



## MEMORANDUM CITY OF TUALATIN

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Sherilyn Lombos, City Manager

**DATE:** July 23, 2018

**SUBJECT:** Work Session for July 23, 2018

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**5:00 p.m. (20 min) – City Investment Policy.** With the passage of the transportation funding measure and the upcoming bond issue, staff will need to invest the bond proceeds. Currently, the city invests in the Local Government Investment Pool (LGIP) and follows the investment policy found in state statute. The LGIP has a maximum amount that can be invested in the Pool and we are at that limit. Staff is entering into a contract with Government Portfolio Advisors (GPA) to assist with the investment of bond proceeds and other idle funds. On tonight's Council agenda is approval of a short-form investment policy that will allow us to invest bond proceeds after the bond sale in August. This policy will allow us to invest the bond proceeds while the full investment policy is sent for review by the Oregon Short Term Fund (OSTF) Board. After the policy is reviewed by OSTF, we will be back on the City Council agenda for adoption of the full policy. Staff will brief the Council during work session on the policies and process related to our investment policy. The President of GPA will be in attendance to answer any questions that the Council may have.

**5:20 p.m. (20 min) – League of Oregon Cities 2019 Legislative Agenda.** The League of Oregon Cities is soliciting cities to provide recommendations to the LOC Board of Directors as it prepares for the 2019 Legislative session. Each city has the opportunity to review these and provide direction on the prioritization of these items for the League's legislative agenda. Council should review the list of identified legislative priorities and provide input back to the League of Oregon Cities.

**5:40 p.m. (20 min) – Restricted Parking Area Update.** The Police Department presented information regarding restricted parking areas at the June 11, 2018 City Council work session. The Council directed staff to conduct some additional outreach which has been done and will be presented.

**6:00 p.m. (50 min) – Parks & Recreation Master Plan.** Staff will present specific project information as well as criteria for prioritizing projects that will be presented in the Parks & Recreation Master Plan.

**6:50 p.m. (10 min) – Council Meeting Agenda Review, Communications & Roundtable.**  
Council will review the agenda for the July 23<sup>rd</sup> City Council meeting and brief the Council on issues of mutual interest.



# MEMORANDUM

## CITY OF TUALATIN

**TO:** Honorable Mayor and Members of the City Council

**THROUGH:** Sherilyn Lombos, City Manager

**FROM:** Don Hudson, Finance Director

**DATE:** 07/23/2018

**SUBJECT:** City of Tualatin Investment Policy

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### ISSUE BEFORE THE COUNCIL:

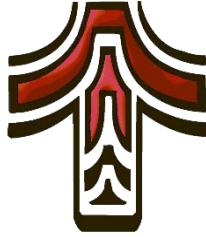
With the passage of the transportation funding measure and the upcoming bond issue, staff will need to invest the bond proceeds. Currently, the city invests in the Local Government Investment Pool (LGIP) and follows the investment policy found in state statute. The LGIP has a maximum amount that can be invested in the Pool and we are at that limit. Staff is entering into a contract with Government Portfolio Advisors (GPA) to assist with the investment of bond proceeds and other idle funds. On tonight's Council agenda is approval of a short-form investment policy that will allow us to invest bond proceeds after the bond sale in August. This policy will allow us to invest the bond proceeds while the full investment policy is sent for review by the Oregon Short Term Fund (OSTF) Board. After the policy is reviewed by OSTF, we will be back on the City Council agenda for adoption of the full policy.

Staff will brief the Council during work session on the policies and process related to our investment policy. The President of GPA will be in attendance to answer any questions that the Council may have.

Attached is the "Short-Form Investment Policy - *Bond Proceeds Only*" that is on Consent this evening and the draft full "Investment Policy" that will be submitted to the Oregon State Treasury for review by the OSTF Board on October 11th.

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**Attachments:** Short-Form Investment Policy  
Investment Policy Draft



*City of Tualatin*

## **SHORT-FORM INVESTMENT POLICY - *Bond Proceeds Only***

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### **POLICY:**

#### **Bond Issue Description: 2018 Bond Capital Project Fund**

##### **1.0 Policy Statement**

Oregon Revised Statutes Section 294.135 and 294.052 generally requires a local government to have its investment policy reviewed by the Oregon Short Term Fund Board (“OSTFB”) before the local government adopts the policy and makes investments that are longer than 18 months from their purchase date.

The City of Tualatin may wish to invest its bond proceeds longer than 18 months to match investment maturity dates to the expected schedule for payment of construction costs. The OSTFB has made this short-form policy available to local governments that desire to invest only bond proceeds or bond related funds described in ORS 294.052 for more than 18 months, and that desire expedited review by the OSTFB before the investment policy is adopted. This short-form policy contains very substantial limitations and does not provide City of Tualatin with the controls or flexibility that a comprehensive investment policy should provide.

##### **2.0 Scope**

This investment policy applies to bond proceeds or bond related funds described in ORS 294.052. All other funds of the City of Tualatin that are subject to ORS 294.135 will be invested under 18 months.

##### **3.0 Objective**

The primary objectives, in order of priority, for City of Tualatin’s investment under this policy are as follows:

- 3.1. **Legality:** The investments will be in compliance with all statutes governing the investment of public funds in the State of Oregon.
- 3.2. **Liquidity:** The investments will be made in a manner that generates sufficient cash flow to meet the expected project cost schedule. A liquidity component of at least 10% of the current bond proceed balance will be maintained in cash and/or the LGIP, assuming that this amount is within ORS 294.810 restriction.
- 3.3. **Safety:** Investments are limited to U.S. Treasury, and non-callable fixed rate Government Sponsored Enterprise and Agency securities described in Section 8.0, below.
- 3.4. **Yield:** The yield will be dependent on the timing of the investments.

##### **4.0 Delegation of Authority**

The Finance Director is responsible for all investment decisions.

## **5.0 Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that may conflict with the proper execution of the investment program, or may impair their ability to make impartial investment decisions.

## **6.0 Authorized Financial Dealers and Institutions**

The Finance Director will maintain a list of dealers with whom they are authorized to do business. These may include “primary” dealers or regional dealers that qualify under SEC Rule 15C3-1 (uniform net capital rule). If an investment advisor is hired, the advisor may execute directly with the approved dealers on behalf of the City.

## **7.0 Investment Advisory Services**

The City of Tualatin may seek outside investment advisory services to assist with the investment of bond proceeds. The services will be non-discretionary and the advisor shall be required to act with fiduciary responsibility.

## **8.0 Authorized and Suitable Investments**

Only the following investments may be purchased under this policy:

- Obligations of the United States government;
  - U.S. Treasury Notes, Bonds and Bills
- Obligations and guarantees of U.S. government agencies, corporations wholly owned by the U.S. government or any Government Sponsored Enterprises (GSE’s). Specific listing:
  - Federal Home Loan Bank - FHLB
  - Federal Farm Credit Bank - FFCB
  - Federal Home Loan Mortgage Corporation - FHLMC
  - Federal National Mortgage Association - FNMA
- All treasury and agency securities must be non-callable with a fixed rate
- Oregon Short-Term Fund – LGIP
- Bank Deposits insured as defined in ORS 706.008, which includes banks in the state-wide collateralization program.

## **9.0 Safekeeping and Custody**

All security transactions entered into by City of Tualatin will be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in safekeeping by a third-party custodian designated by the Finance Director.

## **10.0 Diversification**

City of Tualatin will diversify the total bond project funds by issuer.

Diversification by Issuer:

- U.S. Treasury Issues: Up to 100%
- Agency (GSE’s): Up 33% per issuer
- LGIP or Bank Deposits: Minimum of 10% of bond proceeds

## **11.0 Maximum Maturities**

Maximum Maturity of Single Issue: 3 years

**12.0 Reporting Requirements**

The Finance Director shall prepare quarterly and annual investment reports summarizing the investment portfolio as to types of investments, earnings, maturities, cost, transactions, and market-to-market values.

**13.0 Internal Controls and Accounting Method**

The Finance Director, in conjunction with their respective auditor, will evaluate conformance of the portfolio with the Investment Policy and audit internal controls. The City of Tualatin shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP) relating to investment accounting.

**14.0 Investment Policy Adoption**

Must be reviewed annually by the City of Tualatin and applies only to the specified bond proceed issue identified in the title section of this policy.

Adoption Date: July 23, 2018  
Legal Reference: Resolution No. 5387-18

# CITY OF TUALATIN



*City of Tualatin*

## **INVESTMENT POLICY** **2018 Draft**

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## **1. INTRODUCTION**

The purpose of this Investment Policy is to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements, and safekeeping and custodial procedures necessary for the prudent management and investment of the funds of the City of Tualatin.

## **2. GOVERNING AUTHORITY**

The investment program shall be operated in conformance with federal, state, and other legal requirements. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145 and 294.810.

This Policy has been adopted by Resolution #\_\_\_\_\_ by the City Council of Tualatin, Oregon on \_\_\_\_\_, 2018

## **3. SCOPE**

This policy applies to activities of the City with regards to investing the financial assets of all funds except for funds held in trust for the Pension Portfolio and deferred compensation funds for the employees of the City which have separate rules. In addition, funds held by trustees or fiscal agents are excluded from these rules; however, all funds are subject to regulations established by the State of Oregon. Other than bond proceeds or other unusual situations, the total of all funds ranges from \$40,000,000 to \$50,000,000. This policy provides direction for the following fund types:

1. General Fund
2. Special Revenue Funds
3. Capital Projects Funds
4. Debt Service Funds
5. Enterprise Funds
6. Internal Service Funds
7. Trust and Agency Funds
8. Other Funds

## **4. OBJECTIVES**

The City's principal investment objectives in order of priority are:

### **4.1 Safety:**

- Preservation of capital and protection of investment principal.
- Diversification to avoid incurring unreasonable risks regarding specific security types or individual financial institutions.

#### **4.2 Liquidity:**

- Maintenance of sufficient liquidity to meet operating requirements that are reasonably anticipated.

#### **4.3 Yield – Return:**

- Attainment of a market value rate of return throughout budgetary and economic cycles.

## **5. STANDARDS OF CARE**

### **5.1 Delegation of Authority**

- a. **Governing Body:** The ultimate responsibility and authority for the investment of City funds resides with the City Council. The City hereby designates the Finance Director as the Finance Director for the City's funds. The Finance Director shall invest City funds in accordance with ORS Chapter 294, Public Financial Administration, and with this Investment Policy. This Policy shall constitute a "written order" from City Council per ORS 294.035.
- b. **Investment Advisor:** Subject to required procurement procedures, the City may engage the support services of outside professionals in regard to its financial program, so long as it can be demonstrated or anticipated that these services produce a net financial advantage or necessary financial protection of the City's resources. External investment advisors shall be subject to Oregon Revised Statutes and the provisions of this Investment Policy. The Advisor shall provide non-discretionary advisory services, which require prior approval from the Finance Director on all transactions.

In order to optimize total return through active portfolio management, resources shall be allocated to the cash management program. This commitment of resources shall include financial and staffing considerations.

### **5.2 Prudence:**

The standard of prudence to be used, by the Finance Director, in the context of managing the overall portfolio is the prudent investor rule which states:

"Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

The City's Finance Director (ORS 294.004 (2)) and staff acting in accordance with this Investment Policy, written procedures, and Oregon Revised Statutes 294.035 and 294.040 and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price change or other loss, provided deviations from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy.

### **5.3 Ethics:**

Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

## **6. AUTHORIZED FINANCIAL INSTITUTIONS**

The City shall maintain a list of all authorized financial institutions and dealers that are approved for investment purposes. Any firm is eligible to make an application to the Finance Director and upon due consideration and approval, will be added to the list. Additions and deletions to the list will be made at the City's discretion. There should be in place, proof as to all the necessary credentials and licenses held by employees of the brokers/dealers who will have contact with the City of Tualatin as specified by but not necessarily limited to the Financial Industry Regulatory Authority (FINRA), Securities and Exchange Commission (SEC), etc.

### **6.1 Broker/Dealers:**

The Investment Officer shall determine which broker/dealer firms and registered representatives are authorized for the purposes of investing funds within the scope of this investment policy. A list will be maintained of approved broker/dealer firms and affiliated registered representatives. The following minimum criteria must be met prior to authorizing investment transactions. The Investment Officer may impose more stringent criteria.

- a. Broker/Dealer firms must meet the following minimum criteria:
  - i. Be registered with the Securities and Exchange Commission (SEC);
  - ii. Be registered with the Financial Industry Regulatory Authority (FINRA).
  - iii. Provide most recent audited financials.
  - iv. Provide FINRA Focus Report filings.
- b. Approved broker/dealer employees who execute transactions with the City must meet the following minimum criteria:
  - i. Be a registered representative with the Financial Industry Regulatory Authority (FINRA);
  - ii. Be licensed by the state of Oregon;
  - iii. Provide certification (in writing) of having read; understood; and agreed to comply with the most current version of this investment policy.
- c. The investment officer may utilize the non-discretionary advisors approved list in lieu of the City's internal broker list. The advisor must provide the City with documentation of an annual review. At a minimum the advisor must maintain documentation of appropriate licenses and professional credentials of all broker/dealers on the list. The advisor broker/dealer review should include:

- i. FINRA Certification check
- ii. Firm Profile
- iii. Firm History
- iv. Firm Operations
- v. Disclosures of Arbitration Awards, Disciplinary and Regulatory Events
- vi. State Registration Verification
- vii. Financial review of acceptable FINRA capital requirements or letter of credit for clearing settlements.

The advisors must provide the City with any changes to the list prior to transacting on behalf of the City.

### **6.2 Financial Bank Institutions:**

All financial banks that provide bank deposits, certificates of deposits or any other deposit of the bank to the City must either be fully covered by the FDIC or the bank must be a participant of the Public Funds Collateralization Program (PFCP) program. ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program. Bank depositories are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank loss. ORS Chapter 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable. ORS Chapter 295 creates a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected.

### **6.3 Investment Advisors:**

An Investment Advisor may be utilized to manage funds and will be selected through a competitive RFP process. The Advisor must meet the following criteria:

- a. The investment advisor firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon; (Note: Investment advisor firms with assets under management > \$100 million must be registered with the SEC, otherwise the firm must be licensed by the state of Oregon);
- b. All investment advisor firm representatives conducting investment transactions on behalf of City must be registered representatives with FINRA;
- c. All investment advisor firm representatives conducting investment transactions on behalf of City must be licensed by the state of Oregon;
- d. Contract terms will include that the Investment advisor will comply with the City's Investment Policy.

The Investment Advisor must notify the City immediately if any of the following issues arise while serving under a City Contract:

- a. Pending investigations by securities regulators.
- b. Significant changes in net capital.
- c. Pending customer arbitration cases.
- d. Regulatory enforcement actions.

#### **6.4 Competitive Transactions:**

The Finance Director will obtain telephone, faxed or emailed quotes before purchasing or selling an investment. The Finance Director will select the quote which best satisfies the investment objectives of the investment portfolio within the parameters of this policy. The Finance Director and/or the Investment Advisor will maintain a written record of each bidding process including the name and prices offered by each participating financial institution.

The City's investment advisor that is providing investment management services must provide documentation of competitive pricing execution on each transaction. The investment advisor will retain documentation and provide upon request.

### **7. SAFEKEEPING AND CUSTODY**

#### **7.1 Safekeeping of Securities and Funds:**

Securities will be held by an independent third-party safekeeping institution selected by the City in the City's segregated account. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) No. 16.

All trades of marketable securities will be executed on a delivery vs payment (DVP) basis to ensure that securities are deposited in the City of Tualatin's safekeeping institution prior to the release of funds.

#### **7.2 Bank Deposits and Certificates of Deposit:**

The City may hold bank deposits or certificates of deposits at banks qualified under ORS 295.

#### **7.3 Accounting Method:**

The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the Governmental Accounting Standards Board (GASB); the American Institute of Certified Public Accountants (AICPA); and the Financial Accounting Standards Board (FASB).

