



SHERWOOD CITY COUNCIL MEETING MINUTES
22560 SW Pine St., Sherwood, Or
June 6, 2023

WORK SESSION

1. **CALL TO ORDER:** Mayor Rosener called the meeting to order at 5:02 pm.
2. **COUNCIL PRESENT:** Mayor Tim Rosener, Council President Keith Mays, Councilors Kim Young, Doug Scott, Taylor Giles, Renee Brouse, and Dan Standke.
3. **STAFF PRESENT:** City Manager Keith Campbell, Interim City Attorney Josh Soper, IT Director Brad Crawford, Community Development Director Eric Rutledge, Economic Development Manager Bruce Coleman, Planning Manager Erika Palmer, Public Works Director Craig Sheldon, Finance Director David Bodway, Police Chief Ty Hanlon, Senior Planner Joy Chang, Planning Manager Erika Palmer, Community Services Director Kristen Switzer, HR Manager Lydia McEvoy, Records Technician Katie Corgan, and City Recorder Sylvia Murphy.
4. **TOPICS:**

A. Select Bridge Color

Public Works Director Craig Sheldon reported that 893 people had voted in the community survey for selecting a bridge color, and 62.3% of respondents had voted to paint the bridge white and referred to an email detailing the survey results (see record, Exhibit A). He asked for Council feedback on finalizing the pedestrian bridge paint color so that it could be included in the 100% design documents. Council selected white for the pedestrian bridge.

B. Update and Policy Discussion, Climate Friendly & Equitable Communities

Senior Planner Joy Chang presented the "Climate-Friendly and Equitable Communities" PowerPoint presentation (see record, Exhibit B) and recapped that the Climate-Friendly and Equitable Communities (CFEC) rules were adopted by the state in March 2020 with the goal of reducing Oregon's carbon emissions. She reported that the LCDC had adopted land use, building, and transportation planning rules for jurisdictions in Oregon's metropolitan areas in July 2022, and Sherwood and 12 other jurisdictions including Tualatin, Hillsboro, Happy Valley, and Oregon City had sued over the new rules. She said that the case was currently at the Oregon Court of Appeals, and it was being determined if the LCDC had exercised authority it did not have when codifying and mandating the rules. Councilor Scott asked if this discussion would result in code being brought to Council. Community Development Director Eric Rutledge replied that staff would request an extension from the state and if the extension was approved, the new code would be drafted in late 2023 or early 2024. Councilor Scott clarified that the new code should include

language that automatically repealed any changes should the city's appeal go through and commented that this would allow for the Planning Commission to discuss the code. Senior Planner Chang recapped that the CFEC rules took effect incrementally and required implementation this year. She reported that future CFEC requirements be implemented in the future and included land use requirements for designating Climate-Friendly Areas, transportation performance standards, and Transportation System Plan update requirements. She outlined that the rules provided an option for local jurisdictions to request an alternative implementation timeline for certain elements. She addressed parking reform and stated that parking reform occurred in two phases. Phase 1 included Parking Reform A, which reduced parking mandates and took effect December 31, 2022. Phase 2 included Parking Reform B, which consisted of regulation improvements and would take effect June 30, 2023 and noted that agencies were able to request an extension. She addressed electric vehicle charging and explained that new multi-family residential buildings with five or more units must provide electrical service capacity for 40% of parking spaces. She outlined that capacity consisted of installing conduit to serve 40% of parking spots and explained that this was a clear and objective standard that the city could apply. Councilor Giles stated that he supported requiring a 220-volt outlet in the garage of every newly constructed house in Sherwood and asked if that was possible to require. Discussion on Building Code occurred, and Council asked for staff to look into Councilor Giles's request. Ms. Chang addressed Parking Reform A and explained that all development applications submitted on or after December 31, 2022 were subject to the following: jurisdictions could not require more than one parking space per unit for residential developments and explained that in the past, the number of parking spaces for a multifamily development were based on the number of bedrooms, but now it was based on the number of units. She noted that this would result in a minimum of one parking space per unit, but developers could provide more spaces if they chose to. Councilor Scott asked what the impacts of this change had been thus far. Community Development Director Rutledge replied that the city had not had any residential developments since December 31, 2022 and said that this reform left the number of parking spaces in the hands of the developers and the market. He commented that going forward, he believed the number of parking spaces would be more based on the individual sites and how many parking spaces that site could hold. He spoke on density regulations and explained that the city was somewhat able to affect development via density regulations. Councilor Scott asked if Parking Reform B would replace Parking Reform A or would both be in effect. Senior Planner Chang replied that both would still be in effect and the city would roll those changes into the code when the standards were codified. She referred to Parking Reform A and outlined that jurisdictions could not require any parking for the following development types: units smaller than 750 square feet, affordable units, childcare facilities, facilities for people with disabilities, and shelters. She stated that the current code already complied with those standards. Mayor Rosener referred to cottage cluster size requirements and commented that the city may need to review those minimum standards to ensure that parking was still being provided. He asked that the current code also be reviewed to require parking for facilities for people with disabilities. Mayor Rosener spoke on Metro and the City of Troutdale and asked that staff also look into the possibility of requiring parking spaces be provided for small unit developments should the CFEC rules be rescinded. Ms. Chang reported that the Community Development Code had not been updated and staff were applying these state rules directly to affected land use applications. She addressed Parking Reform B and stated that they took effect June 30, 2023 and reported that staff was requesting a one-year extension. She outlined that staff had tried to get an extension that coincided with the litigation but had been denied. She provided an overview of the regulation improvements of Parking Reform B on page 7 of the presentation. She explained that currently, garages were not required in Sherwood's code, but developers had typically included garages in housing developments. She explained that currently, Sherwood did not count the garage as a parking space and Parking Reform B required that garages count towards off-street parking mandates. Council President Mays commented that the city still had design standards which would help manage the new state parking mandates. Senior Planner Chang replied that

