

**CANBY CITY COUNCIL  
WORK SESSION MINUTES  
August 19, 2020**

**Due to COVID-19 Pandemic, the Mayor and City Councilors attended the meeting virtually. The public was asked to view the meeting live on CTV Channel 5 or on YouTube. Seating was available in the Council Chambers in compliance with the Governor's Executive Order regarding social distancing.**

**PRESIDING:** Mayor Brian Hodson.

**COUNCIL PRESENT:** Trygve Berge, Traci Hensley, Tim Dale, Greg Parker, Sarah Spoon, and Shawn Varwig.

**STAFF PRESENT:** Joseph Lindsay, City Attorney; Jamie Stickel, Economic Development Director; and Melissa Bisset, City Recorder; Erik Forsell, Associate Planner; Ryan Potter, Senior Planner; Todd Wood, Transit Director.

**OTHERS PRESENT:** Fire Chief Jim Davis, Canby Fire District Board Chair Shawn Carrol; Matt English, Canby Fire Division Chief.

**CALL TO ORDER:** Mayor Hodson called the Work Session to order at 6:24 p.m.

Economic Development Director Jamie Stickel explained the Strategic Investment Zone Agreement with Columbia Distributing was approved at the May 22<sup>nd</sup> Oregon Business Development Commission Meeting. Once it was approved there was a 90 day period where the special taxing districts had to meet and agree upon the Community Fee Distribution Schedule. The Community Fee was intended to mitigate direct impact of the development on the community that are over and above the systems development charges collected. On June 23<sup>rd</sup> the City hosted a community service fee meeting where all of the special taxing districts were invited. Clackamas County, the City of Canby, Canby Fire, Canby School District and Clackamas Community College were present at the meeting. At the meeting, representatives from the education districts determined they would forego their portions of the community service fee. On July 16<sup>th</sup>, Clackamas County, the City of Canby and Canby Fire met to discuss further options for the distribution schedule. The consensus between all three parties was that the three entities would receive their standard distribution and split the waived education fees. The County agreed to share their third of the education portion with 25 percent going to Canby Fire and 25 percent to the City and the remaining 50 percent for themselves. The final agreement would be going before the County Commissioners the following day. Business Oregon has indicated that if the special taxing districts do not agree, then the Oregon Business Development Commission would choose the standardized distribution which would mean the portion waived by the Canby School District and Clackamas County Community College would be given back to them and the City would lose the additional amount.

Fire Chief Davis stated that he appreciated the process with the County and the City. During the negotiations, the Fire District had asked for the City to increase the amount for the Fire District.

The current amount was \$25,000 per year. During the discussion, the School District and Clackamas Community College indicated that they would like some of their waived funds to go toward public safety, i.e. the Fire Department. Some of the funds did go over; however, the City was receiving a substantially higher amount and the Fire District was expected to service the facility. Fire Chief Davis noted that the night that the City Council approved the Strategic Investment Zone Agreement with Columbia Distributing there was Council discussion about doing their best to support the Fire District with the loss of revenue. The Fire District had sent information requesting a 50/50 split between Canby Fire District and the City. That would mean that the City would receive close to \$36,000 and the Fire District would receive approximately \$35,000. He thought the proposal was fair as both the City and the Fire District would be serving Columbia Distributing. He noted that there was a report from Clackamas County referencing the issue between the City and the Fire District to try and work out the fee. The Fire District was willing to accept the current amount with the Staff recommendation; however, they were looking back at to what some of the City Councilors had said about doing the best they could in terms of supporting the Fire District.

Councilor Spoon felt that it was very important to make the Fire District whole as they too would serve Columbia Distributing. She asked about the amount Chief Davis had referenced and if it included the URA portion. Chief Davis clarified that it did.

Council President Dale was very interested in helping the Fire District out. He thought that the City had a lot of incentive to help the Fire District. He thought there was an opportunity to help the Fire District out and that it was a modest donation on behalf of the City. It was just over \$10,000 to make them whole. He noted that there was an unexpected bonus from the Community College, School District, and Port and the amount of the Fire Chief's ask was less than that unexpected bonus. He asked that the Council consider it a donation of some of the unexpected bonus.

Discussion ensued regarding the process of determining the Community Service Fee and the timeframe for making a decision. City Attorney Lindsay noted that the County would receive the same amount regardless of how the City and the Fire District determine to split the fee and that there were rules about how the funds could be spent.

Councilor Spoon expressed frustration noting that part of the initial discussion was to make the fire department whole. She refused to vote against her conscience. She was frustrated that they were still talking about taking the path of least resistance and making accommodations after the fact. She felt it was always a bad deal and was frustrated about talking about it again at the last minute even though it had been talked about for months.

Mayor Hodson stated that the County, City and Fire District came together and went through a process to negotiate the pieces and had been agreed upon the three parties at one of the meetings.

Councilor Spoon emphasized that with the Strategic Investment Zone Agreement with Columbia Distributing was approved in a 4-2 vote it was with the intention of making the Fire District whole. She stated that in the agreement the Fire District was not made whole. She felt it was poor governance and tax payers deserved better.

Councilor Parker asked for a point of order. Mayor Hodson responded that it was a consensus on how to move forward. The Board of County Commissioners would be approving the agreement at their meeting the following day. City Attorney Lindsay explained the agreement was a continuation of the community service fee agreement that was previously passed and provides the details of the amounts of the fee. It could pass with administrative signature if there was consensus. Councilor Parker did not understand that he would be making a decision and thought it was false advertising on the agenda. Councilor Parker stated if they were going to be making an action with another governmental agency he wanted it to be an official action with recorded votes during their regular meeting.

City Attorney Lindsay stated that Business Oregon felt that it could be administrative action. The County Commissioners placed the item on their consent agenda. He felt that Intergovernmental Agreements should be between the governmental bodies. There was a grey area since they had already passed the Strategic Investment Zone Agreement and this was further detailing how the community service fee was to be allocated.

Councilor Hensley suggested that the action be added to the City Council meeting.

Discussion ensued regarding the importance of making a determination that evening otherwise Business Oregon would make decision on the allocation of the community service fee.

Councilor Spoon felt it was a surprise and there was not time to course correct. She asked the Fire Chief how they could be made whole. She wanted to help and not cause harm.

Councilor Varwig clarified that the current agreement was one that was in part presented by the Fire Department. The numbers were presented to the entire group by Canby Fire District.

Fire Chief Davis stated that in the staff report by the County, there was mention that the City and Fire District could make percentage changes prior to the County meeting. He noted that during the negotiation process, the Fire District asked the City about the Council discussion about making Canby Fire whole.

City Attorney Lindsay noted Council could begin their regular meeting and have consensus during the meeting on which action they would like to take. The Mayor would add the topic for action to the regular agenda.

The meeting adjourned at 7:06 p.m.

Melissa Bisset, CMC  
City Recorder

Brian Hodson