



SHERWOOD CITY COUNCIL MEETING MINUTES
22560 SW Pine St., Sherwood, Or
February 20, 2024

WORK SESSION

1. **CALL TO ORDER:** Council President Young called the meeting to order at 6:10 pm.
2. **COUNCIL PRESENT:** Council President Kim Young, Councilors Keith Mays, Dan Standke, Doug Scott, Taylor Giles, and Renee Brouse. Mayor Tim Rosener attended remotely.
3. **STAFF PRESENT:** City Manager Pro Tem Craig Sheldon, City Attorney Ryan Adams, Community Development Director Eric Rutledge, Economic Development Manager Bruce Coleman, IT Director Brad Crawford, Senior Planner Joy Chang, City Engineer Jason Waters, Records Technician Katie Corgan, and City Recorder Sylvia Murphy.

4. TOPICS:

A. Brookman Sanitary Trunkline Reimbursement Districts Presentation

City Engineer Jason Waters introduced Clean Water Services (CWS) representatives Andy Braun and Doug Gresham and presented the "Brookman Trunk Sewer Extension – Financing" PowerPoint presentation (see record, Exhibit A). He explained that CWS was moving forward and was ready to bid the project. He outlined that based on the size of the project, the Brookman Trunk Sewer Extension project should have been managed by the city, but because it was a new line that passed through wetlands and multiple rights-of-way, CWS would be handling the project. He stated that the city would deliver Phases 1 and 2 of the Rock Creek Trunk Capacity Upgrade project. Council President Young stated that the Brookman Sanitary Sewer Project informational documents Clean Water Services had provided prior to the meeting had been very helpful (see record, Exhibit B). CWS representative Andy Braun explained that the project encompassed over two miles of sewer extension, much of it located in a sensitive corridor, and the project would provide service to Sherwood High School, Sherwood West, and the Brookman Annexation Area. He reported that CWS was responsible for project management, project implementation, and project financing. He provided an overview of the project and reported that the Brookman Trunk Sewer was 10,000 linear feet of 12"-21" pipe and would traverse 15 properties, the Union Pacific Railroad, Highway 99W, sections of Brookman Road, Oberst Road, and Old Pacific Highway. He addressed the project schedule on page 4 of the presentation and reported that bid opening was scheduled for February 29th and a reimbursement district open house would be held on March 20th. He noted that CWS had held several other open house events and Council President Young asked if there was good attendance at the events. Mr. Braun replied that attendance had ranged from 2-30 people. He reported that the reimbursement district would be administered by CWS and noted that most of the properties were currently outside Sherwood city limits. He stated that the CWS reimbursement district public hearings would likely be held in June 2024, with an IGA between the city and CWS scheduled for July

2024, and construction would likely last from May 2024 through October 2026. He explained that after construction was complete, the restoration maintenance and monitoring phase would last from October 2025 through October 2029. Mr. Braun reported that the project was estimated to cost \$12.9 million. He provided an overview of the estimated funding distribution on page 6 of the presentation and reported that 37% of the project costs would be covered by CWS via regional SDCs, 50% of the project costs would be covered by property owners via reimbursement districts, and 13% of the project costs would be covered by the City of Sherwood. He referred to the reimbursement district and stated that this would occur at the time the property owner recognized the benefit either by connection or development occurring. He noted that the percentages may change, but the IGA would lay out the costs in more detail. He outlined that in the IGA, CWS would be responsible for: the management of design and implementation of the project; acquisition of easements; regional financial obligation (collection/use of SDCs); service for unincorporated areas; adherence to principles of UPAA (Urban Planning Area Agreement); and the administration of the reimbursement district. Councilor Mays clarified that the IGA would state that CWS could not connect customers outside city limits and Mr. Braun replied that the IGA may or may not state that, but that stipulation was in the land use permit. He outlined Sherwood's obligations as: partnering in project development, review, and approval; partnering in public involvement; financial share payable at segment completion; collection of CWS reimbursement charges and forward to CWS when permitted locally; and assume local maintenance responsibilities upon ownership. Councilor Mays asked regarding the ownership of the portion of line located south of the Brookman area. Mr. Braun replied that CWS would likely retain ownership of that portion until it came into the city limits and spoke on distances between district lines and "efficiency of operations." Mayor Rosener asked for more information on CWS's pipe and build-out calculations. Mr. Braun explained that CWS used the area's full potential build-out numbers to determine appropriate pipe size. He stated they factored in urban reserve and undesignated areas and provided an overview of the service area and benefitting properties map. He referred to Basins 5, 11, and 9 and explained that those areas were tributary to the Brookman Sewer Line and were therefore factored into the sizing calculations. He clarified that the line would not be extended to those areas at this time, but it would be in the future. Mayor Rosener referred to the force main line along Roy Rogers and asked if the full build-out of the area had been factored in, and Mr. Braun replied that it had. Councilor Standke asked for clarification on what the restoration maintenance and monitoring phase entailed. Mr. Gresham explained that the project traversed many sensitive areas, and those areas would need to be restored upon project completion, which CWS would manage and oversee.

