Lessee shall immediately notify the Oregon Department of Environmental Quality and the City. The City and any appropriate state or federal agency shall have the right to inspect the premises immediately to determine if the discharge or spill constitutes a violation of any local, state, or federal laws, rules, or regulations. If a violation exists, the City shall notify the Lessee of the specific violations and Lessee shall immediately cease all activities and use of the property until the violations are remedied, all at the Lessee's sole cost and expense and without expense whatsoever to the City.

E. South Corvallis Drainage Master Plan. Lessee hereby agrees to comply with the requirements of the "South Corvallis Drainage Master Plan," approved by the City Council in December 1998, or as amended. Future improvements within the Corvallis Municipal Airport, in compliance with the approved drainage plan, may include parcel assessments or charges. Conditions and regulations for any assessment or charges shall be similar to those conditions or regulations applying within the corporate limits of the City of Corvallis.

6. DEVELOPMENT STANDARDS

This agreement is made subject to the terms and conditions as referenced in Chapter XIV Development and Building Standards of the Airport Handbook. In addition, compliance with all Corvallis development regulations is required relative to the City's Land Development Code (LDC). Where not otherwise specified by the Airport Handbook, the County's zoning provisions shall apply. Enforcement of development provisions is the responsibility of the City's Development Services Division.

7. ALTERATIONS, IMPROVEMENTS AND GENERAL MAINTENANCE

A. Right to Construct. The Lessee, at its own expense, may construct structural improvements on the leased property, subject to Lessee's compliance with all applicable city, county, and state laws and regulations and issuance of necessary building permits.

B. Ownership of Improvements. Any buildings constructed on the leased property during the term of this lease shall belong to the Lessee and may be removed by the Lessee at will. Lessee shall have the right to enter the premises during the thirty-day period following termination of this lease to remove any of its property, including buildings or other improvements, on the leased premises. If, after thirty days after termination of the lease, any of said property remains on the premises, the City may retain the property, or, at its option, remove the property at the Lessee's expense.

C. Construction of Taxi-Lane. The Lessee agrees to construct a taxi-lane improvement along the entire frontage of leased property as per the Airport Handbook, Chapter XIV. Section B.2. The taxi-lane shall be asphalt-concrete (AC) built to City and FAA standards and shall include a designed storm drain system. The Airport will maintain the taxi-lane in good and serviceable condition for the duration of the lease.

D. Sale of Improvements. City shall have the first right of refusal to purchase Lessee's improvements, if Lessee decides to sell the improvements.

E. General Maintenance. During the entire term of this lease, and for any additional time that Lessee shall hold the leased premises, Lessee shall keep the premises, including improvements, in neat, sanitary, well-maintained condition.

No machinery, equipment, or property of any kind shall be stored or kept outside of the building; and any wrecked, permanently disabled, or otherwise unsightly aircraft shall not be kept unless housed within the hangar space.

Lessee shall permit no aircraft at any time to be left standing unattended or parked, even temporarily, upon any roadway/taxiway or access road within said airport, and the City shall have the right and privilege, at the expense of the Lessee, to remove from any public road or access road which approaches the airport or within the airport any such aircraft that Lessee or any of its tenants may leave standing or parked upon any such road or roadway/taxiway.

Lessee or any guest shall not park any vehicle outside the boundary of the leased premises herein described other than designated public parking areas. Any vehicle parked in violation of this section shall be moved at Lessee's expense by City.

8. ENTRY ON PROPERTY

A. Right to Inspect. The City shall have the right to enter the property at any reasonable time or times to examine the condition of the premises or Lessee's compliance with the terms of this lease.

B. Access. The City retains the right to enter the leased premises at any reasonable time or times to repair or modify City utilities located upon the property or to conduct repairs or other work on the property.

9. ASSIGNMENT AND SUBLETTING

The Lessee shall not assign or sublease this land lease without the prior written consent of the City; provided, however, that the City shall not unreasonably withhold such consent subject to the following conditions:

1) No sublease shall relieve Lessee from primary liability for any of its obligations under this lease, and Lessee shall continue to remain primarily liable for payment of rent and for performance and observance of its other obligations and agreements under this lease.

2) Every sublease shall require the sublessee to comply with and observe all obligations of the Lessee under this lease, with the exception of the obligation to pay rent to the City.