#### **7.4 Internal Controls:**

The Finance Director shall maintain a system of written internal controls which shall address the following areas of concern:

- Compliance with investment policy constraints and requirements
- Clear delegation of authority
- Segregation of duties and separation of responsibilities for trade execution, accounting, and record keeping
- Written confirmation of transactions and funds transfers
- Timely reconciliation of custodial reports

- Appropriate security for online transactions and access to bank accounts and bank data
- Custodial safekeeping
- Control of collusion
- Review, maintenance and monitoring of security procedures both manual and automated
- Dual authorizations of wire and automated clearing house (ACH) transfers

An external auditor shall provide an annual independent audit to assure compliance with Oregon state law and City of Tualatin policies and procedures.

## 8. AUTHORIZED AND SUITABLE INVESTMENTS

### 8.1 Authorized Investments:

All investments of the City shall be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS 294.040 (Restriction on investments under ORS 294.035), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for Finance Director including not committing to invest funds or sell securities more than 14 business days prior to the anticipated date of settlement), ORS 294.805 to 294.895 (Local Government Investment Pool). Any revisions or extensions of these sections of the ORS must be amended to this policy in order to be allowable.

### 8.2 Suitable Investments:

**US Treasury Obligations:** U.S. Treasury and other government obligations that carry the full faith and credit guarantee of the United States for the timely payment of principal and interest [ORS Section 294.035(3)(a)].

**US Agency Obligations - Primary:** Senior debenture obligations of US federal agencies and instrumentalities or U.S. government sponsored enterprises (GSE) that have actively traded markets and provide a higher level of liquidity. These include: Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB).

**US Agency Obligations - Secondary:** Other US government sponsored enterprises that are less marketable are considered secondary GSEs. They include, but are not limited to: Private Export Funding Corporation (PEFCO), Tennessee Valley Authority (TVA), Financing Corporation (FICO) and Federal Agricultural Mortgage Corporation, (Farmer Mac).

**Commercial Paper:** Commercial Paper that is rated A1+/P1. In the case where both rating agencies provide ratings on the corporation, the lowest rating will be used.

**Corporate Indebtedness:** Corporate indebtedness must be rated on the settlement date AA- or better by S&P or Aa3 or better by Moody's. In the case of a split rating, the lowest rating of these two rating agencies will be used.

**Local Government Investment Pool:** State Treasurer's local short-term investment fund up to the statutory limit per ORS Section 294.810.

**Certificates of Deposit:** Certificates of deposit in insured institutions as defined in ORS 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].

**Bank Time Deposit/Savings Accounts:** Time deposit open accounts or savings accounts in insured institutions as defined in ORS Section 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].

**Municipal Debt:** Lawfully issued debt obligations of the States of Oregon, California, Idaho and Washington and political subdivisions of those states if the obligations have a long-term rating on the settlement date of AA- or better by S&P or Aa3 or better by Moody's. In the case of a split rating, the highest rating of these two rating agencies will be used.

**Bankers' Acceptance:** Banker's acceptances, if the banker's acceptances are: (i) Guaranteed by, and carried on the books of, a qualified financial institution\*; (ii) Eligible for discount by the Federal Reserve System; and (iii) Issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.

\*For the purposes of this paragraph, "qualified financial institution" means: (i) A financial institution that is located and licensed to do banking business in the State of Oregon; or (ii) A financial institution that is wholly owned by a financial holding company or a bank holding company that owns a financial institution that is located and licensed to do banking business in the State of Oregon [ORS Section 294.035(3)(h)].

### **8.3 Collateralization:**

Time deposit open accounts, Certificates of Deposit and savings accounts shall be collateralized through the collateral pool for any excess over the amount insured by an agency of the United States government in accordance with ORS 295.015 and ORS 295.018.

## **9. INVESTMENT PARAMETERS**

### **9.1 Diversification:**

The City will diversify the investment portfolio to avoid incurring unreasonable risks, both credit and interest rate risk, inherent in over investing in specific instruments, individual financial institutions or maturities.

**Credit risk:** is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt.

**Liquidity risk:** is the risk that an investment may not be easily marketable or redeemable.

**Interest rate risk:** longer term investments have the potential to achieve higher returns but are also likely to exhibit higher market value price volatility due to the changes in the general level of interest rates.

### Diversification Constraints on Total Holdings – Liquidity and Core Funds

Issue Type	Maximum % Holdings	Maximum % per Issuer	Ratings S&P	Ratings Moody's
US Treasury Obligations	100%	None	N/A	N/A
US Agency Primary Securities FHLB, FNMA, FHLMC, FFCB	100%	40%	N/A	N/A
US Agency Secondary Securities FICO, FARMER MAC etc.	10%	5%	Security must be rated	Security must be rated
Municipal Bonds (OR, CA, ID, WA)	10%	10%	AA-	Aa3
Corporate Bonds	20%	5%*	AA-	Aa3
Commercial Paper	10%		A1+	P1
Bank Time Deposits/Savings Accounts	25%	15%	Oregon Public Depository	Oregon Public Depository
Certificates of Deposit	10%	5%	Oregon Public Depository	Oregon Public Depository
Banker's Acceptance	25%	5%	A1+ AA-Underlying	P1 Aa3 Underlying
Oregon Short Term Fund	Maximum allowed per ORS 294.810	None	N/A	N/A

\*Issuer constraints apply to the combined issues in corporate and commercial paper holdings.

### 9.2 Investment Maturity:

The City will not directly invest in securities with a stated maturity of more than five (5) years from the date of purchase.

- The maximum weighted maturity of the total portfolio shall not exceed two (2) years. This maximum is established to limit the portfolio to excessive price change exposure.
- Liquidity funds will be held in the State Pool, Bank Deposits or in money market instruments maturing six months and shorter. The liquidity portfolio shall, at a minimum, represent six month budgeted outflows.
- Core funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between 1 day and 5 years and will be only invested based on the diversification parameters listed in 9.1 of this policy.



- Total Portfolio Maturity Constraints:

<b>Maturity Constraints</b>	<b>Minimum % of Total Portfolio</b>
Under 30 days	10%
Under 1 year	25%
Under 5 years	100%

<b>Maturity Constraints</b>	<b>Maximum of Total Portfolio in Years</b>
Weighted Average Maturity	2.00

<b>Security Structure Constraint</b>	<b>Maximum % of Total Portfolio</b>
Callable Agency Securities	25%

**9.3 Prohibited Investments:**

- The City shall not invest in “144A” private placement securities.
- The City shall not lend securities nor directly participate in a securities lending or reverse repurchase program.
- The City shall not purchase mortgage backed securities.
- The City will not purchase, per ORS 294.040, any bonds of issuers listed in ORS 294.035(3)(a) to (c) that have a prior default history.

**10. POLICY COMPLIANCE AND PERFORMANCE STANDARDS**

**10.1 Compliance Measurement and Procedures:**

- a. Compliance Report: A compliance report documenting the portfolio versus the investment policy shall be maintained quarterly.
- b. Compliance Measurement: Guideline measurements will use market value of investments.
- c. Compliance Procedures:
  - i. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
  - ii. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the City Council.
  - iii. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

iv. As determined on any date that the security is held within the portfolio. If the credit rating of a security is subsequently downgraded below the minimum rating level for a new investment of that security, the Finance Director shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Finance Director will apply the general objectives of Safety, Liquidity, Yield and Legality to make the decision. *If the City has hired the services of an Investor Advisor, the Finance Director will act on the recommendation of the Advisor.*

## **10.2 Performance Measurement:**

- a. The City yields will be compared to the OST Pool rates.
- b. The portfolio will be invested into a predetermined structure that will be measured against a selected benchmark portfolio. The structure will be based upon a chosen minimum and maximum effective duration and will have the objective to achieve market rates of returns over long investment horizons. The purpose of the benchmark is to appropriately manage the risk in the portfolio given interest rate cycles. The core portfolio is expected to provide similar returns to the benchmark over interest rate cycles, but may underperform or out perform in certain periods. The portfolio will be positioned to first protect principal and then achieve market rates of return. The benchmark used will be a 0-3 year or 0-5 year standard market index and comparisons will be calculated monthly and reported quarterly.
- c. When comparing the performance of the City's portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.
- d. The mark to market pricing will be calculated monthly and be provided in a monthly report.

## **11. REPORTING REQUIREMENTS**

The Finance Director will retain and provide quarterly investment reports to the City Council in a similar manner as outlined in ORS 208.090. The reports also will be available upon request. Securities holdings and cash balances held in the investment portfolio will be provided on the reports.

The minimum quarterly reporting requirements for total portfolio are as follows:

- Earnings Yield
- Holdings Report (including mark to market)
- Transactions Report
- Weighted Average Maturity or Duration
- Compliance Report

## 12. INVESTMENT POLICY ADOPTION

This Investment Policy shall be adopted by City Council annually in accordance with ORS 294.135(a). Any significant changes to the policy must be reviewed by the Oregon Short Term-Fund Board prior to submitting to City Council for adoption.

## 13. GLOSSARY

**Accrued Interest:** The interest accumulated on a security since the issue date or since the last coupon payment. The buyer of the security pays the market price plus accrued interest.

**Agency Securities:** See “Federal Agency Securities.”

**Bankers’ Acceptance (BA’s):** A draft or bill of exchange drawn upon and accepted by a bank. Frequently used to finance shipping of international goods. Used as a short-term credit instrument, bankers’ acceptances are traded at a discount from face value as a month market instrument in the secondary market on the basis of the credit quality of the guaranteeing bank.

**Basis Point:** A basis point is a unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100<sup>th</sup> of a percent) or 0.0001 in decimal form. In most cases, it refers to changes in interest rates and bond yields.

**Benchmark:** A market index used as a comparative basis for measuring the performance of an investment portfolio. A performance benchmark should represent a close correlation to investment guidelines, risk tolerance and duration of the actual portfolio’s investments.

**Bond:** An interest-bearing security issued by a corporation, government, governmental agency, or other body. It is a form of debt with an interest rate, maturity, and face value, and it is usually secured by specific assets. Most bonds have a maturity of greater than one year and in general, pay interest semiannually.

**Broker/Dealer:** A person or firm transacting securities business with customers. A “broker” acts as an agent between buyers and sellers, and receives a commission for these services. A “dealer” buys and sells financial assets from its own portfolio. A dealer takes risk by owning an inventory of securities, whereas a broker merely matches up buyers and sellers.

**Call:** An option to buy a specific asset at a certain price within a certain period of time.

**Callable:** A bond or preferred stock that may be redeemed by the issuer before maturity for a call price specified at the time of issuance.

**Call Date:** The date before maturity on which a bond may be redeemed at the option of the issuer.

**Certificate of Deposit (CD):** Bank obligation issued by a financial institution generally offering a fixed rate of return (coupon) for a specified period of time (maturity).

**Collateral:** Securities or other property that a borrower pledges as security for the repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Commercial Paper:** Short-term, unsecured, negotiable promissory notes issued by a company or financial institution. Issued at a discount and matures at par or face value. Usually a maximum maturity of 270 days, and given a short-term debt rating by one or more NRSROs.

**Core Fund:** Core funds are defined as operating fund balance which exceeds the City's daily liquidity needs. Core funds are invested out the yield curve to diversify maturity structure in the overall portfolio. Having longer term investments in a portfolio will stabilize the overall portfolio interest earnings over interest rate cycles.

**Corporate Note:** A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

**Coupon Rate:** The annual rate of interest that the issuer of a bond promises to pay to the holder of the bond.

**Current Maturity:** The amount of time left until an obligation matures. For example, a one-year bill issued nine months ago has a current maturity of three months.

**Current Yield:** The coupon payments on a security as a percentage of the security's market price. In many instances the price should be gross of accrued interest, particularly on instruments where no coupon is left to be paid until maturity.

**CUSIP:** A CUSIP number identifies securities. CUSIP stands for Committee on Uniform Security Identification Procedures, which was established under the auspices of the American Bankers Association to develop a uniform method of identifying municipal, U.S. government, and corporate securities.

**Delivery Versus Payment (DVP):** Settlement procedure in which securities are delivered versus payment of cash, but only after cash has been received. Most security transactions, including those through the Fed Securities Wire system and DTC, are done DVP as a protection for both the buyer and seller of securities.

**Depository Trust Company (DTC):** A firm through which members can use a computer to arrange for securities to be delivered to other members without physical delivery of certificates. A member of the Federal Reserve System and owned mostly by the New York Stock Exchange, the Depository Trust Company uses computerized debit and credit entries. Most corporate securities, commercial paper, CDs and BAs clear through DTC.

**Discount Notes:** Short term debt obligations issued by Federal Agencies at a discount. Discount notes mature at par and can range in maturity from overnight to one year. Discount Notes typically have very large primary (new issue) and secondary markets.

**Federal Agency Security:** A debt instrument issued by one of the federal agencies. Federal agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

**Federal Agency:** Government sponsored/owned entity created by the U.S. Congress, generally for the purpose of acting as a financial intermediary by borrowing in the marketplace and directing proceeds to specific areas of the economy considered to otherwise have restricted access to credit markets.

**Federal Farm Credit Bank (FFCB):** A Government Sponsored Enterprise (GSE) system that is a network of cooperatively owned lending institutions that provide credit services to farmers, agricultural cooperatives and rural utilities. The FFCBs act as financial intermediaries that borrow money in the capital markets and use the proceeds to make loans and provide other assistance to farmers and farm-affiliated businesses. FFCB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and agricultural industry. Also issues notes under its “designated note” program.

**Federal Home Loan Bank System (FHLB).** A Government Sponsored Enterprise (GSE) system, consisting of wholesale banks (currently twelve district banks) owned by their member banks, which provides correspondent banking services and credit to various financial institutions, financed by the issuance of securities. The principal purpose of the FHLB is to add liquidity to the mortgage markets. Although FHLB does not directly fund mortgages, it provides a stable supply of credit to thrift institutions that make new mortgage loans. FHLB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes and callable agency securities. Also issues notes under its “global note” and “TAP” programs.

**Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac").** One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides stability and assistance to the secondary market for home mortgages by purchasing first mortgages and participation interests financed by the sale of debt and guaranteed mortgage backed securities. FHLMC debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its “reference note” program.

**Federal National Mortgage Association (FNMA or "Fannie Mae").** One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides liquidity to the residential mortgage market by purchasing mortgage loans from lenders, financed by the issuance of debt securities and MBS (pools of mortgages packaged together as a security). FNMA debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its “benchmark note” program.

**Federal Reserve Bank.** One of the 12 distinct banks of the Federal Reserve System.

**Federal Reserve System (the Fed).** The independent central bank system of the United States that establishes and conducts the nation's monetary policy. This is accomplished in three major ways: (1) raising or lowering bank reserve requirements, (2) raising or lowering the target Fed Funds Rate and Discount Rate, and (3) in open market operations by buying and selling government securities. The Federal Reserve System is made up of twelve Federal Reserve District Banks, their branches, and many national and state banks throughout the nation. It is headed by the seven member Board of Governors known as the “Federal Reserve Board” and headed by its Chairman.

**General Obligation Bonds (GOs):** Bonds secured by the pledge of the municipal issuer's full faith and credit, which usually includes unlimited taxing power.

**Government Bonds:** Securities issued by the federal government; they are obligations of the U.S. Treasury. Also known as "governments."

**Government Sponsored Enterprise (GSE):** Privately owned entity subject to federal regulation and supervision, created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy such as students, farmers, and homeowners. GSEs carry the implicit backing of the U.S. Government, but they are not direct obligations of the U.S. Government. For this reason, these securities will offer a yield premium over Treasuries. Some consider GSEs to be stealth recipients of corporate welfare. Examples of GSEs include: FHLB, FHLMC, FNMA and FFCB.

**Interest:** Compensation paid or to be paid for the use of money. The rate of interest is generally expressed as an annual percentage.

**Interest Rate:** The interest payable each year on borrowed funds, expressed as a percentage of the principal.

**Investment Advisor:** A company that provides professional advice managing portfolios, investment recommendations and/or research in exchange for a management fee.

**Investment Portfolio:** A collection of securities held by a bank, individual, institution, or government agency for investment purposes.

**Investment Securities:** Securities purchased for an investment portfolio, as opposed to those purchased for resale to customers.