B. Sherwood West Update

Community Development Director Eric Rutledge presented the "Sherwood West Refinement Study Update" PowerPoint presentation (see record, Exhibit C). He reported city staff would attend the Washington County Board of Commissioners work session on February 27th and provide them with an update on Sherwood West and the Sherwood West Refinement Study (see record, Exhibit D). He reported the resolution for an IGA would be presented at the March 5th City Council meeting and city staff would present the IGA and Letter of Support at the April 2nd Washington County Board of Commissioners meeting. He reported that April 5th was the deadline to submit a UGB expansion request to Metro. Councilor Scott asked if the application could be amended or rescinded after it was submitted and Mr. Rutledge replied that based on what Metro had said, that was an option. Councilor Scott referred to SB 1537 and commented that he did not know if he would be ready to move forward with the application. He stated he wanted to know the absolute deadline and Mr. Rutledge replied that he would reach out to Metro. Councilor Giles referred to SB 1537 and commented that submitting a UGB expansion request was either the right move or not, and the city needed to be ready to adapt and adjust as laws were created or amended. Councilor Scott asked regarding the option of changing the boundaries of the expansion request and Community Development Director Rutledge replied that staff had completed the majority of the application, and changing the application at this stage would make it difficult to submit the application on time. Mayor Rosener requested that staff ask Metro about being able to modify