was correct and referred to garage design standards and usable space requirements. Discussion regarding new parking regulations for parking lots over .5 acre in size occurred and Ms. Chang provided details. Mr. Rutledge stated that the city already complied with many of the state mandated parking reform requirements and explained that staff would need to review the requirements and determine how to implement those new processes and were seeking Council direction. Ms. Chang outlined that staff needed to know which parking reform option Council wanted staff to implement and stated that options included: repealing all parking mandates; reduce parking mandates for certain types of development/key areas and adopt fair parking policies; or further reduce parking mandates for types of development and in more areas. Council stated that they did not want to pursue the first option of repealing all parking mandates. Senior Planner Chang provided a detailed overview of the second option on page 9 of the presentation and explained that the city could enact at least two of the five options listed, including at least one provision from A-C. Discussion of unbundled parking for commercial developments occurred and Council asked the level of involvement needed from the city in unbundled parking. Mr. Rutledge explained that the city would codify this option in simple language with the potential for a conditional approval and would state that unbundled parking spaces were to be resolved between the owners and tenants. He continued that the city would not be involved in the enforcement of unbundled parking and explained that DLCD guidelines stated the same. Mr. Rutledge noted that the bolded options on page 9 represented what staff felt would have the least amount of negative impact to the city. Senior Planner Chang provided a detailed overview of Option 3 on page 10 of the presentation and explained that all of the listed standards would be enacted if this option was selected. Council stated they were not interested in Option 3. Council President Mays stated that he was in favor of staff's proposal and commented that he supported Councilor Scott's idea of including language that would immediately repeal the changes if the appeal was granted. He said that he wished to encapsulate the city's preferred parking objectives in order to help set expectations and outline potential outcomes for failing to provide adequate parking to share with developers. Discussion regarding the possible need for parking permits and parking districts occurred. Mayor Rosener asked if Council wished to pursue Option 2, the fair pricing option to address Parking Reform B. Councilor Standke asked if staff felt that there were other sensible options that the city should pursue or anything else that the city should repeal. Mr. Rutledge replied, "not really" and explained that since Sherwood was a suburban community with poor transit access, most residents relied on vehicles to commute to and from work. Mayor Rosener spoke on HB 2001 and CFEC and commented that Sherwood was the "nexus" of these regulations and the city needed to be mindful of how it implemented the new regulations. Mr. Rutledge commented that Options 1 and 3 could quickly lead to parking issues with new developments. He explained that staff had endeavored to write code that acknowledged that the city was currently in litigation regarding the mandates while also trying to show consideration for developers should the mandates be repealed. Council President Mays stated that transparency was important and asked that the city notify developers of these changes. Mr. Rutledge added that Option 3 was not suitable until Sherwood's density and walkability increased to the point of providing better connectivity. Council agreed that Option 2 was the best option. Mayor Rosener spoke on current discussions between regional mayors, Metro, and TriMet regarding the area's overall transportation system. Senior Planner Chang recapped that Council had selected Option 2, staff would request a one-year delay for the implementation of Parking Reform B, staff would continue tracking other regulatory requirements and implementation timeframes, staff would prepare future legislation to address Parking Reform B requirements which would include public engagement to inform the community of CFEC and proposed regulations, and staff would continue to monitor CFEC litigation. She noted that staff was hopeful that a decision would be reached before the end of the year. Councilor Scott spoke on community messaging and stated he wanted it made clear why these changes were happening. Council President Mays commented that parking conflicts were the most common complaint he heard from community members. Community Development Director Rutledge spoke on timelines and explained that the court had not granted a stay, and staff was hoping to hear regarding the