**Liquidity:** The ease at which a security can be bought or sold (converted to cash) in the market. A large number of buyers and sellers and a high volume of trading activity are important components of liquidity.

**Liquidity Component:** A percentage of the total portfolio that is dedicated to providing liquidity needs for the City.

**Mark to Market:** Adjustment of an account or portfolio to reflect actual market price rather than book price, purchase price or some other valuation.

**Municipals:** Securities, usually bonds, issued by a state or its agencies. The interest on "munis" is usually exempt from federal income taxes and state and local income taxes in the state of issuance. Municipal securities may or may not be backed by the issuing agency's taxation powers.

**NRSRO:** A "Nationally Recognized Statistical Rating Organization." A designated rating organization that the SEC has deemed a strong national presence in the U.S. NRSROs provide credit ratings on corporate and bank debt issues. Only ratings of a NRSRO may be used for the regulatory purposes of rating such as Moody's, S&P, Fitch and Duff & Phelps.

**Par Value:** The value of a security expressed as a specific dollar amount marked on the face of the security, or the amount of money due at maturity. Par value should not be confused with market value.

**Prudent Person Standard:** Standard that requires that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee will act with care, skill, prudence, and diligence under the circumstances the prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the entity.

**Rate of Return:** Amount of income received from an investment, expressed as a percentage of the amount invested.

**State of Oregon Local Government Investment Pool (OSTF – Oregon Short Term Fund):** The OSTF is organized pursuant to ORS 294.805 through 294.895. Participation in the Pool will not exceed the maximum limit annually set by ORS 294.810.

**Total Return:** Investment performance measured over a period of time that includes coupon interest, interest on interest, and both realized and unrealized gains or losses. Total return includes, therefore, any market value appreciation/depreciation on investments held at period end.

**Treasury Bill (T-Bill):** An obligation of the U.S. government with a maturity of one year or less. T-bills bear no interest but are sold at a discount.

**Treasury Bonds and Notes:** Obligations of the U.S. government that bear interest. Notes have maturities of one to ten years; bonds have longer maturities.

**Yield:** The annual rate of return on an investment, expressed as a percentage of the investment. Income yield is obtained by dividing the current dollar income by the current market price for the security. Net yield, or yield to maturity, is the current income yield minus any premium above par or plus any discount from par in the purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

**Yield to Maturity:** The average annual yield on a security, assuming it is held to maturity; equals to the rate at which all principal and interest payments would be discounted to produce a present value equal to the purchase price of the bond.



# MEMORANDUM

## CITY OF TUALATIN

**TO:** Honorable Mayor and Members of the City Council

**THROUGH:** Sherilyn Lombos, City Manager

**FROM:** Tanya Williams, Assistant to the City Manager

**DATE:** 07/23/2018

**SUBJECT:** 2019 Legislative Agenda for League of Oregon Cities

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### **ISSUE BEFORE THE COUNCIL:**

The League of Oregon Cities is soliciting cities to provide recommendations to the LOC Board of Directors as it prepares for the 2019 Legislative session. Each city has the opportunity to review these and provide direction on the prioritization of these items for the League's legislative agenda. Council should review the list of identified legislative priorities and provide input on which to include as our top four and bottom four in our survey back to the League of Oregon Cities.

### **POLICY CONSIDERATIONS:**

Staff have reviewed the list of priorities and identified nine top priorities for Tualatin that fall into 4 distinct categories. These categories include Transportation Safety (letters K and W), Right of Way priorities (letters T and V), State Shared Revenue (letters A, D and Z) and Reform (letters R and O).

The identified letters in these categories refer to these legislative priority areas:

- A- 9-1-1 Tax
- D- Beer and Cider Tax Increase
- K- Local Control over Speed Limits on City Streets
- O- PERS reform
- R- Property Tax Reform
- T- ROW & Franchise Fee Authority
- V- Small Are Cell Deployment
- W- Speed Cameras
- Z.- Tobacco Taxes Share Increase

The deadlines for responding to the League of Oregon Cities is August 3, 2018.

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**Attachments:** [2019 Legislative Priorities](#)  
[PowerPoint](#)



Please check or mark 4 boxes with an X that reflects the top 4 issues that your city recommends be added to the priorities for the League's 2019 legislative agenda.

City of: \_\_\_\_\_

**Legislation**

<b>A. 9-1-1 Tax</b>	
<b>B. Annexation Flexibility</b>	
<b>C. Auto Theft</b>	
<b>D. Beer and Cider Tax Increase</b>	
<b>E. Broadband Infrastructure</b>	
<b>F. Carbon Cap-and-Invest Program Adoption</b>	
<b>G. City Comparability for Compensation</b>	
<b>H. Green Energy Technology Requirement Changes</b>	
<b>I. Infrastructure Financing and Resilience</b>	
<b>J. Least Cost Public Contracting</b>	
<b>K. Local Control Over Speed Limits on City Streets</b>	
<b>L. Lodging Tax Definition Broadening</b>	
<b>M. Mental Health Investment</b>	
<b>N. Permanent Supportive Housing Investment</b>	
<b>O. PERS Reform</b>	
<b>P. PERS Unfunded Liability Revenue Stream Dedication</b>	
<b>Q. Place-Based, Water Resource Planning (Program Support)</b>	
<b>R. Property Tax Reform</b>	
<b>S. Qualification Based Selection (QBS)</b>	
<b>T. Right-of-Way and Franchise Fee Authority</b>	
<b>U. Safe Routes to School Match</b>	
<b>V. Small Area Cell Deployment</b>	
<b>W. Speed Cameras</b>	
<b>X. Speed Limit Methodology</b>	
<b>Y. Third Party Building Inspection</b>	
<b>Z. Tobacco Taxes Share Increase</b>	
<b>AA. Waste Water Technical Assistance Program</b>	
<b>BB. Wetland Development Permitting</b>	
<b>CC. Wood Smoke Reduction Program Support</b>	

In addition to your ranking of the priorities shown above, please use this space to provide us with any comments (supportive or critical) you may have on these issues, or thoughts on issues or potential legislative initiatives that have been overlooked during the committee process.):

## A. 9-1-1 Tax

### **Legislation:**

Support legislation enhancing the effectiveness of the state's emergency communications system by increasing the 9-1-1 tax and/or seeking other sources of revenue and prohibiting legislative "sweeps" from emergency communications accounts managed by the Oregon Office of Emergency Management.

### **Background:**

The League worked with other stakeholder groups in 2013 to extend the sunset date on the statewide 9-1-1 emergency communications tax to January 1, 2022 ([HB 3317](#)). In 2014, the League also worked to pass legislation including prepaid cellular devices and services under the 9-1-1 tax ([HB 4055](#)). As concerns mount with regard to disaster preparedness and recovery and as upgrades to communications technology become available, it is apparent that state and local governments do not have the resources necessary to address challenges or take advantage of opportunities (see an analysis in the League's 2018 State Shared Revenue Report, [here](#), and the Oregon Office of Emergency Management's "Emergency Communications Tax" webpage, [here](#)). Additional funding is needed and the practice of periodically sweeping funds out of the state's emergency management account for other uses must cease. It is worthy of note that the practice of "sweeps" disqualifies the state from receiving federal funds for emergency communications. It is unknown how many federal dollars have been foregone as a result of this policy.

*Presented by the Telecom, Broadband & Cable Committee and endorsed by the Finance & Taxation Committee*

## B. Annexation Flexibility

### **Legislation:**

The League will work to increase the flexibility for cities to annex residential areas and to encourage voluntary annexations, with a primary focus on improving the island annexation process.

### **Background:**

There is a significant disconnect between the state's land use process and the [process of annexation](#), which has created issues for a variety of cities. The annexation process requirements are particularly difficult for areas known as "islands". Even though cities can involuntarily annex islands, most cities have adopted a policy to only engage in voluntary annexation. This has left significant islands un-annexed. In addition, waiting for surrounding properties to voluntarily annex often means the process and order of annexation does not necessarily match the plans for infrastructure development. Unannexed lands remain on the buildable land supply but much of it will contain some level of development that was approved by the county, but is often underdeveloped when compared to the comprehensive plan.

However, there have been bills that have been introduced over the last few sessions that aim to make non-voluntary annexation more difficult (see e.g., [HB 2039](#) and [HB 2040](#)). As these bills have gotten hearings, the League has taken the opportunity to discuss how annexation and land use are very disconnected. This is particularly of interest as interest in housing development remains at the top of the list of legislative priorities. If local governments have greater control over the annexation process and can better incentivize voluntary annexation, they can better meet the development expectations of the land use system and their comprehensive plans. It also assists in the orderly development of infrastructure.

Tools that were recommended to consider included partial island annexation in residential areas, relaxation of the limit of 10 years to bring a property fully onto the city's property tax level, changing the boundary requirements for islands, and looking at how the withdrawal of special district territory can be better regulated.

*Presented by the Community Development Committee*

## C. Auto Theft

### **Legislation:**

Address the deficiencies in the Unauthorized Use of a Motor Vehicle statute that were created after an adverse court ruling.

### **Background:**

A 2014 Oregon Court of Appeals ruling requires that prosecutors prove beyond a reasonable doubt that a person driving a stolen car knew they were in violation of the law prohibiting the unauthorized use of a motor vehicle. Because of this ruling, unless confesses to the crime, obtaining a conviction for stealing a car is near impossible. The National Insurance Crime Bureau's 2017 "Hot Spots" report stated that Oregon experienced a 19 percent increase in auto theft over 2016. News stories on this issue may be found [here](#), [here](#) and [here](#).

Because of the ruling, auto theft has increased exponentially across rural and urban Oregon. A legislative fix was proposed in 2018 and was generally agreed to but was never voted on by either chambers due to the fiscal impact it would have on the state. A copy of the legislation can be found [here](#). This issue was brought to the Committee by a representative of the Oregon Association of Chiefs of Police and they have requested the League's supported in seeking to fix this issue. Of particular concern to the General Government Committee was the fact that vehicles being stolen tend to be older cars and trucks that are more likely to be owned by people of more modest means who would be unable to readily replace their vehicles without considerable impact.

*Presented by the General Government Committee*

## D. Beer and Cider Tax Increase

### **Legislation:**

The League proposes increasing the state taxes on malt beverages and cider to assist with rising public safety costs, improve public health, reduce alcohol consumption by minors, and provide alcohol tax equity with wine and liquor.

### **Background:**

Oregon's tax has not been increased since 1978 and is currently \$2.60 per barrel which equates to about 8 cents on a gallon of beer. The tax is by volume and not on the sales price. (Yes, the bottle deposit is 60 cents and the tax is only about 4 cents on a six-pack!) Oregon is tied with Kentucky for the lowest beer taxes of all [states](#) (see page 98 in link). To get to the middle, Oregon would need to raise the tax to 80 cents per gallon (10-fold increase). Cities are [preempted](#) from imposing alcohol taxes. In exchange, cities receive approximately [34% of the state alcohol revenues](#) (see page 9 in link)(beer and wine taxes, license fees, and liquor profit sharing) as state shared revenues. However, because the tax is so small on beer, the share is also small. The beer tax brings in only about \$7 million per year state-wide; thus, the city share is about \$2.3 million of the total shared revenues. The total share for cities for all alcohol-based state shared revenues is estimated at over \$86 million. The League anticipates that excise tax increases including those on alcohol will be a part of revenue package discussions in 2019, and the League sees this concept as an important leveraging tool.

*Presented by the Finance and Tax Committee and endorsed by the General Government Committee*

## E. Broadband Infrastructure

### **Legislation:**

Seek additional state support and funding for increased and equitable broadband infrastructure deployment, especially in rural areas. Oppose legislative efforts to restrict existing municipal authority to provide broadband services.

### **Background:**

The deployment of broadband and telecommunications networks and services (public and/or private) throughout Oregon is critical to economic development, education, health and safety and the ability of residents to be linked to their governments. Mapping research shows large areas of the state either not served or underserved by competitive broadband technology. A significant barrier to the deployment of broadband infrastructure is funding. Cities need additional funding and support from various sources, including the state and federal government, allocated for increased or new broadband infrastructure, especially for fiber connections to schools, community libraries, and public safety buildings. Also, oppose efforts by private internet service providers to restrict local efforts to make broadband technology available within their jurisdiction.

*Presented by the Telecom, Broadband & Cable Committee*

## F. Carbon Cap-and-Invest Program Adoption

### **Legislation:**

The League's Energy & Environment Policy Committee has recommended support, if specific principles are recognized and codified, of legislation that would implement a statewide cap on carbon emissions over time and that would generate revenues for strategic investments that further Oregon's greenhouse gas reduction goals. The cap on emissions would apply to certain "regulated entities" with carbon emissions over 25,000 metric tons annually. Regulated entities would receive allowances, or would generate offset credits, to emit carbon. The revenue from the purchase of allowances would be invested in specified programs aimed at furthering GHG reductions and mitigating program impacts. It is anticipated that funds generated from a cap on the transportation fuel industry may be subject to use per state Constitutional requirements related to the state highway fund. The statewide cap on carbon would be reduced over time to meet updated greenhouse gas reduction goals for Oregon.

For the League to support a statewide cap on carbon, the following principles would need to be recognized and codified in any legislation:

- The legislation and subsequent rulemaking processes would need to establish a forum to generate meaningful dialogue with rural Oregon communities and those with energy-intensive, trade-exposed industries. Equity considerations should be considered throughout this process by including cities and counties representing a variety of populations, regions of the state, and community demographics (e.g. low-income and underserved populations). Specific action should be taken to have representation from cities with populations of less than 1,500.
- The cap would need to apply to all sectors including utilities, industry and the transportation fuels sector (e.g. fuel producers) if annual carbon emissions exceed 25,000 metric tons.
- The program should be designed to link to the Western Climate Initiative which has a multi-jurisdictional carbon market (linking with programs in California, Ontario and Quebec)
- The revenue from the purchase of allowances would be invested in evidence-based technologies to reduce emissions from regulated sectors with excess revenues being invested in statewide programs to support climate resilience and rural Oregon economies. Requiring the reinvestment of allowance revenue will help regulated sectors become more efficient over time and less carbon intensive.

- In addition, LOC will advocate that additional revenues generated be dedicated to support programs including:
  - Technical assistance grants that local governments could access to help fund the adoption and implementation of local climate action/sustainability plans.
  - Funding for local woodstove smoke reduction programs to help communities in, or at risk of, non-attainment from woodstove smoke.
  - Funding to study and incentivize an expanded, yet sustainable, cross-laminated timber industry in Oregon with the intent of stimulating job creation in rural Oregon communities.
  - Funding for drought mitigation planning and resilience for Oregon water systems.

**Background:**

The League anticipates that the Legislature is very likely to pass legislation during the 2019 session that would implement a “cap-and-invest” program in Oregon, similar to the program adopted by California. Similar legislation has been considered by the Oregon Legislature during previous legislative sessions, but has failed to be brought for a vote. The political will to pass such a policy/program for Oregon appears to be incredibly strong; the Speaker of the House and President of the Senate are co-chairing the Joint Interim Committee on Carbon Reduction and the Governor’s team is staffing a new Carbon Policy Office to assist in the Committee’s efforts. The League’s Energy & Environment Committee has spent considerable time discussing this policy, including how best to craft a policy recommendation that makes both environmental and economic sense for the state and cities.

*Presented by the Energy & Environment Committee*

## **G. City Comparability for Compensation**

**Legislation:**

The League will seek legislation to ensure that cities are compared only with cities of a similar cost of living when negotiating with strike prohibited bargaining units.

**Background:**

Oregon labor law doesn’t allow police officers, firefighters, emergency communicators and other public safety critical employees to strike. Instead when an impasse is reached when bargaining with labor unions that represent those workers, the state proscribes a set procedure involving an outside arbitrator to resolve those contract disputes. In that process the arbitrator will compare the city to other cities of similar size. As a result, the cities in rural areas are being compared with cities in metropolitan areas that have different economic circumstances. Klamath Falls with 20,000 people in it and a median home value of \$160,000 could be compared to Tualatin with a similar population and a median home value of \$355,000. This is not a reasonable comparison.