the application if SB 1537 passed. Director Rutledge provided an overview of proposed SB 1537 and explained that Section 38 of the bill would take away the city's ability to deny housing variances. He explained that currently, the city had a great deal of discretion for being able to adjust the code. He outlined the stipulations of Section 38 as: it had to be net new housing units (i.e. not a remodel); single family, mixed-use residential, manufactured dwellings parks, accessory dwellings units, middle housing; and 17 units per acre (net). He continued that the application must state that one of the following criteria applied: adjustment would enable housing that was not otherwise feasible due to cost or delay; adjustment would enable housing that reduced the sale or rental price per unit; or adjustment would increase the number of units within the application. He commented that applicants would not need to demonstrate, only state that one of the state criteria applied. Mr. Rutledge listed the proposed allowed adjustments on page 4 of the presentation. He referred to the permitted adjustment of, "prohibition of residential uses on the ground floor of a mixed-use building, with the exception of one face of the building that faces the street and is within 20 feet of the street" and explained that while it currently stated, "mixed-use building," it was fair to interpret "mixed-use zone" instead. Director Rutledge stated that currently, all of Sherwood's Commercial Zones were mixed-use and SB 1537 would take away some of the city's ability to enforce that code section. Mayor Rosener referred to Sherwood West and clarified that SB 1537 would take away the city's ability to use mixed-use retail zones. Mr. Rutledge replied that it would apply to any zone or building that allowed mixed-use. He continued the list of the allowed adjustments on page 5 of the presentation and clarified that the city's Building Code still applied (e.g. insulation requirements, electrical code, etc.), but the exterior design standards would not be enforceable. He outlined the local government exemption stipulations on page 6 of the presentation and explained that exemptions were possible for local governments that could demonstrate: local code allowed adjustments for all housing types contained in adjustments section of bill and; local code allowed adjustments for all standards in adjustments section of bill and; the city had approved 90% of adjustment requests for housing in the last five years or; the city had adjustment process that was flexible and accommodated housing project needs as demonstrated by testimonials of housing developers who had used the process in the last five years. Mayor Rosener explained that the city and LOC had asked the Governor's office for a process for cities to be exempted from the rule if they could demonstrate that they had not denied a variance in a certain amount of time. Mr. Rutledge referred to the exemption for local governments and explained that originally, a city only had to demonstrate that it had approved 90% of adjustment requests for housing in the last five years, or a city had an adjustment process that was flexible and accommodated housing project needs as demonstrated by testimonials of housing developers who had used the process in the last five years and noted that Sherwood was eligible under this provision. He explained the impacts of the proposed bill on Sherwood West and stated this would impact the net density range for Multi-Family and Cottage Clusters. Council President Young commented that this would eliminate the city's ability to implement Cottage Cluster zoning. Mr. Rutledge clarified that the bill stipulated that developers were not permitted the height bonus for cottage clusters, which helped maintain the "age-in-place" approach to cottage clusters. Discussion occurred regarding the 17 units per acre condition and Planning Commission Chair Jean Simson commented that SB 1537 would make it fairly easy for every zone in Sherwood to hit the 17 units per acre threshold if every single unit was a middle housing unit. Director Rutledge added that if the city utilized the master planning approach, then the city could restrict middle housing within Sherwood West, but not the rest of the community. Council President Young asked if a city's master plan would supersede SB 1537 and Mr. Rutledge replied that he had not received a response for that question as yet. He clarified that the city would still need to allow for duplexes in every zone, even if master planning was used. He summarized that over half of the city's housing zones would be impacted by SB 1537. Mayor Rosener provided background on SB 1537 and explained that previous versions had money for infrastructure and other programs. He commented that what they were discussing was the worst-case scenario and some developers may not want to build the 17 unit per acre density to get the variances, since it may not be a profitable project for them. He referred to HB 2001 and CFEC (Climate-Friendly and Equitable Communities) and commented that rule making had not gone well for the city. Councilor Mays stated that his support for submitting the Sherwood West UGB

expansion request was at risk because of SB 1537. Director Rutledge addressed the Sherwood West Refinement Study and outlined that the purpose of the study was to evaluate the opportunity for large site creation within the mixed-employment zone; evaluate opportunities for target industries; refine infrastructure design and cost estimates for the North District; and update cost and revenue projects for the entire Sherwood West study area. He outlined the regional infrastructure cost and revenue funding gap analysis table on page 9 of the presentation. He reported that for the entire Sherwood West area, there was an \$18 million deficit for Water, a \$32 million surplus for Sanitary Sewer, a \$14 million deficit for Storm, an \$8 million surplus for Parks, and an \$18 million deficit for transportation. Mr. Rutledge addressed the preliminary street layout on page 10 of the presentation and reported that a new collector road between Elwert and Roy Rogers was the preferred alignment as it avoided upland habitat. He explained that the preferred alignment created a 95-acre site east of Elwert Road that would be available for development. Councilor Scott asked if it was determined that the upland habitat area could be developed, could the two sites be combined into one site. Economic Development Manager Bruce Coleman replied that that was the ideal scenario. Mr. Rutledge reported that transportation improvements would be needed on Roy Rogers Road, SW Scholls-Sherwood Road, SW Elwert Road, and a new collector road would be needed. He reported that a 12" looped water system was likely suitable for the area. He addressed sewer infrastructure and reported that CWS was planning a force main within Roy Rogers and Highway 99W and commented that a pump station was needed. He addressed storm infrastructure improvements and reported that a regional system with development would be needed. Mr. Coleman provided an overview of the target industry assessment and reported that this site was a strong candidate for mixed employment development, including tech clusters. He stated it was important to preserve the largest parcels on the east side for mixed employment development as developers were most interested in sites between 20-100 acres in size. He reported that technology and advanced manufacturing, machinery manufacturing, and clean technology were the target industries for Sherwood West. He reported that the mixed employment designation in the 2023 Sherwood West Concept Plan was appropriate for the long-term development of the city's target employment types and the necessary infrastructure to support the area could be constructed in an orderly manner. Councilor Scott asked if annexation agreements could require that the larger parcels bundle with neighboring lots to create a larger parcel. Mr. Rutledge replied that that was likely possible to include in the annexation agreement. Economic Development Manager Coleman cautioned that some of the parcels were located in Washington County, which meant that the county could receive applications to divide up properties and discussion occurred. Councilor Mays asked that the city send the county a letter asking them not to approve dividing up any Sherwood West parcels.