10. LIENS

The Lessee shall promptly pay for any material and labor used to improve the leased property and shall keep the leased property free of any liens or encumbrances.

11. TAXES

The Lessee shall promptly pay all real and personal property taxes levied upon the leased premises during the tax year that they become due. Lessee shall not permit a lien for other than the current year's taxes to be placed on the leased property.

12. INSURANCE

A. Coverage Requirements. The Lessee shall purchase and maintain General Liability insurance that provides at least premises and operations coverage. The limit of liability shall be no less than \$500,000.00 per occurrence with not less than a \$1,000,000.00 general aggregate. The policy shall name the City of Corvallis, its officers, agents, and employees as an additional insured - Lessor.

B. Certificate of Insurance. At the time that this lease is signed, the Lessee shall provide to the City a certificate of insurance complying with the requirements of this section and indicating that insurer will provide the City with 30 days notice prior to cancellation. A current certificate shall be maintained at all times during the term of this lease.

13. HOLD HARMLESS

A. General. The Lessee shall at all times indemnify, protect, defend, and hold the City of Corvallis, its officers, agents, and employees harmless from any claims, demands, losses, actions, or expenses, including attorney's fees, to which the City may be subject by reason of any property damage or personal injury arising or alleged to arise from the acts or omissions of the Lessee, its agents, or its employees, or in connection with the use, occupancy, or condition of the property.

B. Environmental Protection. The Lessee shall be liable for, and shall hold the City harmless from, all costs, fines, assessments, and other liabilities arising from Lessee's use of the premises resulting in the need for environmental cleanup under state or federal environmental protection and liability laws, including, but not limited to, costs of investigation, remedial and removal actions, and post-cleanup monitoring arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 to 9675, as presently constituted or hereafter amended.

14. NONDISCRIMINATION

The Lessee agrees that no person shall be excluded from participation in the use of the premises on the basis of race, color, creed, religion, sex, sexual orientation, age, physical or mental disability, source of income, or national origin or shall otherwise be subjected to discrimination in the use of the premises.

15. CONDITIONS ON PROPERTY BY THE UNITED STATES OF AMERICA

This agreement is made subject to the terms and conditions and restrictions of transfer recorded in Book 121, Page 40 and Book 125, Page 239, deed records of Benton County, Oregon, as modified by the Instrument of Release recorded in Book 182, Page 238 of said deed records.

16. WAIVER OF BREACH

A waiver by the City of a breach of any term, covenant, or condition of this lease by the Lessee shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition of the lease.

17. DEFAULT

A. Declaration of Default. Except as otherwise provided in this lease, the City shall have the right to declare this lease terminated and to enter the property and take possession upon either of the following events:

- 1) Rent and Other Payments. If the annual / monthly rent or any other payment obligation, including but not limited to property taxes and utility bills, remains unpaid for a period of 30 days after it is due; or
- 2) Other Obligations. If any other default is made in this lease and is not corrected after 30 days written notice to the Lessee. Where the default is of such nature that it cannot reasonably be remedied within the 60-day period, the Lessee shall not be deemed in default if the Lessee proceeds with reasonable diligence and good faith to effect correction of the default.

B. Court Action. It is understood that either party shall have the right to institute any proceeding at law or in equity against the other party for violating or threatening to violate any provision of this lease. Proceedings may be initiated against the violating party for a restraining injunction or for damages or for both. In no case shall a waiver by either party of the right to seek relief under this provision constitute a waiver of any other or further violation.

18. TERMINATION

A. Immediate Termination. Where a specific violation of this lease gives the City the option to terminate this lease immediately, this lease shall be terminated upon written notification to the Lessee.

B. Termination Upon 30 Days Default. In the event of any other default under Section 17 of this lease, the lease may be terminated at the option of the City upon written notification to the Lessee.

C. Surrender Upon Termination. Upon termination or the expiration of the term of the lease, the Lessee will quit and surrender the property to the City in as good order and condition as it was at the time the Lessee first entered and took possession of the property under this or a prior lease, usual wear and damage by the elements excepted.