The Human Resources Committee notes that the Legislature created a variable minimum wage in Oregon in recognition of the different costs of living across the state. Each Oregon county is assigned to one of three wage zones with one being the Portland Metropolitan area, that second are less populous regions and the third are rural counties. The Committee recommends that cities only be compared to cities in the same wage zones. A detailed explanation and graphics of the proposal may be found here.

*Presented by the Human Resources Committee*

## H. Green Energy Technology Requirement Changes

### **Legislation:**

Advance legislation to statutorily modify the existing “1.5 percent green energy technology for public buildings” requirement to allow for alternative investment options such as offsite solar or energy efficiency projects.

### **Background:**

Oregon statute currently requires public contracting agencies to invest 1.5% of the total contract price for new construction or major renovation of certain public buildings on solar or geothermal technology. The requirement allows for offsite technology, but only if the energy is directly transmitted back to the public building site and is more cost-effective than onsite installation. Removing the requirement that an offsite project be directly connected to the public building project could result in increased flexibility for local governments to invest in solar projects that are more cost-effective and provide for increased solar energy generation. In addition, the League will advocate to allow 1.5 percent funds to be invested in alternative projects that provide a greater economic or social return on investment including energy efficiency.

*Presented by the Energy & Environment Committee*

## I. Infrastructure Financing and Resilience

### **Legislation:**

The League will advocate for an increase in the state’s investment in key infrastructure funding sources, including, but not limited to, the Special Public Works Fund (SPWF), Brownfield Redevelopment Fund, and Regionally Significant Industrial Site loan program. The advocacy will include seeking an investment and set aside through the SPWF for seismic resilience planning and related infrastructure improvements to make Oregon water and wastewater systems more resilient.

### **Background:**

A key issue that most cities are facing is how to fund infrastructure improvements (both to maintain current and to build new). Increasing state resources in programs that provide access to lower rate loans and grants will assist cities in investing in vital infrastructure. Infrastructure development impacts economic development, housing, and livability. The level of funding for these programs has been inadequate compared to the needs over the last few biennia and the funds are depleting and unsustainable without significant program modifications and reinvestments.

The funds are insufficient to cover the long-term needs across the state. While past legislative sessions have focused on finding resources for transportation infrastructure, the needs for water, wastewater, and storm water have not been given the same attention. A LOC survey of cities in 2016 identified a need of \$7.6 billion dollars over the next 20 years to cover water and wastewater infrastructure projects for the 120 cities who responded. This shows a significant reinvestment in the Special Public Works Fund (SPWF) is needed to help meet the needs of local governments. Without infrastructure financing options, cities cannot meet the needs of new housing or new business – high priorities for cities across the state.

In addition, there is a critical need to improve upon the seismic resilience of public drinking water and wastewater systems. The Oregon Resilience Plan (2013) identified Oregon’s water and wastewater systems as especially vulnerable to damage resulting from a Cascadia subduction zone earthquake. The plan recommended all public water and wastewater systems complete a seismic risk assessment and mitigation plan for their system. This plan would help communities identify and plan for a backbone water system that would be capable of supplying critical community water needs after a significant seismic event.

However, there is currently no dedicated funding to assist communities with this planning effort and the funding needed to repair/retrofit water infrastructure is significantly inadequate. Investments have been made in Oregon to seismically retrofit public safety facilities and schools, but without planning for infrastructure resilience, communities may not have access to water for critical needs, including drinking water and water for fire suppression, in the immediate aftermath of a seismic event.

This priority will focus on maximizing both the amount of funding and the flexibility of the funds to meet the needs of more cities across the state to ensure long-term infrastructure investment.

*Presented by the Community Development Committee and endorsed by the Finance & Taxation and Water/Wastewater committees*

## **J. Least Cost Public Contracting**

### **Legislation:**

Introduce and/or support legislation repealing Section [45\(2\)\(a\)\(G\)](#) and Section [45\(3\)\(a\)\(G\)](#) of HB 2017 (enacted in 2017) relating to compliance with least cost public contracting requirements as a condition for fuel tax increases after 2020.

### **Background:**

As a matter of public policy, the League fundamentally disagrees with this linkage of transportation projects funding with public contracting standards applicable to specific local projects. Under HB 2017 (enacted in 2017) cities must comply with least cost public contracting standards set forth by [ORS 279C.305](#) for subsequent the two-cent increases in the state gas tax to occur in 2020, 2022 and 2024. Literally interpreted, one recalcitrant city *might* be able to stop the next gas tax increase by its failure to comply with this statute.

*Presented by the Transportation Committee and endorsed by Finance and Taxation Policy Committee*

## **K. Local Control Over Speed Limits on City Streets**

### **Legislation:**

Introduce legislation that allows Oregon cities to opt-in (voluntarily) to adjust their speed limits on residential streets 5 mph lower than the statutory speed limit.

### **Background:**

[HB 2682](#) (enacted in 2017) allows the city of Portland to establish by ordinance a designated speed for a residential street under the jurisdiction of the city that is five miles per hour lower than the statutory speed provided the street is not an arterial highway. This authority should be extended to all cities and be considered permissive (not required). Cities should be able to determine speeds that are adequate and safe for their communities.

*Presented by the Transportation Committee*

## **L. Lodging Tax Definition Broadening**

### **Legislation:**

The League proposes adjusting and broadening the definitions of tourist, tourism promotion, and tourism-related facility as those terms are defined in the lodging tax statutes to ensure state-wide continued tourism and related [economic](#) (see page 17 of link) and [tax growth](#) (see page 223 of link), assist with city tourist costs, and provide local choice and revenue flexibility.



**Background:**

In 2003, when the state imposed a state lodging tax, the Legislature preempted cities by imposing restrictions on the use of local lodging tax revenues. (The percentage of restricted revenues varies by city.) Restricted tax revenues must be used for tourism promotion or tourism-related facilities. While the League will support all legislation that provides more flexibility on local tax usage, the League will advocate for lodging tax legislation that broadens those terms to clearly cover city costs of tourist events, tourism-related facility maintenance, tourist amenities, tourist attraction enhancement and public safety costs for special tourist events. Language from Section 3 of the [dash 1 amendment to HB 2064](#) (2017) and [Section 1 of HB 2064 \(2017\)](#) will likely serve as a starting place. See also this [power point presentation](#) and this [LOC testimony](#) (supporting HB 2064) for further information.

*Presented by the Finance and Tax Committee*

**M. Mental Health Investment****Legislation:**

The League will seek to protect and enhance the investments made to Oregon's treatment of the mentally ill.

**Background:**

In 2015, the Legislature funded rental and housing assistance for persons suffering from mental illness, specialized training for police officers to assist people in mental health crisis, multi-disciplinary crisis intervention teams and expanded access to treatment. While providing direct mental health services is not a standard city service, the state of care for persons in crisis had deteriorated to the point city police officers were regularly the primary public employee to provide interventions. The December, issue of Local Focus was devoted to cities and mental health, those articles may be found [here](#).

Because of the anticipated budget shortfalls in 2019, the General Government Committee would like the League to ensure that services established in 2015 are not cut and to capitalize on any opportunities that may exist or be created to enhance those investments.

*Presented by the General Government Committee*

**N. Permanent Supportive Housing Investment****Legislation:**

The League will support increased investments in the services that are provided to people who are living in permanent supportive housing.

**Background:**

[Permanent supportive housing](#) serves specific populations that traditionally face difficulty in remaining in housing due to additional, complex needs by providing housing and other services at the same time. A [variety of populations](#), such as seniors, veterans, families, and those with mental health conditions, have different services that accompany their housing support. Permanent supportive housing models that use a Housing First approach have been proven to be highly effective for ending homelessness, particularly for people experiencing chronic homelessness who have higher service needs. Investment in the services is as important as the housing because residents that do not receive these additional supports often end up returning to homelessness based on issues related to their other issues.

However, in many areas the funding for housing is not well matched with the funding for the services. The state is the primary funding source for these services. However, there is some disconnect between the housing support provided by the [Oregon Housing and Community Services Department \(OHCS\)](#) and the [Oregon Health Authority \(OHA\)](#).



To help communities that are working to provide opportunities for permanent supportive housing and those seeking to find long-term solutions to local homelessness issues, better investment in the services is vital to success of these programs. By supporting appropriations to OHCS and OHA for these services, more support services can be provided to those that are in permanent supportive housing and lead to better outcomes.

*Presented by the Community Development Committee*

## **O. PERS Reform**

### **Legislation:**

The League will seek legislation to modernize the PERS investment pool, ensure proper financial controls are adhered to, and give cities a greater voice in how their monies are invested. The League will also seek legislation that shares the risk and costs of the pension benefit with employees but does so in a manner that impacts employees based on the generosity of the benefit plan they will retire under.

### **Background:**

Oregon's Public Employee Retirement System (PERS) is a three-tiered program that provides a defined benefit pension (a pension that pays a retiree and their beneficiary a set amount for the length of their retirement) and a deferred compensation program that is funded through employee contributions. Each of the three tiers pays a different benefit and an employee's placement in a given tier is based on the date they were hired. Tier I is the most generous benefit and has an option for an annuity based retirement that has been incredibly expensive to maintain. Tier I was replaced by Tier II in 1996. Tier II costs, though reduced, were also unsustainable and were replaced with a third tier, known as the Oregon Public Service Retirement Plan (OPSRP) which is designed to provide a 45 percent salary replacement after a full career. A primer on the PERS system may be found [here](#).

The cost to employers for this system has risen steadily since the market crash of 2008, and will increase again on July 1, 2019 (projected individual employer rates may be found [here](#)) and then again in 2021 and possibly again in 2023. Rates are anticipated to remain at a system wide average of around 29 percent of payroll and remain at that level until 2035 without reforms.

Adverse court rulings to previous attempts at reforms have limited our options to addressing benefits not yet earned. With that in mind the Human Resources Committee recommends reforms in the three following areas:

- Ensure that investments into the PERS system are achieving the maximum possible return in the most efficient manner possible while safeguarding the funds with proper financial controls.
- Requiring that employees absorb some of the costs for the pension system but ensure that OPSRP employees are impacted more favorably than Tier I and Tier II employees who will receive more generous retirement benefits.
- Establishing a fourth tier that provides similar benefits to employees but is funded in a more sustainable manner. Providing incentives to retirees and current employees in the other tiers to switch to the fourth tiers should be explored as well.

*Presented by the Human Resources Committee*

## **P. PERS Unfunded Liability Revenue Stream Dedication**

### **Legislation:**

The League proposes that a new state revenue stream be dedicated to paying down the unfunded liability over a period of years to sustain the Public Employees Retirement System (PERS).

**Background:**

The present unfunded liability has grown extraordinarily large and is causing rate increases for most local governments and schools that are not sustainable. The League would support all reasonable revenue stream ideas. Ideas include but are not limited to a new temporary limited sales tax, a new payroll tax, and a new temporary state property tax. The League will advocate that PERS cost-containment measures be pursued along-side revenue raising efforts to pay down the liability; both seem necessary to address the state-created problem.

*Presented the Finance and Tax Committee and endorsed by the Human Resources Committee*

**Q. Place-Based, Water Resource Planning (Program Support)****Legislation:**

The League will advocate for the funding needed to complete existing place-based planning efforts across the state.

**Background:**

Oregon's water supply management issues have become exceedingly complex. Lack of adequate water supply and storage capacity to meet existing and future needs is an ongoing concern for many cities in Oregon and is a shared concern for other types of water users including agricultural, environmental and industrial. Most of the surface water in Oregon (during peak season months) is fully allocated with no new water available. As a result, the ability to meet existing and future demand for various water uses will require collaboration, improved management and coordinated conservation among a variety of stakeholders, including municipalities. For this reason, the Legislature passed legislation to create a place-based planning pilot program in Oregon. This program, administered through the Oregon Water Resources Department, is providing a framework and funding for local stakeholders to collaborate and develop solutions to address water needs within a watershed, basin or groundwater area. Place-based planning is intended to provide an opportunity for coordinated efforts and the creation/implementation of a shared vision to address water supply challenges. Four place-based planning efforts are currently underway across the state in the Malheur Lake Basin, Lower John Day sub-basin, Upper Grande Ronde sub-basin and mid-coast region. Without continued funding, these efforts will not be able to complete their work. The LOC Water & Wastewater Policy Committee recognized that while this funding is limited to specific geographic areas, they also recognize the importance of successfully completing these pilot efforts and conducting a detailed cost/benefit analysis. It is a critical step in order to demonstrate the benefits of this type of planning. If these local planning efforts prove to be successful, there will likely be future efforts to secure additional funding for other place-based planning projects across the state.

**R. Property Tax Reform****Legislation:**

The League of Oregon Cities proposes that the property tax system should be constitutionally and statutorily reformed as part of the 2019 session work on state and local tax reform and improving funding for [schools](#) (see pages 69-72 of link; property taxes make up 1/3 of school funding).

**Background:**

The property tax system is [broken and in need of repair](#) due to [Measures 5 and 50](#), which are both now over 20 years old. All local governments and schools rely heavily on property tax revenues to pay for services and capital expenses. Therefore, the League will participate in coalitions to help draft and advocate for both comprehensive and incremental property tax reform option packages. The League will remain flexible to support all legislation that improves the system, with a focus on a property tax package with these elements:

- To achieve equity, a system that transitions to a market-based property tax valuation system (RMV) rather than the present complex valuation system from Measure 50 (requires constitutional referral).
- To enhance fairness and adequacy, a system that makes various statutory changes, some of which would adjust the impact of a return to RMV. For example, the League supports a new reasonable homestead exemption (percentage of RMV with a cap) but also supports limiting or repealing various property tax exemptions that do not have a reasonable return on investment.
- To restore choice, a system that allows voters to adopt tax levies and establish tax rates outside of current limits (requires constitutional referral).

[SJR 3](#) (see page 50 of link)(constitutional referral with return to real market value system) and [SB 151](#) (see page 48 of link) (homestead exemption bill) from the 2017 session will likely serve as starting points. City property tax data including real market values and assessed values can be accessed [here](#).

*Presented by the Finance and Tax Committee*

## **S. Qualification Based Selection (QBS)**

### **Legislation:**

The League will seek to reform the Qualification Based Selection (QBS) requirements to allow for the consideration of price in the initial selection of architects, engineers, photogrammetrists and surveyors.

### **Background:**

The state currently prohibits the consideration of price when making an initial selection when awarding contracts for certain design professionals when conducting public improvements. Instead of issuing a request for proposals as is done with most public improvement projects, contracting agencies issue “requests for qualifications” on a project. Cities may negotiate price only after the initial selection of a contractor is made. Under this system a city or other contracting agency will never know the price of other qualified and responsible bidders on a project.

The League’s General Government Committee concluded that this process is not in the interests of cities or tax payers as it precludes the use of competitive bids. There is no other area in which a consumer, public or private, would procure a service or product without considering the price.

*Presented by the General Government Committee*

## **T. Right-of-Way and Franchise Fee Authority**

### **Legislation:**

Oppose legislation that, in any way, preempts local authority to manage public rights-of-way and cities’ ability to set the rate of compensation for the use of such rights-of-way.

### **Background:**

In its commitment to the protection of Home Rule and local control, the League consistently opposes restrictions on the rights of cities to manage their own affairs. From time to time, in the context of public rights-of-way management authority discussions, proposals to restrict to this authority arise. Such was the case during the 2017 legislative session with [SB 202](#) and [SB 840](#). These efforts to restrict local authority often include proposals for a statewide right-of-way access policy and compensation system as well as limiting the ability of cities to charge fees of other government entities. This is contrary to local government management authority; the ability to enter into agreements with users of the right-of-way either by agreement/contract or ordinance; and to set the rate of compensation.

*Presented by the Telecom, Broadband & Cable Committee*

## U. Safe Routes to School Match

### **Legislation:**

Introduce legislation lowering the local Safe Routes to Schools matching grant requirement to 20 percent from 40 percent and lowering the matching grant requirement for areas qualifying for exceptions to 10 percent from 20 percent.