Record note: Prior to the meeting, the "Sherwood West Refinement Study Update" PowerPoint presentation was sent to Council which incorrectly cited SB 1537 as SB 1573 (see record, Exhibit E).

5. ADJOURN:

Council President Young adjourned the work session at 7:09 pm and convened a regular session.

REGULAR SESSION

- 1. CALL TO ORDER:** Council President Young called the meeting to order at 7:10 pm.
- 2. COUNCIL PRESENT:** Council President Kim Young, Councilors Keith Mays, Dan Standke, Doug Scott, Taylor Giles, and Renee Brouse. Mayor Tim Rosener was absent.

3. **STAFF PRESENT:** City Manager Pro Tem Craig Sheldon, IT Director Brad Crawford, City Attorney Ryan Adams, Community Development Director Eric Rutledge, Police Chief Ty Hanlon, HR Director Lydia McEvoy, Senior Planner Joy Chang, City Engineer Jason Waters, and City Recorder Sylvia Murphy.

4. **APPROVAL OF AGENDA:**

MOTION: FROM COUNCILOR BROUSE TO APPROVE THE AGENDA. SECONDED BY COUNCILOR GILES. MOTION PASSED 6:0; ALL PRESENT MEMBERS VOTED IN FAVOR (MAYOR ROSENER WAS ABSENT).

Council President Young addressed the next agenda item.

5. **CONSENT AGENDA:**

- A. **Approval of February 3, 2024 City Council Meeting Minutes**
- B. **Approval of February 6, 2024 City Council Meeting Minutes**
- C. **Resolution 2024-006, Authorizing Workback Policy for the City of Sherwood**
- D. **Resolution 2024-007, Authorizing Leave Donation Policy for the City of Sherwood**
- E. **Resolution 2024-008, Authorizing the City Manager Pro Tem to sign a contract amendment with WSP USA Environmental & Infrastructure, Inc. for the Tannery Site Cleanup Project**
- F. **Resolution 2024-009 Declaring Support for a Comprehensive Approach to Addressing Oregon's Addiction and Community Livability Crisis**

MOTION: FROM COUNCILOR BROUSE TO APPROVE THE CONSENT AGENDA. SECONDED BY COUNCILOR GILES. MOTION PASSED 6:0; ALL PRESENT MEMBERS VOTED IN FAVOR (MAYOR ROSENER WAS ABSENT).

Council President Young addressed the next agenda item.

6. **CITIZEN COMMENT:**

Sherwood resident Jim Claus came forward and asked for clarification on the allotted time for a citizen to provide public comment. Council President Young replied that as she understood it, each resident was allocated four minutes to provide their comments under the Citizen Comment agenda item. Mr. Claus provided documents to the City Recorder (see record). He stated that he had leased out a portion of a property to a company and stated that the city had allowed for that company to be located there, but the city had changed their mind. He referred to the documents he had provided and spoke on perjury and unlawful practice of law and referred to city staff. He spoke on Walmart, Langer, and Councilor Mays. He referred to properties with over twenty years of non-conforming use and stated that the city did not have the authority to alter that without a public hearing. He spoke on exhausting administrative rights, the 14th Amendment, the Oregon Constitution, the Tucker Act, and Title 42 USC 1983.