D. Restoration of Property. Upon termination or expiration of this lease or Lessee's vacating the premises for any reason, the Lessee shall, at its own expense, remove and properly dispose of all tanks, structures, and other facilities containing waste products, toxic, hazardous, or otherwise, which exist on the leased property or beneath its surface. Lessee shall comply with all applicable state and federal requirements regarding the safe removal and proper disposal of said facilities containing waste products. If the Lessee fails to comply or does not fully comply with this requirement, the Lessee agrees that the City may cause the waste products and facilities to be removed and properly disposed of, and, further, Lessee agrees to pay the cost thereof with interest at the legal rate from the date of expenditure.

E. Holding Over. No holding over upon expiration of this lease shall be construed as a renewal thereof. Any holding over by the Lessee after the expiration of the term of this lease or any extension thereof shall be as a tenant from month to month only and not otherwise.

19. RECORDING FEES

The lease will be recorded with the Benton County Assessor's Office and the Lessee shall be responsible for paying all associated fees.

20. ATTORNEY FEES

If any suit or action is instituted in connection with any controversy arising out of this lease, the prevailing party shall be entitled to recover, in addition to damages and costs, such sum as the trial court or appellate court, as the case may be, may adjudge reasonable as attorney fees.

21. NOTICE

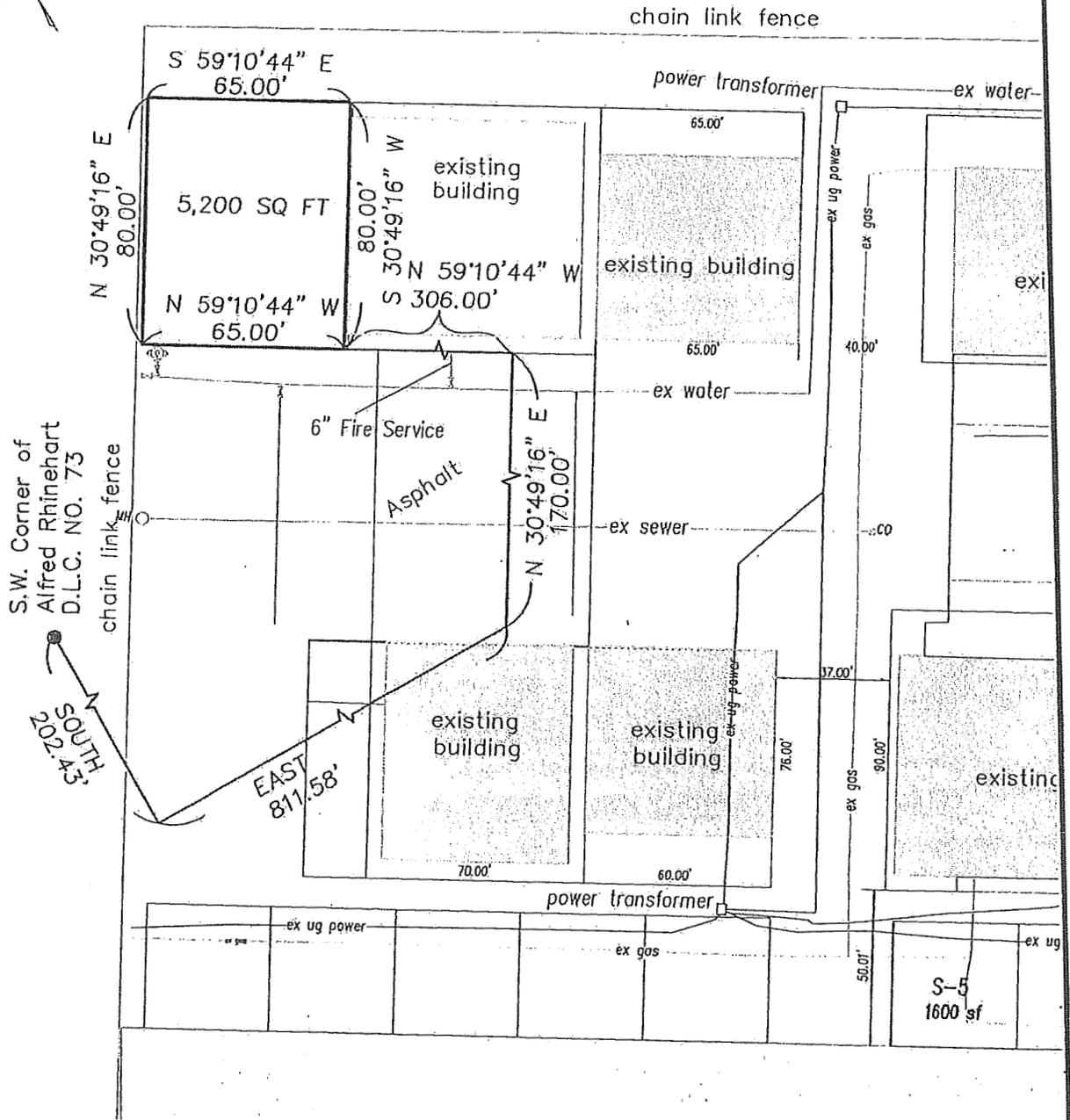
When any notice or anything in writing is required or permitted to be given under this lease, the notice shall be deemed given when actually delivered or 96 hours after deposited in United States mail, with proper postage affixed, directed to the following address:

City: City of Corvallis
Public Works Department
Attention: Airport Manager
P.O. Box 1083
Corvallis, Oregon 97339-1083

Lessee: Richard Hand
561 NW Van Buren Avenue
Corvallis, OR 97330_____

Exhibit "A"
65 x 80 Corporate Site, North Side

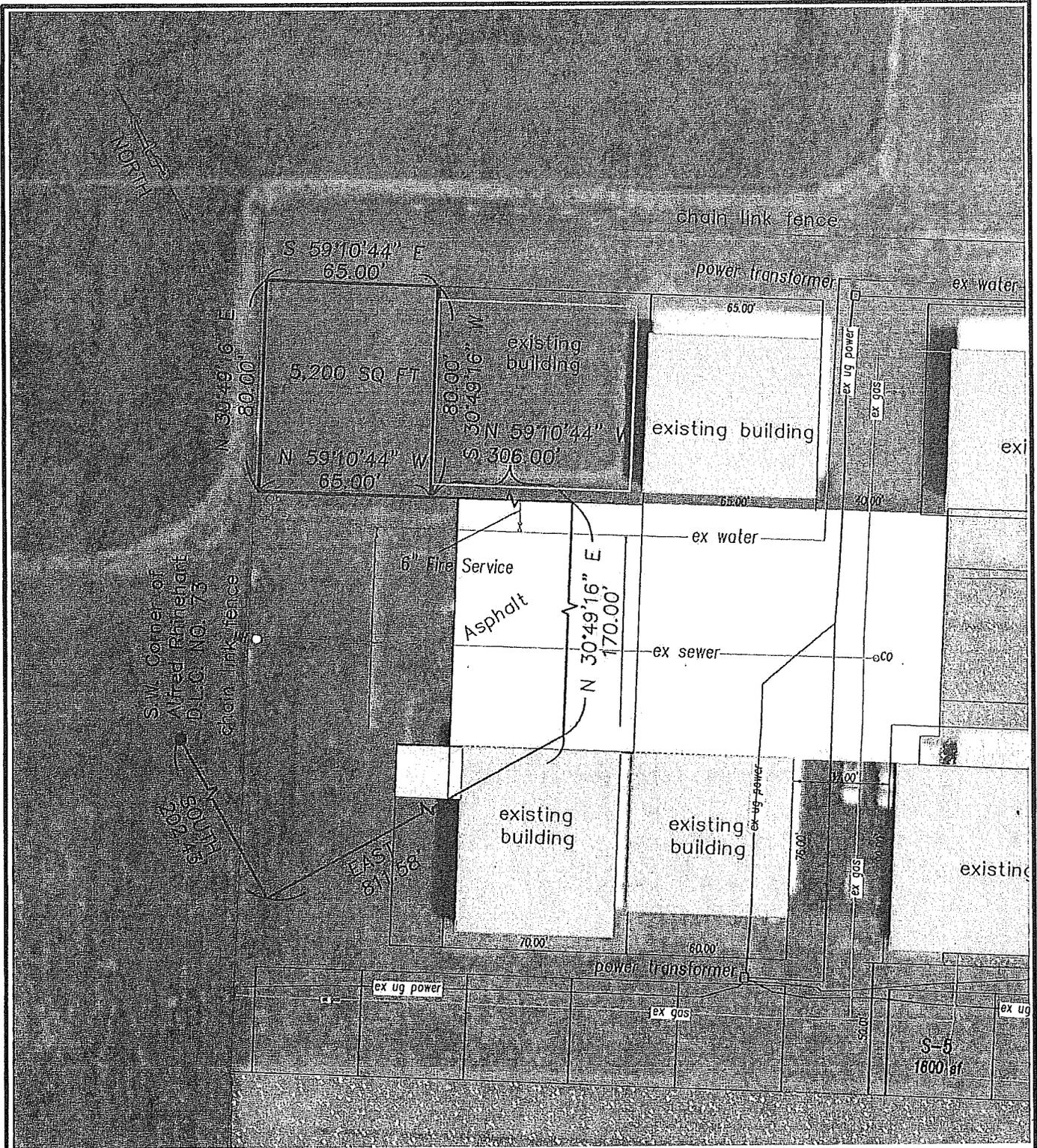
Beginning at a point that is South, 202.43 feet and East, 811.58 feet from the southeast corner of the Alfred Rhinehart D.L.C. No. 73, in Section 27 of Township 12 South, Range 5 West of the Willamette Meridian, Benton County, Oregon; thence N 30°49'16"E, 170.00 feet; thence N 59°10'44"W, 306.00 feet to the TRUE POINT OF BEGINNING; thence N 59°10'44"W, 65.00 feet; thence N 30°49'16"E, 80.00 feet; thence S 59°10'44"E, 65.00 feet; thence S 30°49'16"W, 80.00 feet to the true point of beginning. Containing 5,200 square feet more or less.