### **Background:**

[Section 123 of HB 2017](#) (enacted in 2017) authorizes the Oregon Transportation Commission to provide matching grants for safety improvement projects near schools. To receive the grant cities must provide a 40 percent cash match unless the school is located in a city with a population of less than 5,000; is within a safety corridor; or qualifies as a Title I school in which case the cash match requirement is reduced to 20 percent. While cities support the availability of matching grant funds provided by the state, the current cash match requirements are too high for most cities to participate in the program.

*Presented by the Transportation Committee*

## V. Small Area Cell Deployment (also known as “Small Cell Deployment”)

### **Legislation:**

Oppose legislation that preempts local authority to manage public property while supporting deployment of wireless technology, including small area cell and 5G.

### **Background:**

Legislative efforts involving the deployment of small area cell facilities are increasing around the nation. Currently 20 states ([Arizona](#), [Colorado](#), [Delaware](#), [Florida](#), [Hawaii](#), [Illinois](#), [Indiana](#), [Iowa](#), [Kansas](#), [Minnesota](#), [North Carolina](#), [New Mexico](#), [Ohio](#), [Oklahoma](#), [Rhode Island](#), [Tennessee](#), [Texas](#), [Utah](#), [Virginia](#), and [Washington](#)) have passed bills that limit cities ability to collect appropriate and fair rights-of-way, permitting, and lease fees on municipal property; to control their own design and aesthetics; or otherwise manage wireless technology deployment within their jurisdictions. This type of legislation is not going away. In fact, it is just beginning.

During the 2017 session, the League was approached independently by representatives of two wireless companies with draft concepts that could have resulted in legislation compromising local authority to manage the deployment of small area cell and 5G technology. Issues raised included “shot clock” (time allowed for cities to rule on applications), fee structures and limits, contract terms and duration, land use issues etc. These efforts are expected to continue in 2019 and with greater urgency as the technology approaches deployment status. While cities in Oregon support the advent of new wireless technology including small cell and 5G, authority to ensure their deployment complies with local laws and policies must be maintained.

*Presented by the Telecom, Broadband & Cable Committee*

## W. Speed Cameras

### **Legislation:**

Introduce and/or support legislation authorizing cities to use fixed speed cameras at locations other than intersections.

**Background:**

Speeding is a public safety issue. The Oregon Transportation Safety Action Plan envisions no deaths or life-changing injuries on Oregon's transportation system by 2035. Currently, cities have the authority as a result of [HB 2409](#) (enacted in 2017) to issue a speeding citation from the same camera and sensor system used to enforce red light compliance at intersections.

Further, speeding does not only occur at intersections. Additional automated enforcement, outside of intersections, would be a valuable tool allowing cities to mitigate dangerous behaviors and speeding. In 2015, the Oregon Legislature granted the city of Portland the authority to implement a fixed speed safety camera program ([HB 2621](#)). The fixed speed camera systems have been operating on "urban high crash corridors" that are also part of the city of Portland's High Crash Network. While this program has not been in place long, the comparison of before and after speeds near the fixed photo radar system is indicating that the automated enforcement is positively influencing speed reduction (see [PBOT report](#)). This legislation would extend the authority to all Oregon cities to implement fixed speed safety camera programs to help reduce the number of deaths and serious injuries that occur as a result of speeding.

*Presented by the Transportation Committee*

## **X. Speed Limit Methodology**

**Legislation:**

Introduce legislation that directs the Oregon Department of Transportation to develop a new speed setting methodology for cities and other urban areas that uses a safe systems approach validated by expert system tools as recommended by [NTSB Safety Study SS-17/01](#).

**Background:**

The NTSB safety recommendations represent current data-driven best practices to determine speed limits. Currently, Oregon speed limits are set based on the guidance that speed limits in speed zones within cities should be within 10 mph of the 85th percentile speed as determined by .... [The NTSB Safety Study SS-17/01](#), "Reducing Speeding-Related Crashes Involving Passenger Vehicles" concludes,

- "Speed increases the injury severity of a crash;"
- "...that unintended consequences of the reliance on using the 85th percentile speed for changing speed limits in speed zones include higher operating speeds and new, higher 85th percentile speeds in the speed zones, and an increase in operating speeds outside the speed zones;"
- "...that the safe system approach to setting speed limits in urban areas is an improvement over conventional approaches because it considers the vulnerability of all road users."

*Presented by the Transportation Committee*

## **Y. Third Party Building Inspection**

**Legislation:**

The League will clarify the ability for local government programs to have private party building officials and building inspectors provide services for local building inspection programs, including recognizing that privately employed specialized inspectors can to perform specialized inspections.

**Background:**

Beginning in 2017, the League has been working to defend local building inspection programs that contract with third-party companies to provide building official and inspectors to run the local program. However, the Oregon Building Codes Division (BCD) has stated that the Oregon Department of Justice (DOJ) [has informed BCD](#) that programs that are structured this way violate the constitutional prohibition on delegating government authority. The League has repeatedly asserted that we disagree with that legal assessment. There was a bill introduced in 2018, [HB 4086](#), that would have adopted new requirements for

local governments running programs. The League worked with other stakeholders to prevent passage of the bill, but we committed to working on a legally defensible solution that does not prevent these locally run programs from continuing.

After the session, the BCD determined that it would implement new rules for locally run inspection programs to meet the asserted legal opinion on delegation. On April 23, the BCD enacted [emergency, temporary rules](#) that added significant requirements for local building inspection programs. The new rules required local programs to designate a government employee as a city's building official. The rules also required the city to have a government- employed, certified electrical inspector. Both positions could be filled by hiring the person directly or by an agreement between municipalities to share the employee(s). The rules further stated that a shared employee could only service three jurisdictions.

In May, the Director of the Consumer and Business Services, who oversees the BCD, informed the League that the temporary rules were rescinded. The Department's decision to rescind the rules included a statement that they would seek a formal opinion from the DOJ to clarify the issue of delegation. However, the BCD did replace the rescinded rules with [another temporary, emergency rule](#). This new rule was enacted on May 18 and states that a local government must appoint a government-employed building official.

In addition to the concerns about using third-party building officials, there is currently statutory prohibition on specialized inspectors that are employed in the private sector to complete specialized inspections. There are a limited number of these inspectors, and, without removal of this prohibition, larger scale projects will not be able to move forward because they cannot be inspected and permitted. This issue was the catalyst for the overall discussion related to third-party building officials, but is not related to the asserted legal claims.

There is a commitment to work on this issue in the 2019 session, but it remains an issue of high concern as it directly impacts the flexibility of local government choice on how to provide services at the local level. Using third-party providers allows smaller jurisdictions to have local, efficient programs that provide clarity for the local development community. It also allows a base of business for these companies, which also serve to provide over-flow capacity to programs that primarily staff these programs with government staff. Therefore, this issue is vital to the long-term success of locally run building inspection programs.

*Presented by the Community Development Committee*

## **Z. Tobacco Taxes Share Increase**

### **Legislation:**

The League proposes seeking a share of all state tobacco product tax revenues .to assist with rising public safety costs and provide state shared revenue equity.

### **Background:**

Only cigarette tax revenues are included in the [state-shared revenue](#) distribution to cities and those revenues are decreasing; cities receive about 2% of the cigarette tax revenues or \$3.6 million a year under the formula. [Other tobacco](#) (chew, snuff, cigars, pipe tobacco, etc.) is also taxed by the state and those revenues have been increasing ([now over \\$60 million a year](#)), but those revenues are distributed only to the state. Cities are preempted from taxing cigarettes and other tobacco products. However, cities are often left to enforce tobacco laws and handle sales and use complaints. The League proposes that cities should receive a fair share of all the tobacco tax revenues. The League anticipates that excise tax increases to cigarettes and other tobacco products, and a new vaping tax will be a part of revenue package discussions in 2019, and the League sees this concept as an important leveraging tool.

*Presented by the Finance and Tax Committee*





# League of Oregon Cities Legislative Priorities 2019

City Council Work Session

July 23, 2018



# Overview

- **The LOC Board of Directors is preparing to set the 2019 Legislative Agenda**
- **LOC Policy Committees Identified 29 objectives**
- **Seeking input from cities to identify their top 4 and bottom 4**
- **Deadline for response is August 3, 2018**



# Legislative Priorities

<b>A. 9-1-1 Tax</b>	<b>I. Infrastructure Financing &amp; Resilience</b>	<b>Q. Place-Based, Water Resource Planning</b>	<b>Y. Third Party Building Inspection</b>
<b>B. Annexation Flexibility</b>	<b>J. Least Cost Public Contracting</b>	<b>R. Property Tax Reform</b>	<b>Z. Tobacco Taxes &amp; Share Increase</b>
<b>C. Auto Theft</b>	<b>K. Local Control Over Speed Limits</b>	<b>S. Qualification Based Selection</b>	<b>AA. Waste Water Technical Assistance</b>
<b>D. Beer &amp; Cider Tax Increase</b>	<b>L. Lodging Tax Definition Broadening</b>	<b>T. ROW Franchise Fee Authority</b>	<b>BB. Wetland Development Planning</b>
<b>E. Broadband Infrastructure</b>	<b>M. Mental Health Investment</b>	<b>U. Safe Routes to School Match</b>	<b>CC. Wood Smoke Reduction Program</b>
<b>F. Carbon Cap-and-Invest Program</b>	<b>N. Permanent Supportive Housing</b>	<b>V. Small Area Cell Deployment</b>	
<b>G. City Comparability for Compensation</b>	<b>O. PERS Reform</b>	<b>W. Speed Cameras</b>	
<b>H. Green Energy Technology Requirement Changes</b>	<b>P. PERS Unfunded Liability Revenue Stream</b>	<b>X. Speed Limit Methodology</b>	

# Staff Recommendations: Transportation Safety

<b>A. 9-1-1 Tax</b>	<b>I. Infrastructure Financing &amp; Resilience</b>	<b>Q. Place-Based, Water Resource Planning</b>	<b>Y. Third Party Building Inspection</b>
<b>B. Annexation Flexibility</b>	<b>J. Least Cost Public Contracting</b>	<b>R. Property Tax Reform</b>	<b>Z. Tobacco Taxes &amp; Share Increase</b>
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<b>H. Green Energy Technology Requirement Changes</b>	<b>P. PERS Unfunded Liability Revenue Stream</b>	<b>X. Speed Limit Methodology</b>	

# Staff Recommendations: Shared Revenue

<b>A. 9-1-1 Tax</b>	<b>I. Infrastructure Financing &amp; Resilience</b>	<b>Q. Place-Based, Water Resource Planning</b>	<b>Y. Third Party Building Inspection</b>
<b>B. Annexation Flexibility</b>	<b>J. Least Cost Public Contracting</b>	<b>R. Property Tax Reform</b>	<b>Z. Tobacco Taxes &amp; Share Increase</b>
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<b>H. Green Energy Technology Requirement Changes</b>	<b>P. PERS Unfunded Liability Revenue Stream</b>	<b>X. Speed Limit Methodology</b>	

# Staff Recommendations: Right of Way

<b>A. 9-1-1 Tax</b>	<b>I. Infrastructure Financing &amp; Resilience</b>	<b>Q. Place-Based, Water Resource Planning</b>	<b>Y. Third Party Building Inspection</b>
<b>B. Annexation Flexibility</b>	<b>J. Least Cost Public Contracting</b>	<b>R. Property Tax Reform</b>	<b>Z. Tobacco Taxes &amp; Share Increase</b>
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<b>H. Green Energy Technology Requirement Changes</b>	<b>P. PERS Unfunded Liability Revenue Stream</b>	<b>X. Speed Limit Methodology</b>	

# Staff Recommendations: Tax Reform

<b>A. 9-1-1 Tax</b>	<b>I. Infrastructure Financing &amp; Resilience</b>	<b>Q. Place-Based, Water Resource Planning</b>	<b>Y. Third Party Building Inspection</b>
<b>B. Annexation Flexibility</b>	<b>J. Least Cost Public Contracting</b>	<b>R. Property Tax Reform</b>	<b>Z. Tobacco Taxes &amp; Share Increase</b>
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# Staff Recommendations

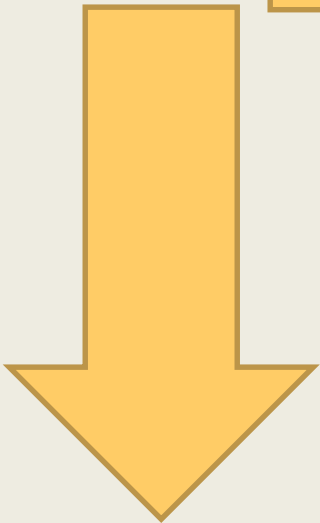


- **Transportation Safety (K, W)**
- **Tax Reforms (R,0)**
- **Shared Revenue Changes (A, D, Z)**
- **Right of Way (T, V)**

# COUNCIL DISCUSSION



- **Identify top four legislative priority areas**



- **Identify bottom four priority areas**



# STAFF REPORT

## CITY OF TUALATIN

**City Council Work Session**

**Meeting Date:** 07/23/2018

**Subject:** Parking Update

**Through:** Sherilyn Lombos, Administration

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PowerPoint

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*City of Tualatin  
Council Work Session  
July 23, 2018*

# High School Area Parking

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SW Martinazzi Avenue  
SW Blackfoot Drive  
SW Osage Street  
SW Alabama Street

Presented By: Chief Bill Steele

# Update

- Information presented at Work Session on June 11, 2018
- Another survey was sent to affected areas with an additional option to return feedback online via Survey Monkey







# Neighborhood Survey Results

- 81 Neighborhood Surveys sent with 41 responses received (51%)
- 
- SW Martinazzi Ave – 50 surveys sent, 21 responses received
  - 16 in Favor / 5 Against
- SW Blackfoot Dr – 19 surveys sent, 9 responses received
  - 4 in Favor / 5 Against
- SW Osage St – 6 surveys sent, 5 responses received
  - 3 in Favor / 2 Against
- SW Alabama St – 6 surveys sent, 6 responses received
  - 6 in Favor / 0 Against

# Neighborhood Survey Results Combined

- 81 Neighborhood Surveys sent with 59 responses received (73%)
- 
- SW Martinazzi Ave – 50 surveys sent, 33 responses received
- 24 in Favor / 9 Against
- SW Blackfoot Dr – 19 surveys sent, 14 responses received
- 7 in Favor / 7 Against
- SW Osage St – 6 surveys sent, 6 responses received
- 4 in Favor / 2 Against
- SW Alabama St – 6 surveys sent, 6 responses received
- 6 in Favor / 0 Against



# Additional streets surveyed

## Maricopa

2 notices sent – 2 responses

- 1 for restrictions
- 1 against

## Pima

2 notices sent – 2 responses

- 1 for restrictions
- 1 against

## Pinto

4 notices sent – 4 responses

- 4 for restrictions
- 0 against

## Tachi

5 notices sent – 4 responses

- 2 for restrictions
- 2 against

## Item of note

Calls for service – Parking complaints/Hazards

September 2017 – May 2018 -At least 45

June 2018 – July 2018 -1



# Implementation

- Letter sent to Impacted Residents with survey results and next steps
- Bring Proposal of amended ordinance at future council meeting for approval
- Parking Permit Application sent to Impacted Residents
- Permits provided to resident applicants
- District Patrol Officer will monitor initially
- Future enforcement conducted as complaint-driven only



# Discussion & Next Steps



# MEMORANDUM

## CITY OF TUALATIN

**TO:** Honorable Mayor and Members of the City Council

**THROUGH:** Sherilyn Lombos, City Manager

**FROM:** Richard Mueller, Parks and Recreation Manager  
Ross Hoover, Parks and Recreation Director

**DATE:** 07/23/2018

**SUBJECT:** Parks and Recreation Master Plan Project Update

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### **ISSUE BEFORE THE COUNCIL:**

The City Council will receive a status report from staff on the Parks and Recreation Master Plan project with a focus on the Prioritization Criteria, Cost Matrix and Public Engagement.

### **EXECUTIVE SUMMARY:**

The Parks and Recreation Master Plan Update Project was initiated in July of 2017 and has now progressed through several phases. This status report will inform Council about Prioritization Criteria, Cost Matrix and Public Engagement plans. This is an opportunity for Council to provide direction, input and comments on the criteria, matrix and engagement.