Sherwood resident Peter Foster came forward and stated that he was the future owner of a single-farm restaurant and invited Council to the restaurant once it was complete. He stated that he had provided consultation services to the city for the Pine Street brew pub. He stated that a Market of Choice near Safeway would be a benefit to the city. He spoke on land use specialist John Rankin and commented that Mr. Rankin had recommended that Council submit a UGB expansion request for the entirety of Sherwood West in order to allow the city to retain control over the development of the area.

Council President Young addressed the next agenda item.

7. CITY MANAGER REPORT:

City Manager Pro Tem Craig Sheldon reported that he had nothing new to report. City Attorney Ryan Adams announced that the new Deputy City Attorney would start on February 26th and would attend the March 5th City Council meeting.

Council President Young addressed the next agenda item.

8. COUNCIL ANNOUNCEMENTS:

Councilor Standke reported that the Planning Commission did not meet last week but would meet next week where they would hold two public hearings. He reported that the Sherwood Foundation for the Arts was hosting the 10th annual Jigsaw Puzzle Competition at the Countryside Community Church on February 24th.

Councilor Scott reported that he attended the Police awards banquet and gave his kudos to the Sherwood Police Department. He gave his kudos to City Manager Pro Tem Sheldon, Assistant City Manager Switzer, and city staff for their work. He reported that he was unable to attend the most recent Parks and Recreation Advisory Board meeting.

Councilor Mays echoed Councilor Scott's comments regarding city staff. He reported that he attended the Cultural Arts Commission meeting on February 19th where they reviewed the Lunar New Year celebration and discussed ideas for 2025. He referred to public comments and perjury and stated that no one was under oath.

Councilor Brouse announced that the soft launch of the Sherwood Senior Shuttle would be held on March 4th and reported that they hoped to have the shuttle service fully operational by April. She reported that the shuttle would run Tuesdays, Wednesdays, and Thursdays from 9:30 am to 4:00 pm and they were seeking more volunteer drivers.

Councilor Giles echoed Councilor Scott's comments regarding city staff. He reported that he would attend the next Library Advisory Board meeting. He spoke on TVF&R's camp program and reported that they had revised the program to include more programs to encourage women to pursue a career with TVF&R. He stated more information could be found on their website.

Council President Young reported she attended the most recent Police Advisory Board meeting where they reviewed policy updates and heard an update from the Traffic Safety Committee. She reported she attended the Sherwood Chamber of Commerce meeting at TVF&R where they heard a presentation from TVF&R on an upcoming operating levy renewal. She reported that she would be volunteering at the Jigsaw Puzzle Competition. She reported that she had recently met with Sherwood's lobbying firm where they discussed SB 1537 and Measure 110 issues.

9. ADJOURN:

Council President Young adjourned the regular session at 7:37 pm and convened an executive session.

EXECUTIVE SESSION

1. **CALL TO ORDER:** The meeting was called to order at 7:47 pm.
2. **COUNCIL PRESENT:** Council President Kim Young, Councilors Keith Mays, Dan Standke, Doug Scott, Taylor Giles, and Renee Brouse. Mayor Tim Rosener was absent.
3. **STAFF PRESENT:** City Attorney Ryan Adams, City Manager Pro Tem Craig Sheldon, Finance Director David Bodway, and HR Director Lydia McEvoy.
4. **TOPICS:**
 - A. **ORS 192.660(2)(d), Labor Negotiator Consultations.**

5. **ADJOURN:**

The executive session was adjourned at 9:07 pm.

Attest:



Sylvia Murphy, MMC, City Recorder



Tim Rosener, Mayor