DESIGNED
 DRAWN CRB
 REVISED: 12-22-2009
 DATE NOV, 2009
 SCALE: 1"=50'

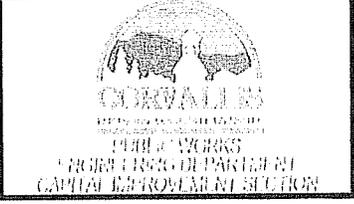
Hand
 65' x 80' Lease Site
 EXHIBIT "B"





DESIGNED .
 DRAWN CRB
 REVISED: 12-22-2009
 DATE NOV, 2009
 SCALE: 1"=50'

Hand 65' x 80' Lease Site



LEASE ADDENDUM

THIS ADDENDUM, is to that lease agreement dated February 8, 2010, between the **City of Corvallis**, an Oregon municipal corporation, hereinafter referred to as Lessor, and **Richard Hand**, an individual, hereinafter referred to as Lessee. This addendum shall not change the terms or conditions of the February 8, 2010 lease agreement, except as specifically provided herein.

1. CONSTRUCTION OF TAXI-LANE

As required in the original lease dated February 8, 2010, the Lessee has constructed the full width of the taxi-lane as described in Chapter XIV. Section B.2.c of the Corvallis Municipal Airport Handbook. The Lessee is to be reimbursed the cost of one half (½) of the total cost of the required full width taxi-lane as described in Section B.2.c. The future developer/tenant of the hangar site opposite of this leased site is to pay Mr. Richard Hand the total sum of **\$16,636,29** plus cost adjustment to be determined by the Engineering News Record Seattle Construction Cost Index, from date of original construction (January 1, 2011), to the date of the new land lease.

2. ORIGINAL LEASE AGREEMENT

All other terms and conditions of the existing lease between Lessor and Lessee shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this lease amendment effective _____, 2011.

CITY OF CORVALLIS

By: _____
Jon S. Nelson
City Manager

By: _____
Richard Hand
Lessee

Approved as to form:

City Attorney

I N T E R

O F F I C E

MEMO

To: Mayor and City Council
From: Ellen Volmert, Assistant City Manager 
Subject: CIS Membership Resolutions - Workers' Compensation Coverage
Date: June 27, 2011

ISSUE

As of October 1, 2002, the City of Corvallis changed its workers' compensation coverage carrier to CityCounty Insurance Services (CIS). This participation requires that the City Council adopt a resolution annually relating to continuing workers' compensation coverage for City volunteers. The City Council adopted the original resolution on November 4, 2002.