The attached documents and PowerPoint presentation provides an overview of the Prioritization Criteria, Cost Matrix and Public Engagement. The Project Advisory Committee has reviewed and provided input on the criteria and matrix.

For summaries and detailed reports on each phase of the project, please see the project website at:

<https://www.tualatinoregon.gov/recreation/webforms/parks-recreation-master-plan-update>.

### **NEXT STEPS:**

The immediate next steps consist of completing the Funding and Action Plan, and staff will present these sections to City Council in August.

The Draft Master Plan for public, Project Advisory Committee, and Council review is scheduled for summer and fall with the Plan Adoption to be considered in the fall 2018.

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**Attachments:** [PowerPoint Presentation](#)  
[Prioritization Criteria](#)  
[Cost Matrix](#)





**TUALATIN**

Accessible, Inclusive & Vibrant  
**Parks and Recreation**



# **PARKS AND RECREATION MASTER PLAN**

**Project Prioritization**

**Cost Matrix**

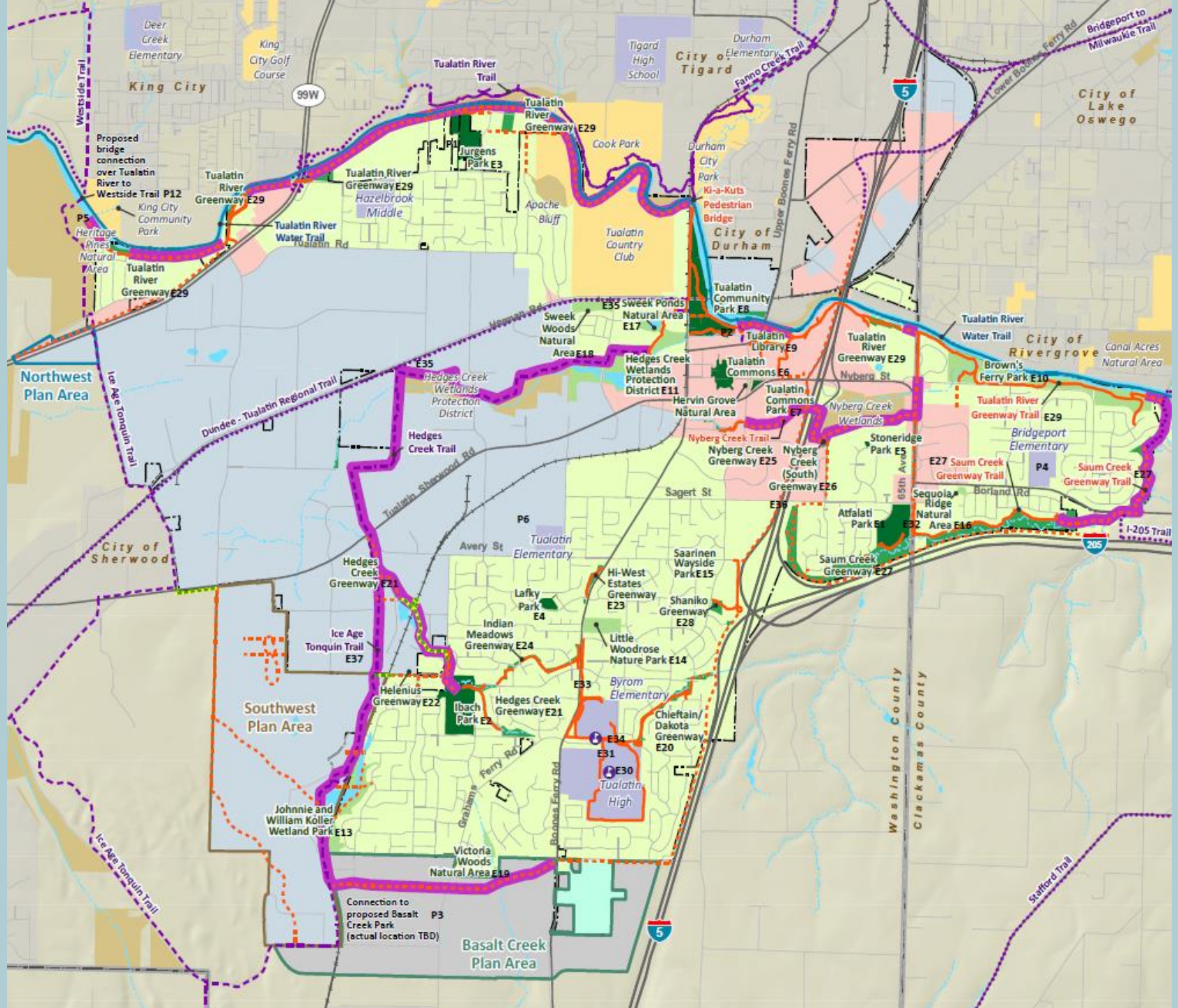
**Public Engagement**



# Project Recommendations

- 37 existing parks
- 16 proposed additions or acquisitions
- Within one or more areas of work
  - Build, Enhance, Steward, Maintain





# Project Prioritization

- Prioritization Criteria
  - Project Advisory Committee
  - Park Advisory Committee
- Each project will be evaluated

# Project Prioritization

- Two-Step Evaluation process
  - Goals and Priority alignment
  - Sequencing Criteria
- Informs
  - Phasing
  - Development of work plan
  - Funding strategy
  - CIP



Table 1: Evaluation by Master Plan Goals

Master Plan Goals	Possible Score	Total Score
Goal 1: Expand accessible and inclusive parks and facilities to support community interests and recreation needs.	1	
Goal 2: Create a walkable, bikeable, and interconnected City by providing a network of regional and local trails.	1	
Goal 3: Conserve and restore natural areas to support wildlife, promote ecological functions, and connect residents to nature and the outdoors.	1	
Goal 4: Activate parks and facilities through vibrant programs, events, and recreation opportunities for people of different ages, abilities, cultures, and interests.	1	
Goal 5: Support the arts through programs, parks, and public spaces that reflect Tualatin's identity, heritage, history, and expressive character.	1	
Goal 6: Promote Tualatin's unique identity, economic vitality, and tourism through parks, natural resources, historic preservation, events, programs, and placemaking.	1	
Goal 7: Manage, administer and maintain quality parks, facilities, and programs through outstanding customer service, stewardship, and sustainable practices.	1	
<b>Total (for application in Table 3)</b>	<b>7</b>	

Note: Project must advance at least one Master Plan goal to be considered further.

Table 2: Evaluation by Community Outreach Priorities

<b>Community Outreach Priorities</b>	<b>Possible Score</b>	<b>Total Score</b>
Expand trail connections and trail activities.	1	
Expand capacity or improve sport facilities.	1	
Provide a greater variety of recreation activities and programs to meet the needs and interests of people of all ages and cultures.	1	
Protect Tualatin's natural resources or provide access to natural features, especially the river, for recreation.	1	
<b>Total (for use in Table 3)</b>	<b>4</b>	

Table 3: Evaluation by Sequencing Criteria

Sequencing Criteria	Scoring Guidance	Possible Score	Total Score
Performance Improvements	Repairs or improves an existing asset to restore or enhance use.	1-3	
Capacity Expansion	Increases opportunities and/or builds capacity to serve a greater number of people.	1-3	
System Diversity	Increases or provides variety in the assortment of uses or recreation opportunities in the community.	1-3	
System Balance	Increases equity, access, or geographic distribution of recreation opportunities (e.g., meets an unmet need, addresses a gap in services, serves an underserved group or area).	1-3	
Urgency/Immediacy	Meets health and safety/regulatory elements; action must be taken now before the opportunity is lost; completion is needed before another priority project can be started.	1-3	
Ease of Implementation	Can be easily attained or accomplished; uses existing site; necessary planning, feasibility studies and permitting have already been completed.	1-3	
Available Resources	Uses or leverages available resources (staffing, funding, partnerships, equipment) for capital development and/or ongoing operations.	1-3	
Return on Investment/Value	Delivers high value for the cost or resources needed, relative to other projects.	1-3	
Operational Sustainability	Increases sustainability, reduces costs, increases maintenance and operational efficiencies, and/or increases facility revenues.	1-3	
Vision Alignment	Coincides with or supports another City project, goal or City Council initiative.	1-3	
Master Plan Goals Alignment	Supports Master Plan goals (see Table 1) 1 goals = 1 point; 2-3 goals = 2 points; 4+ goals = 3 points	1-3	
Community Priority Alignment	Is aligned with community priorities (see Table 2) 1 priority = 1 point; 2 priorities = 2 points; 3-4 priorities = 3 points	1-3	
<b>Total</b>		<b>36</b>	
<b>Percent Favorability (Total Score/36 * 100)</b>			

**Table 1: City of Tualatin Parks, Natural Areas & Recreation Cost Matrix (REVISED DRAFT)**

Revised 07/13/18

Project Identification #	Site Name	Acreage	Percentage of Site to Be Developed <sup>1</sup>	Type	Capital Projects													O&M						
					Build				Enhance					Steward				Maintain			Total Maintenance Cost			
					Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (s)	Added Trail	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration	Deferred Maintenance	Accessibility Improvements (See ADA Transition Plan)	Total Capital Cost	Capital Reinvestment and Replacement		Standard Maintenance	Enhanced Maintenance	Natural Resource Maintenance
<b>Existing Parks and Facilities</b>																								
E1	Atfalati Park	13.27	25%	LNP			•					•		•		•	•	•	\$ 6,181,432	•		•	•	\$ 195,733
E2	Ibach Park	20.08	25%	LNP			•					•		•		•	•	•	\$ 9,041,788	•		•	•	\$ 296,180
E3	Jurgens Park	15.59	40%	LNP	•		•			•				•		•		•	\$ 7,328,675	•		•	•	\$ 229,953
E4	Lafky Park	2.00	-	SNP								•					•	•	\$ 277,818	•	•			\$ 22,000
E5	Stoneridge Park	0.23	-	SNP												•	•	•	\$ 113,870	•	•			\$ 2,530
E6	Tualatin Commons	4.83	-	SU								•	•			•	•	•	\$ 1,088,198	•		•		\$ 66,413
E7	Tualatin Commons Park	0.64	-	SU								•				•	•	•	\$ 61,187	•	•			\$ 7,840
E8	Tualatin Community Park	27.11	-	CP	•				•					•	•		•	•	\$ 19,529,596	•		•	•	\$ 433,760
E9	Tualatin Library		-	SU	•											•	•	•	\$ 6,107,222					\$ -
<b>Subtotal Existing Parks and Facilities</b>																		<b>\$ 49,729,787</b>				<b>\$ 1,254,408</b>		
<b>Existing Natural Parks &amp; Areas</b>																								
E10	Brown's Ferry Park	43.21	-	NP	•				•		•		•	•	•		•	•	\$ 28,539,479	•		•	•	\$ 442,903
E11	Hedges Creek Wetlands Protection District	29.06	-	NA								•				•	•	•	\$ 1,213,220	•	•		•	\$ 217,950
E12	Hervin Grove Natural Area	0.29	-	NA					•							•			\$ 20,000				•	\$ 290
E13	Johnnie and William Koller Wetland Park	15.32	40%	NA	•		•		•	•				•				•	\$ 2,506,200		•		•	\$ 38,300
E14	Little Woodrose Nature Park	6.55	-	NP								•				•	•	•	\$ 1,375,619	•	•		•	\$ 60,588
E15	Saarinen Wayside Park	0.06	-	NP										•		•	•	•	\$ 20,000		•		•	\$ 180

Project Identification #	Site Name	Acreage	Percentage of Site to Be Developed <sup>1</sup>	Type	Build				Enhance						Steward			Total Capital Cost	Maintain			Total Maintenance Cost			
					Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (e)	Added Trail	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration	Deferred Maintenance		Accessibility Improvements (See ADA Transition Plan)	Capital Reinvestment and Replacement	Standard Maintenance		Enhanced Maintenance	Natural Resource Maintenance	
E16	Sequoia Ridge Natural Area	0.65	-	NA													•	•		\$ 46,000		•		•	\$ 1,625
E17	Sweek Ponds Natural Area	4.68	-	NA							•	•		•			•	•	•	\$ 1,261,784			•	•	\$ 16,380
E18	Sweek Woods Natural Area	5.03	-	NA													•			\$ 20,000		•		•	\$ 12,575
E19	Victoria Woods Natural Area	2.22	-	NA													•	•	•	\$ 228,550		•		•	\$ 5,550
Subtotal Existing Natural Parks & Natural Areas																\$ 35,230,852				\$ 796,340					
Existing Greenways																									
E20	Chieftain/Dakota Greenway	6.14	50%	G			•					•					•		•	\$ 2,902,478	•	•		•	\$ 70,610
E21	Hedges Creek Greenway	11.66	80%	G			•										•		•	\$ 5,646,018	•	•		•	\$ 134,090
E22	Helenius Greenway	0.43	100%	G			•										•			\$ 278,000	•	•		•	\$ 4,945
E23	Hi-West Estates Greenway	1.59		G								•					•		•	\$ 309,588	•	•		•	\$ 18,285
E24	Indian Meadows Greenway	3.82	10%	G			•					•					•		•	\$ 946,149	•	•		•	\$ 43,930
E25	Nyberg Creek Greenway	5.78	95%	G			•			•	•						•		•	\$ 3,375,756	•	•		•	\$ 66,470
E26	Nyberg Creek (South) Greenway	2.30	100%	G			•			•							•			\$ 1,400,000	•	•		•	\$ 26,450
E27	Saum Creek Greenway	54.22	65%	G			•			•	•						•		•	\$ 21,455,736	•	•		•	\$ 623,530
E28	Shaniko Greenway	3.30	0%	G													•		•	\$ 48,732	•	•		•	\$ 37,950
E29	Tualatin River Greenway	30.39	45%	G			•		•	•	•						•		•	\$ 9,130,571	•	•		•	\$ 349,485
Subtotal Existing Greenways																\$ 45,493,030				\$ 1,375,745					
Existing School Joint-Use Facilities																									
E30	TuHS Leonard Pohl Field <sup>2</sup>		-	JU											•					\$ 563,024			•		\$ 13,700
E31	TuHS-Byrom Elementary Cross Country Running Trail		-	JU																\$ 42,865			•		\$ -

Project Identification #	Site Name	Acreage	Percentage of Site to Be Developed <sup>1</sup>	Type	Build			Enhance						Steward			Maintain				Total Maintenance Cost
					Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (\$)	Added Trail	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration	Deferred Maintenance	Accessibility Improvements (See ADA Transition Plan)	Total Capital Cost	Capital Reinvestment and Replacement	
Subtotal Existing Joint-Use Facilities															\$ 605,889				\$ 13,700		
Existing Shared Use Paths																					
E32	65th Avenue Shared Use Path	0.47	-	SUP											\$ -	•	•			\$ 4,935	
E33	Boones Ferry Road Shared Use Path (Byrom Elementary to Arapaho Road)	0.41	-	SUP										•	\$ -	•	•			\$ 4,305	
E34	Byrom Elementary Shared Use Path (Martinazzi Ave. to Boones Ferry Rd.)	0.80	-	SUP											\$ -	•	•			\$ 8,400	
E35	Cherokee Street Shared Use Path (108th Ave to Rail Road ROW)	0.09	-	SUP											\$ -	•	•			\$ 945	
E36	I-5 Shared Use Path (Warm Springs St. to Sagert St.)	1.54	100%	SUP		•			•						\$ 924,000		•			\$ 4,620	
E37	Ice Age Tonquin Trail	3.06	95%	SUP	•	•			•	•					\$ 1,779,200	•	•			\$ 32,130	
Subtotal Existing Shared Use Paths															\$ 2,703,200				\$ 55,335		
TOTAL EXISTING PARKLAND																					
Proposed Parks and Facilities																					
P1	Jurgens Park addition	5.2	100%	LNP	•	•	•		•	•					\$ 3,947,500	•		•		\$ 70,813	
P2	Tualatin Community Park addition	3.0	100%	LNP	•	•	•		•	•					\$ 2,335,000	•		•		\$ 41,250	
P3	Basalt Creek park	20.0	100%	CP	•	•	•		•	•					\$ 17,110,000	•		•		\$ 300,000	
P4	East Tualatin / Bridgeport Elementary partnership		100%	JU									•		\$ 200,000	•	•			\$ 5,000	
P5	Pony Ridge/ Heritage Pines partnership		100%	JU					•	•			•		\$ 210,000	•				\$ 5,000	
P6	Central Tualatin sports park	9.0	100%	SU	•	•	•		•	•					\$ 6,835,000	•		•		\$ 123,750	
P7	Community recreation center	5.0	100%	SU	•	•	•	•	•	•					\$ 33,835,000	•		•		\$ 68,750	

