

**MINUTES  
CITY OF FAIRVIEW  
CITY COUNCIL**

October 1, 2018

**Council Members**

Ted Tosterud, Mayor  
Cathi Forsythe (Absent)  
Mike Weatherby  
Keith Kudrna  
Lisa Barton Mullins  
Natalie Voruz  
Brian Cooper

**Staff**

Nolan Young, City Administrator  
Elaine Howard, Consultant  
Seth Thompson, PSU Fellow  
Devree Leymaster, City Recorder

**SPECIAL WORK SESSION (6:00 PM)**

**1. REVIEW PROPOSED FAIRVIEW URBAN RENEWAL PLAN**

Consultant Elaine Howard presented a review of the proposed Urban Renewal Plan. (*Exhibit A*) She noted most of the underdeveloped areas in Fairview are included in the boundary. Council President Weatherby inquired why the north side of Halsey between 223rd and 7th Avenue are not included in the boundary, as this is an area the City is trying to encourage economic development. Consultant Howard indicated the committee did discuss including the area and it could be included without exceeding the percentage allowed. The direction from Council was to include the north side of Halsey, Town Center Zone, in the boundary.

Council President Weatherby asked why the south side of Depot Street by the railroad tracks was not included. CA Young replied the planning committee recommended not including areas of Historic Fairview in the boundary.

Consultant Howard explained part of the financing plan includes a \$650,000 bridge loan from the City to the Urban Renewal Agency (URA) to start projects. Once the UR Plan ordinance goes into effect an IGA would be drafted between the URA and City for the bridge loan. CA Young clarified the proposal is to loan \$650,000 from the unrestricted general fund with a current beginning balance of \$1.6 million to the URA. The projected pay back to the City is fiscal year 2022. Once the UR Plan ordinance goes into effect an IGA would be drafted between the URA and City for the bridge loan.

Mayor Tosterud inquired about the interest rate for the bridge loan. CA Young proposed two options: follow the LGPI rate, like Troutdale, at 2%, or use the bonding rate, like Wood Village, at 3.5%. He proposed setting the interest rate when the IGA is reviewed and adopted; will have actual numbers vs. estimated. CA Young requested Council confirmation that they support the proposed financing plan. Council concurred yes.

Consultant Howard commented the majority of the project list is public infrastructure. CA Young proposed adding “public art” to the Economic Development category. Public art is identified in Council goals as part of an economic development tool. He recommended moving \$500,000 from the Plan’s contingency line item to “public art”. Consultant Howard noted there is pending legislation that may affect this type of project in the future. If Council is considering this would recommend doing so now. If the legislation is passed after the Plan is adopted it will not be affected. The direction from Council is to add a “public art line” item funding \$500,000 from the contingency fund.

Mayor Tosterud asked if the Plan includes a small business loan program. Consultant Howard replied no. If Council wants to consider this option need to frame in the context of providing assistance for projects that will continue whether a particular use fails or not; anyone using the space will benefit. The

proposed Loan-to-Grant program could be modified to include this. Should include criteria that if enough conditions are not met it becomes a loan. Want to be careful that the projects are sustainable and removing real obstacles to development.

Consultant Howard commented the Plan Administration will assist in paying for staff time, studies related to projects, etc. There will be an IGA for the scope and it will be included in the annual budget. Council President Weatherby asked if additional staff will be needed. CA Young replied there is no intent to add staff, but there may be a request at budget time for a PSU Fellow with a portion of the cost paid out of UR funds. He noted most projects require staff time regardless of the UR Plan. Council President Weatherby inquired if staff time in relation to implementing the Plan could be provided. CA Young commented they can prepare an annual plan in conjunction with the annual budget allocation request for Plan Administration each year.

CA Young explained the reason for trying to adopt the Plan by year end is so we don't lose some of this year's tax value and we start collecting the increment tax beginning next year.

Constant Howard reiterated that the direction is to add the north property along Halsey to the boundary and add a "public art" project category using \$500,000 from contingency. Council replied yes.

### 3. ADJOURNMENT

Mayor Tosterud adjourned the meeting at 7:00 PM.

  
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Devree Leymaster  
City Recorder

  
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Ted Tosterud  
Mayor

10-24-2018  
\_\_\_\_\_  
Date of Signing

A complete recording and/or video of these proceedings is available.  
Contact the City of Fairview City Recorder Office, 1300 NE Village St., Fairview, OR 97024, (503) 674-6224.