BACKGROUND

At the end of each workers' compensation plan period, the City and its Agent of Record market the City's coverage and review proposals. This year, the City chose to continue its workers' compensation coverage with CIS based both on its competitive cost proposal and a superior approach to prevention through their loss containment services, including training, information/education materials, and consulting support.

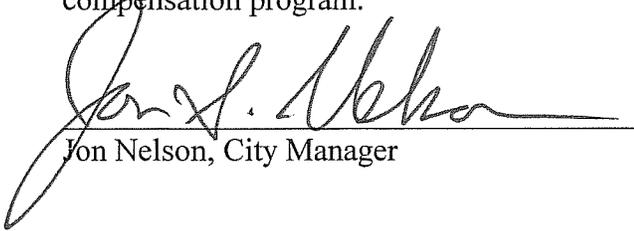
CIS is a member-owned trust formed by the League of Oregon Cities and the Association of Oregon Counties. More than 95% of Oregon cities participate in some way as contributing members of CIS which also offers property and casualty insurance as well as health benefits insurance.

DISCUSSION

State statutes allow employers to cover volunteers on their workers' compensation coverage, a practice which the City of Corvallis has had in place for many years. Employers must elect to cover volunteers and CIS requires a new election each year to continue this coverage. The recommended resolution ensures that volunteers continue to be covered on our plan.

RECOMMENDATION

That the City Council adopt the attached resolution relating to participation in the CIS workers' compensation program.


Jon Nelson, City Manager


Scott Fewel, Attorney

Resolution 2011 –

Minutes of the _____, Corvallis City Council meeting, continued.

A resolution submitted by Councilor _____

WHEREAS, the City of Corvallis elects the following:

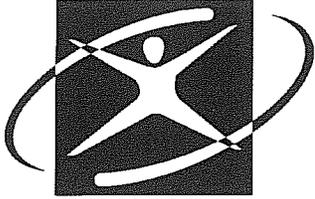
Pursuant to ORS 656.031, workers' compensation coverage will be provided to the classes of volunteer workers listed in this resolution and noted on CIS payroll schedule.

1. An assumed monthly wage of \$800 will be used for public safety volunteers; *and*
2. An aggregate assumed annual wage of \$2,500 will be used for the Mayor and City Council for the performance of administrative duties; *and*
3. Non-public safety volunteers will keep track of their hours and have their assumed payroll reported in the correct class code listed on the CIS Payroll Schedule for the type of work being performed using Oregon minimum wage; *and*
5. Court-mandated community service workers/inmates on work release will keep track of their hours and have their assumed payroll reported in Class Code 7720V using Oregon minimum wage; *and*
6. A roster of active volunteers will be kept monthly for reporting purposes. It is acknowledged that CIS may request copies of these rosters during year-end audit; and
7. Unanticipated volunteer projects or exposure not addressed herein will be added onto *City of Corvallis's* coverage agreement (1) by endorsement, (2) with advance notice to CIS, and (3) allowing two weeks for processing. It is hereby acknowledged that coverage of this type cannot be backdated.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CORVALLIS RESOLVES to provide for workers' compensation insurance coverage as indicated above. This resolution will be updated annually.

Upon motion duly made and seconded, the foregoing resolution was adopted, and the Mayor thereupon declared said resolution to be adopted.

Councilor



Corvallis School District 509J

Honoring Diversity

July 5, 2011

Ellen Volmert, Interim City Manger
City of Corvallis
PO Box 1083
Corvallis OR 97339-1083

Dear Ellen:

In the spirit of collaboration and after further discussion, the school district has decided to retract the decision stated in the June 10, 2011 letter from Dawn Tarzian to Julie Manning regarding the June 30, 2012 termination of the 2000 City/District agreement around facilities use.

It is the District's intent to continue to work together in a larger discussion with the City and the Boys & Girls Club during the 2011-12 school year in order to rewrite this agreement. These conversations have already begun to enhance the partnership between all three agencies.

Sincerely,

Dr. Erin Prince
Superintendent

EP:jc

S:\DO\Super\Julie\Correspondence\2011\volmert.docx

C: Julie Manning, City of Corvallis Mayor
Anne Schuster, School Board Chair
Helen Higgins, Boys & Girls Club of Corvallis CEO
Kevin Bogatin, Assistant Superintendent
Roy Burling, Business Services Director