Project Identification #	Site Name	Acreage	Percentage of Site to Be Developed <sup>1</sup>	Type	Build				Enhance						Steward			Maintain			Total Maintenance Cost			
					Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (s)	Added Trail	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration	Deferred Maintenance	Accessibility Improvements (See ADA Transition Plan)	Total Capital Cost	Capital Reinvestment and Replacement		Standard Maintenance	Enhanced Maintenance	Natural Resource Maintenance
P8	Additional park opportunities	11.8	100%	SU	•	•	•	•											\$ 8,925,000	•	•			\$ 144,550
P9	Tournament Sports Complex	10.0	100%	SU	•	•	•	•			•								\$ 12,585,000			•		\$ 75,000
Subtotal Proposed Parks and Facilities																		\$ 85,982,500				\$ 834,113		

Project Identification #	Site Name	Acreage	Percentage of Site to Be Developed <sup>1</sup>	Type	Build				Enhance						Steward			Maintain			Total Maintenance Cost			
					Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (s)	Added Trail	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration	Deferred Maintenance	Accessibility Improvements (See ADA Transition Plan)	Total Capital Cost	Capital Reinvestment and Replacement		Standard Maintenance	Enhanced Maintenance	Natural Resource Maintenance
Proposed Natural Parks & Areas																								
P10	New natural park and areas	12.7	100%	NA	•	•	•		•	•									\$ 7,655,000	•		•		\$ 95,250
Subtotal Proposed Natural Parks & Areas																		\$ 7,655,000				\$ 95,250		
Proposed Greenways and Shared Use Paths																								
P11	New greenways and shared use paths	15.1	100%	G	•	•	•	•	•	•									\$ 17,870,000	•	•		•	\$ 173,650
P12	Westside Trail bridge	1.0	100%	G	•	•	•		•					•					\$ 5,875,000	•	•			\$ 10,500
Subtotal Proposed Greenways and Shared Use Paths																		\$ 23,745,000				\$ 184,150		
TOTAL PROPOSED PARKLAND																		\$ 117,382,500				\$ 1,113,513		

Proposed Additional Planning																								
P13	Community (Urban) Forestry Plan				•														\$ 100,000					\$ -
P14	Comprehensive Fee Analysis and Plan				•														\$ 100,000					\$ -
P15	Resource Management Plan				•														\$ 100,000					\$ -
P16	Marketing and Outreach Plan				•														\$ 100,000					\$ -
TOTAL ADDITIONAL PLANNING																		\$ 400,000				\$ -		



Table 2: Cost Estimates by Park Type and Category (DRAFT)

Revised 07/13/18

Park Type	Park Type Abbreviation	Capital Projects													Reinvest	Operations and Maintenance		
		Build				Enhance						Steward				Maintain		
		Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (e)	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration	Deferred Maintenance	Accessibility Improvements (See ADA Transition Plan) <sup>2</sup>		Capital Reinvestment and Replacement	Standard Maintenance	Enhanced Maintenance
Flat	Per Acre	Per Acre	Write-in	Flat	Flat	Per Acre	Per Acre	Write-in	Write-in	Flat	Per Acre	Write-in	Per Acre	Per Acre	Per Acre	Per Acre		
Large Neighborhood Park	LNP	\$75,000	\$250,000	\$500,000	write-in	\$50,000	\$10,000	\$125,000	\$250,000	write-in	write-in	\$10,000	\$50,000	write-in	\$6,250	\$6,000	\$7,500	\$1,000
Small Neighborhood Park	SNP	\$25,000	\$250,000	\$400,000	NA	\$25,000	\$10,000	\$100,000	\$200,000	NA	NA	\$10,000	\$40,000	write-in	\$5,000	\$6,000	\$6,000	\$1,000
Special Use	SU	\$75,000	\$250,000	\$500,000	write-in	\$50,000	\$10,000	\$125,000	\$250,000	write-in	write-in	\$10,000	\$50,000	write-in	\$6,250	\$6,000	\$7,500	\$1,000
Community Park	CP	\$100,000	\$250,000	\$600,000	write-in	\$100,000	\$10,000	\$150,000	\$300,000	write-in	write-in	\$20,000	\$60,000	write-in	\$7,500	\$6,000	\$7,500	\$1,000
Natural Park	NP	\$75,000	\$200,000	\$500,000	write-in	\$50,000	\$10,000	\$125,000	\$250,000	write-in	write-in	\$20,000	\$50,000	write-in	\$6,250	\$2,000	\$3,000	\$1,000
Natural Area	NA	\$25,000	\$200,000	\$400,000	NA	\$25,000	\$10,000	\$100,000	\$200,000	NA	NA	\$20,000	\$40,000	write-in	\$5,000	\$1,500	\$2,500	\$1,000
Greenway	G	\$25,000	\$250,000	\$600,000	write-in	\$100,000	\$10,000	\$150,000	\$300,000	write-in	write-in	\$20,000	\$60,000	write-in	\$7,500	\$3,000	\$4,000	\$1,000
Joint Use Site	JU	\$25,000	NA	\$300,000	write-in	\$50,000	\$10,000	\$75,000	\$150,000	write-in	write-in	\$10,000	\$30,000	write-in	\$3,750	write-in	write-in	write-in
Shared Use Path	SUP	\$25,000	\$250,000	\$600,000	write-in	\$100,000	\$10,000	\$150,000	\$300,000	write-in	write-in	\$10,000	\$60,000	write-in	\$7,500	\$3,000	\$4,000	\$1,000

Notes:  
 All costs reflect general planning-level cost estimates based on 2018 dollars, not accounting for inflation.  
 See Cost Matrix Overview and Assumptions for definitions of each cost category.



# Public Engagement

- 1) Overview of Draft Plan
- 2) Feedback and Input
  - Social Media
  - Print materials
  - Web
  - Direct online

# Public Engagement

- Community Meetings
  - Open House
    - July 26 at 5:00 pm
    - August 1 at 5:00 pm
  - Diversity Task Force
    - July 31

# Next Steps

- Funding, SDC and Action Plan,
  - August 13
- Full Plan Public Review,
  - September 4
- Plan Adoption, Fall



# PARKS & RECREATION MASTER PLAN

## PRIORITIZATION CRITERIA (DRAFT)

This document outlines a two-step evaluation process for prioritizing capital projects. The initial screening can be used to establish project priorities for the Parks & Recreation Master Plan. The secondary evaluation helps review and sequence the Master Plan projects to support project phasing and scheduling for implementation in coming years.

### Initial Screening: Goals and Priorities

The initial screening criteria can be used to sort projects to determine their eligibility for inclusion in the capital program. Use Tables 1 and 2 as a checklist to see how well the proposed project addresses Master Plan goals and responds to the top community priorities. These scores will be applied to criteria that are incorporated into the secondary evaluation (Table 3).

Note: ensure that each project advances at least one of the seven Master Plan goals. Projects not aligned with at least one goal will be excluded from the CIP and from further evaluation.

### Secondary Evaluation: Sequencing Criteria

For projects that advance Master Plan goals, evaluate each project against the ten criteria in Table 3 to determine project sequencing. Total the scores from Tables 1-3 to calculate percent favorability and determine which projects to add into the annual Capital Improvement Plan.

### Evaluation Notes

A project that scores high in priority in many categories may show up outside of the near-term project list due to difficulty in implementation, lack of operations sustainability, or other challenges. Facets and features to each project may occur over time. For example, site identification and design work might take place years in advance of a project having funding for construction. Similarly, land acquisition may occur many years in advance of park design or construction. For realities of implementation, larger projects can be divided into smaller entities that focus on different priority timelines.

As projects, priorities, opportunities and community needs shift, so can that project ranking. The ranking produced by this checklist will be applied to the annual capital improvement program process as new projects arise and other projects are completed.

Table 1: Evaluation by Master Plan Goals

Master Plan Goals	Possible Score	Total Score
Goal 1: Expand accessible and inclusive parks and facilities to support community interests and recreation needs.	1	
Goal 2: Create a walkable, bikeable, and interconnected City by providing a network of regional and local trails.	1	
Goal 3: Conserve and restore natural areas to support wildlife, promote ecological functions, and connect residents to nature and the outdoors.	1	
Goal 4: Activate parks and facilities through vibrant programs, events, and recreation opportunities for people of different ages, abilities, cultures, and interests.	1	
Goal 5: Support the arts through programs, parks, and public spaces that reflect Tualatin’s identity, heritage, history, and expressive character.	1	
Goal 6: Promote Tualatin’s unique identity, economic vitality, and tourism through parks, natural resources, historic preservation, events, programs, and placemaking.	1	
Goal 7: Manage, administer and maintain quality parks, facilities, and programs through outstanding customer service, stewardship, and sustainable practices.	1	
<b>Total (for application in Table 3)</b>	<b>7</b>	

Note: Project must advance at least one Master Plan goal to be considered further.

Table 2: Evaluation by Community Outreach Priorities

Community Outreach Priorities	Possible Score	Total Score
Expand trail connections and trail activities.	1	
Expand capacity or improve sport facilities.	1	
Provide a greater variety of recreation activities and programs to meet the needs and interests of people of all ages and cultures.	1	
Protect Tualatin’s natural resources or provide access to natural features, especially the river, for recreation.	1	
<b>Total (for use in Table 3)</b>	<b>4</b>	

Table 3: Evaluation by Sequencing Criteria

Sequencing Criteria	Scoring Guidance	Possible Score	Total Score
Performance Improvements	Repairs or improves an existing asset to restore or enhance use.	1-3	
Capacity Expansion	Increases opportunities and/or builds capacity to serve a greater number of people.	1-3	
System Diversity	Increases or provides variety in the assortment of uses or recreation opportunities in the community.	1-3	
System Balance	Increases equity, access, or geographic distribution of recreation opportunities (e.g., meets an unmet need, addresses a gap in services, serves an underserved group or area).	1-3	
Urgency/Immediacy	Meets health and safety/regulatory elements; action must be taken now before the opportunity is lost; completion is needed before another priority project can be started.	1-3	
Ease of Implementation	Can be easily attained or accomplished; uses existing site; necessary planning, feasibility studies and permitting have already been completed.	1-3	
Available Resources	Uses or leverages available resources (staffing, funding, partnerships, equipment) for capital development and/or ongoing operations.	1-3	
Return on Investment/Value	Delivers high value for the cost or resources needed, relative to other projects.	1-3	
Operational Sustainability	Increases sustainability, reduces costs, increases maintenance and operational efficiencies, and/or increases facility revenues.	1-3	
Vision Alignment	Coincides with or supports another City project, goal or City Council initiative.	1-3	
Master Plan Goals Alignment	Supports Master Plan goals (see Table 1) 1 goals = 1 point; 2-3 goals = 2 points; 4+ goals = 3 points	1-3	
Community Priority Alignment	Is aligned with community priorities (see Table 2) 1 priority = 1 point; 2 priorities = 2 points; 3-4 priorities = 3 points	1-3	
<b>Total</b>		<b>36</b>	
<b>Percent Favorability (Total Score/36 * 100)</b>			

**Scoring**

- 0 points – N/A
- 1 point – Low
- 2 points – Medium
- 3 points – High



# PARKS & RECREATION MASTER PLAN

## COST MATRIX OVERVIEW & ASSUMPTIONS (REVISED DRAFT)

This document introduces the planning-level cost estimates associated with Master Plan recommendations. The estimates are based on a general order-of-magnitude in costs to assist in evaluating and prioritizing projects for future consideration in the City’s annual capital improvement planning. Costs are in 2018 dollars not accounting for inflation.

### Matrix Definitions and Assumptions

The cost estimates are aligned with the Parks, Natural Areas & Recreation Site Recommendations Matrix. Table 1: City of Tualatin Parks, Natural Areas & Recreation Cost Matrix (DRAFT) presents estimated Planning and Project Costs by Site, include the following information as noted below. Costs are based on per-acre or per-site costs by park classification, as noted in Table 2: Cost Estimates by Park Type and Category (DRAFT).

Table 1 includes the following information:

#### SITE OVERVIEW

- **Site Name:** Name of the site.
- **Acreage:** Total existing or proposed acreage of site.
- **Percentage of Site to Be Developed:** This column notes the area of the site that will be developed upon completion of recommended improvements. The percentage is an estimate to account for the fact that some sites are partially developed already and awaiting Phase 2 development.
- **Park Type:** The site’s classification, as noted in the approved parkland inventory.

#### CAPITAL PROJECTS

##### Build

- **Master Plan/Feasibility Study:** A flat cost that varies by park type. This is an allowance to update existing site master plans, develop new design concepts or site master plans and/or conduct feasibility studies to identify acquisition, development and/or operational plans.

- **Parkland Acquisition or Easements:** Standard per-acre cost to purchase new land for parks, natural areas, greenways or trails.
- **Site Development:** A per-acre cost that varies by park type. This is a cost estimate to develop an existing or acquired piece of property, including infrastructure, access, internal circulation or trails, and new amenities and facilities.
- **Major Facility Construction:** A write-in allowance to build a new high-cost facility, such as a new building, tournament sport complex, or floating dock.
- can be adjusted for new sites that may be phased in, with only half of the site (for example) developed during the planning horizon.

## Enhance

- **Added Recreation Element:** A flat cost that varies by park type. This is an allowance to add a new site feature or make a specific improvement that does not involve further site enhancements or renovations.
- **Added Integrated or Functional Art:** Standard allowance of \$10,000 to add artwork to a site. The art may be integrated into other features.
- **Minor Renovation:** A per-acre cost that is 25% of the cost of full site development. This is a cost estimate to provide small to medium level of improvements/upgrades to an existing park or trail corridor
- **Major Renovation:** A per-acre cost that is 50% of the cost of full site development. This is a cost estimate to provide extensive level of improvements/upgrades to an existing park or trail corridor
- **Special Use Building Renovation:** A write-in allowance to renovate a special use building.
- **Enhancement Through Partnership:** A write-in allowance for the City to contribute funding to a joint project or partnership to add a facility or renovate a site owned by another entity.

## Steward

- **Natural Resource Restoration:** A per-acre allowance that varies for developed and natural parks. These funds are used to restore natural resource areas such as habitat, wetlands, riparian corridors, prairies and forested areas.
- **Deferred Maintenance:** A per-acre cost that is 10% of the cost of full site development. This is a cost estimate to attend to deferred tasks, such as turf care, refreshed plantings, repair/replacement of site furnishings, building painting or residing, roof or infrastructure repairs, etc.
- **Accessibility Improvements:** An amount designated in Tualatin's ADA Transition Plan to remove barriers to site or facility access.
- **Total Capital Cost:** This column presents the sum of the capital costs for each site.



## Reinvest

- **Capital Reinvestment and Replacement:** An annual allowance set aside to offset the costs of replacing facilities at the end of their lifecycles. These costs are based on a 20-year replacement schedule to update one-quarter of the park, including landscaping and amenities. The costs are annualized to provide an estimated allowance to set aside annually to ensure that funds are available for these types of improvements when needed.

## MAINTENANCE AND OPERATIONS

### Maintain

- **Standard Maintenance:** A per-acre cost that varies by park type. This represents funds needed to provide standard level of care including all routine and preventative tasks.
- **Enhanced Maintenance:** A per-acre cost that varies by park type. This represents funds needed to provide a higher level of maintenance and more frequent tasks at sites that have specialized assets, are heavily programmed, provide special events and reservable facilities, or are otherwise heavily used.
- **Natural Resource Maintenance:** An add-on allowance, in addition to regular site maintenance, to provide specialized maintenance of natural areas, including routine monitoring and inspection, tree pruning, invasives removal, dump and litter pickup, hazards removal.
- **Total Maintenance Cost:** This column presents the sum of the maintenance costs for each site.

### Programs and Partnership Agreements

Recreation programming costs are identified separately, not on a per-site basis. See Chapter X. No costs are assigned to develop joint use agreements, partnership agreements or MOUs. This is presumed to be covered under staff administration.

**Table 1: City of Tualatin Parks, Natural Areas & Recreation Cost Matrix (REVISED DRAFT)**

Revised 07/13/18

Project Identification #	Site Name	Acreage	Percentage of Site to Be Developed <sup>1</sup>	Type	Capital Projects														Total Capital Cost	O&M					
					Build				Enhance					Steward						Capital Reinvestment and Replacement	Maintain			Total Maintenance Cost	
					Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (s)	Added Trail	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration	Deferred Maintenance	Accessibility Improvements (See ADA Transition Plan)			Standard Maintenance	Enhanced Maintenance	Natural Resource Maintenance		
<b>Existing Parks and Facilities</b>																									
E1	Atfalati Park	13.27	25%	LNP			●				●		●				●	●	●	\$ 6,181,432	●		●	●	\$ 195,733
E2	Ibach Park	20.08	25%	LNP			●				●		●				●	●	●	\$ 9,041,788	●		●	●	\$ 296,180
E3	Jurgens Park	15.59	40%	LNP	●		●			●	●		●				●		●	\$ 7,328,675	●		●	●	\$ 229,953
E4	Lafky Park	2.00	-	SNP							●								●	\$ 277,818	●	●			\$ 22,000
E5	Stoneridge Park	0.23	-	SNP								●		●				●	●	\$ 113,870	●	●			\$ 2,530
E6	Tualatin Commons	4.83	-	SU							●	●					●	●	●	\$ 1,088,198	●		●		\$ 66,413
E7	Tualatin Commons Park	0.64	-	SU							●							●	●	\$ 61,187	●	●			\$ 7,840
E8	Tualatin Community Park	27.11	-	CP	●				●				●	●			●		●	\$ 19,529,596	●		●	●	\$ 433,760
E9	Tualatin Library		-	SU	●								●	●				●		\$ 6,107,222					\$ -
<b>Subtotal Existing Parks and Facilities</b>																			<b>\$ 49,729,787</b>					<b>\$ 1,254,408</b>	
<b>Existing Natural Parks &amp; Areas</b>																									
E10	Brown's Ferry Park	43.21	-	NP	●				●		●		●	●			●	●	●	\$ 28,539,479	●		●	●	\$ 442,903
E11	Hedges Creek Wetlands Protection District	29.06	-	NA							●						●	●	●	\$ 1,213,220	●	●		●	\$ 217,950
E12	Hervin Grove Natural Area	0.29		NA					●								●			\$ 20,000				●	\$ 290
E13	Johnnie and William Koller Wetland Park	15.32	40%	NA	●		●			●	●						●			\$ 2,506,200		●		●	\$ 38,300
E14	Little Woodrose Nature Park	6.55	-	NP							●						●	●	●	\$ 1,375,619	●	●		●	\$ 60,588
E15	Saarinen Wayside Park	0.06	-	NP													●		●	\$ 20,000		●		●	\$ 180

Project Identification #	Site Name	Acreage	Percentage of Site to Be Developed <sup>1</sup>	Type	Build			Enhance						Steward			Total Capital Cost	Capital Reinvestment and Replacement	Maintain			Total Maintenance Cost		
					Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (s)	Added Trail	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration			Deferred Maintenance	Accessibility Improvements (See ADA Transition Plan)	Standard Maintenance		Enhanced Maintenance	Natural Resource Maintenance
E16	Sequoia Ridge Natural Area	0.65	-	NA												●	●		\$ 46,000		●		●	\$ 1,625
E17	Sweek Ponds Natural Area	4.68	-	NA							●	●		●		●	●	●	\$ 1,261,784			●	●	\$ 16,380
E18	Sweek Woods Natural Area	5.03	-	NA												●			\$ 20,000		●		●	\$ 12,575
E19	Victoria Woods Natural Area	2.22	-	NA												●	●	●	\$ 228,550		●		●	\$ 5,550
<b>Subtotal Existing Natural Parks &amp; Natural Areas</b>																<b>\$ 35,230,852</b>					<b>\$ 796,340</b>			
<b>Existing Greenways</b>																								
E20	Chieftain/Dakota Greenway	6.14	50%	G			●				●					●		●	\$ 2,902,478	●	●		●	\$ 70,610
E21	Hedges Creek Greenway	11.66	80%	G			●									●		●	\$ 5,646,018	●	●		●	\$ 134,090
E22	Helenius Greenway	0.43	100%	G			●									●			\$ 278,000	●	●		●	\$ 4,945
E23	Hi-West Estates Greenway	1.59		G							●					●		●	\$ 309,588	●	●		●	\$ 18,285
E24	Indian Meadows Greenway	3.82	10%	G			●				●					●		●	\$ 946,149	●	●		●	\$ 43,930
E25	Nyberg Creek Greenway	5.78	95%	G			●		●	●						●		●	\$ 3,375,756	●	●		●	\$ 66,470
E26	Nyberg Creek (South) Greenway	2.30	100%	G			●		●							●			\$ 1,400,000	●	●		●	\$ 26,450
E27	Saum Creek Greenway	54.22	65%	G			●		●	●						●		●	\$ 21,455,736	●	●		●	\$ 623,530
E28	Shaniko Greenway	3.30	0%	G												●		●	\$ 48,732	●	●		●	\$ 37,950
E29	Tualatin River Greenway	30.39	45%	G			●		●	●	●					●		●	\$ 9,130,571	●	●		●	\$ 349,485
<b>Subtotal Existing Greenways</b>																<b>\$ 45,493,030</b>					<b>\$ 1,375,745</b>			
<b>Existing School Joint-Use Facilities</b>																								
E30	TuHS Leonard Pohl Field <sup>2</sup>		-	JU											●				\$ 563,024			●		\$ 13,700
E31	TuHS-Byrom Elementary Cross Country Running Trail		-	JU															\$ 42,865			●		\$ -

Project Identification #	Site Name	Acreage	Percentage of Site to Be Developed <sup>1</sup>	Type	Build				Enhance						Steward			Total Capital Cost	Capital Reinvestment and Replacement	Maintain			Total Maintenance Cost	
					Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (s)	Added Trail	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration	Deferred Maintenance			Accessibility Improvements (See ADA Transition Plan)	Standard Maintenance	Enhanced Maintenance		Natural Resource Maintenance
<b>Subtotal Existing Joint-Use Facilities</b>																	<b>\$ 605,889</b>				<b>\$ 13,700</b>			
<b>Existing Shared Use Paths</b>																								
E32	65th Avenue Shared Use Path	0.47	-	SUP																\$ -	●	●		\$ 4,935
E33	Boones Ferry Road Shared Use Path (Byrom Elementary to Arapaho Road)	0.41	-	SUP														●	\$ -	●	●		\$ 4,305	
E34	Byrom Elementary Shared Use Path (Martinazzi Ave. to Boones Ferry Rd.)	0.80	-	SUP															\$ -	●	●		\$ 8,400	
E35	Cherokee Street Shared Use Path (108th Ave to Rail Road ROW)	0.09	-	SUP															\$ -	●	●		\$ 945	
E36	I-5 Shared Use Path (Warm Springs St. to Sagert St.)	1.54	100%	SUP			●			●									\$ 924,000		●		\$ 4,620	
E37	Ice Age Tonquin Trail	3.06	95%	SUP	●		●			●	●							●	\$ 1,779,200	●	●		\$ 32,130	
<b>Subtotal Existing Shared Use Paths</b>																	<b>\$ 2,703,200</b>				<b>\$ 55,335</b>			
<b>TOTAL EXISTING PARKLAND</b>																								
<b>Proposed Parks and Facilities</b>																								
P1	Jurgens Park addition	5.2	100%	LNP	●	●	●			●	●								\$ 3,947,500	●		●	\$ 70,813	
P2	Tualatin Community Park addition	3.0	100%	LNP	●	●	●			●	●								\$ 2,335,000	●		●	\$ 41,250	
P3	Basalt Creek park	20.0	100%	CP	●	●	●			●	●								\$ 17,110,000	●		●	\$ 300,000	
P4	East Tualatin / Bridgeport Elementary partnership		100%	JU										●					\$ 200,000	●	●		\$ 5,000	
P5	Pony Ridge/ Heritage Pines partnership		100%	JU						●	●			●					\$ 210,000	●			\$ 5,000	
P6	Central Tualatin sports park	9.0	100%	SU	●	●	●			●	●								\$ 6,835,000	●		●	\$ 123,750	
P7	Community recreation center	5.0	100%	SU	●	●	●	●		●	●								\$ 33,835,000	●		●	\$ 68,750	

Project Identification #	Site Name	Acreage	Percentage of Site to Be Developed <sup>1</sup>	Type	Build				Enhance						Steward			Total Capital Cost	Capital Reinvestment and Replacement	Maintain			Total Maintenance Cost	
					Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (s)	Added Trail	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration	Deferred Maintenance			Accessibility Improvements (See ADA Transition Plan)	Standard Maintenance	Enhanced Maintenance		Natural Resource Maintenance
P8	Additional park opportunities	11.8	100%	SU	●	●	●	●											\$ 8,925,000	●	●			\$ 144,550
P9	Tournament Sports Complex	10.0	100%	SU	●	●	●	●			●								\$ 12,585,000			●		\$ 75,000
<b>Subtotal Proposed Parks and Facilities</b>																		<b>\$ 85,982,500</b>				<b>\$ 834,113</b>		

Project Identification #	Site Name	Acreage	Percentage of Site to Be Developed <sup>1</sup>	Type	Build			Enhance						Steward			Total Capital Cost	Capital Reinvestment and Replacement	Maintain			Total Maintenance Cost
					Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (s)	Added Trail	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration			Deferred Maintenance	Accessibility Improvements (See ADA Transition Plan)	Standard Maintenance	
<b>Proposed Natural Parks &amp; Areas</b>																						
P10	New natural park and areas	12.7	100%	NA	●	●	●		●	●							\$ 7,655,000	●		●		\$ 95,250
<b>Subtotal Proposed Natural Parks &amp; Areas</b>																<b>\$ 7,655,000</b>						<b>\$ 95,250</b>
<b>Proposed Greenways and Shared Use Paths</b>																						
P11	New greenways and shared use paths	15.1	100%	G	●	●	●	●	●	●							\$ 17,870,000	●	●		●	\$ 173,650
P12	Westside Trail bridge	1.0	100%	G	●	●	●		●						●		\$ 5,875,000	●	●			\$ 10,500
<b>Subtotal Proposed Greenways and Shared Use Paths</b>																<b>\$ 23,745,000</b>						<b>\$ 184,150</b>
<b>TOTAL PROPOSED PARKLAND</b>																<b>\$ 117,382,500</b>						<b>\$ 1,113,513</b>
<b>Proposed Additional Planning</b>																						
P13	Community (Urban) Forestry Plan				●												\$ 100,000					\$ -
P14	Comprehensive Fee Analysis and Plan				●												\$ 100,000					\$ -
P15	Resource Management Plan				●												\$ 100,000					\$ -
P16	Marketing and Outreach Plan				●												\$ 100,000					\$ -
<b>TOTAL ADDITIONAL PLANNING</b>																<b>\$ 400,000</b>						<b>\$ -</b>
<b>TOTAL EXISTING PARKLAND, PROPOSED PARKLAND &amp; ADDITIONAL PLANNING</b>																<b>\$ 251,545,258</b>						<b>\$ 4,609,040</b>

Notes:

All costs reflect general planning-level cost estimates based on 2018 dollars, not accounting for inflation. See the Cost Matrix Overview and Assumptions for definitions of each cost category.

1. This number reflects the percentage of the site that will be developed when development projects proceed. For new sites, it is assumed that 100% of the site will be developed. For existing sites, the percentage reflects a portion of the site that is currently undeveloped, and will be developed in the next Phase of construction.

2. The ADA cost for Leonard Pohl Field also includes part of the cost estimate for ADA improvements to the TuHS portion of the cross-country trail. For details, see the ADA Barrier Analysis cost estimates.

Key:

Project Identification Number: E = Existing Site; P = Proposed Site

Park Type: CP- Community Park, LNP- Large Neighborhood Park, SNP- Small Neighborhood Park, SU- Special Use, SUP- Shared Use Path, NP- Natural Park, JU- Joint Use, G- Greenway, NA-Natural Area

**Table 2: Cost Estimates by Park Type and Category (DRAFT)**

Revised 07/13/18

		Capital Projects														Operations and Maintenance		
Park Type	Park Type Abbreviation	Build				Enhance						Steward			Reinvest	Maintain		
		Master Plan/Feasibility Study	Parkland Acquisition or Easements	Site Development	Major Facility Construction	Added Recreational Element (s)	Added Art	Minor Renovation	Major Renovation	Special Use Building Renovation	Enhancement Through Partnership	Natural Resource Restoration	Deferred Maintenance	Accessibility Improvements (See ADA Transition Plan) <sup>2</sup>	Capital Reinvestment and Replacement	Standard Maintenance	Enhanced Maintenance	Natural Resource Maintenance
		Flat	Per Acre	Per Acre	Write-in	Flat	Flat	Per Acre	Per Acre	Write-in	Write-in	Flat	Per Acre	Write-in	Per Acre	Per Acre	Per Acre	Per Acre
Large Neighborhood Park	LNP	\$75,000	\$250,000	\$500,000	write-in	\$50,000	\$10,000	\$125,000	\$250,000	write-in	write-in	\$10,000	\$50,000	write-in	\$6,250	\$6,000	\$7,500	\$1,000
Small Neighborhood Park	SNP	\$25,000	\$250,000	\$400,000	NA	\$25,000	\$10,000	\$100,000	\$200,000	NA	NA	\$10,000	\$40,000	write-in	\$5,000	\$6,000	\$6,000	\$1,000
Special Use	SU	\$75,000	\$250,000	\$500,000	write-in	\$50,000	\$10,000	\$125,000	\$250,000	write-in	write-in	\$10,000	\$50,000	write-in	\$6,250	\$6,000	\$7,500	\$1,000
Community Park	CP	\$100,000	\$250,000	\$600,000	write-in	\$100,000	\$10,000	\$150,000	\$300,000	write-in	write-in	\$20,000	\$60,000	write-in	\$7,500	\$6,000	\$7,500	\$1,000
Natural Park	NP	\$75,000	\$200,000	\$500,000	write-in	\$50,000	\$10,000	\$125,000	\$250,000	write-in	write-in	\$20,000	\$50,000	write-in	\$6,250	\$2,000	\$3,000	\$1,000
Natural Area	NA	\$25,000	\$200,000	\$400,000	NA	\$25,000	\$10,000	\$100,000	\$200,000	NA	NA	\$20,000	\$40,000	write-in	\$5,000	\$1,500	\$2,500	\$1,000
Greenway	G	\$25,000	\$250,000	\$600,000	write-in	\$100,000	\$10,000	\$150,000	\$300,000	write-in	write-in	\$20,000	\$60,000	write-in	\$7,500	\$3,000	\$4,000	\$1,000
Joint Use Site	JU	\$25,000	NA	\$300,000	write-in	\$50,000	\$10,000	\$75,000	\$150,000	write-in	write-in	\$10,000	\$30,000	write-in	\$3,750	write-in	write-in	write-in
Shared Use Path	SUP	\$25,000	\$250,000	\$600,000	write-in	\$100,000	\$10,000	\$150,000	\$300,000	write-in	write-in	\$10,000	\$60,000	write-in	\$7,500	\$3,000	\$4,000	\$1,000

Notes:  
 All costs reflect general planning-level cost estimates based on 2018 dollars, not accounting for inflation.  
 See Cost Matrix Overview and Assumptions for definitions of each cost category.