extension request soon and stated it was possible the case could go from the Court of Appeals to the Oregon Supreme Court. Interim City Attorney Josh Soper added that oral arguments were expected to start in July.

5. ADJOURN:

Mayor Rosener adjourned the work session at 6:47 pm and convened a regular session.

REGULAR SESSION

- 1. CALL TO ORDER:** Mayor Rosener called the meeting to order at 7:00 pm.
- 2. COUNCIL PRESENT:** Mayor Tim Rosener, Council President Keith Mays, Councilors Kim Young, Doug Scott, Taylor Giles, Renee Brouse, and Dan Standke.
- 3. STAFF PRESENT:** City Manager Keith Campbell, Interim City Attorney Josh Soper, IT Director Brad Crawford, Community Development Director Eric Rutledge, Planning Manager Erika Palmer, Public Works Director Craig Sheldon, Police Chief Ty Hanlon, Community Services Director Kristen Switzer, Senior Planner Joy Chang, HR Manager Lydia McEvoy, Finance Director David Bodway, Economic Development Manager Bruce Coleman, and City Recorder Sylvia Murphy.

4. APPROVAL OF AGENDA:

MOTION TO AMEND: FROM COUNCIL PRESIDENT MAYS AMEND THE AGENDA TO ADDRESS PRESENTATIONS PRIOR TO CITIZEN COMMENTS. SECONDED BY COUNCILOR YOUNG. MOTION PASSED 7:0. ALL MEMBERS VOTED IN FAVOR.

MOTION: FROM COUNCILOR YOUNG TO APPROVE THE AMENDED AGENDA. SECONDED BY COUNCILOR BROUSE. MOTION PASSED 7:0; ALL MEMBERS VOTED IN FAVOR.

5. CONSENT AGENDA:

- A. Approval of May 16, 2023 City Council Meeting Minutes**
- B. Resolution 2023-035, Reappointing Dorian Libal to the Sherwood Traffic Safety Committee**
- C. Resolution 2023-036, Reappointing Jen Myers to the Sherwood Senior Advisory Board**
- D. Resolution 2023-037, Reappointing Laurie Zwingli to the Sherwood Police Advisory Board**
- E. Resolution 2023-038, Reappointing Lawrence O' Keefe to the Sherwood Police Advisory Board**
- F. Resolution 2023-039, Authorizing the City Manager to sign and IGA with Willamette Water Supply System for Broadband Services**
- G. Resolution 2023-040, Declaring the Need to Acquire Real Property Interests to Complete the Highway 99W Pedestrian Overcrossing Project**
- H. Resolution 2023-041, Authorizing City Manager to Adopt the Washington County Multi-Jurisdiction Natural Hazard Mitigation Plan**
- I. Resolution 2023-042, Authorizing the City Manager to Renew an IGA with Oregon Department of Transportation for Broadband Infrastructure**
- J. Resolution 2023-043, Reappointing Brie Scrivner to the Sherwood Library Advisory Board**
- K. Resolution 2023-044, Reappointing Deb Diers to the Sherwood Library Advisory Board**

- L. Resolution 2023-045, Reappointing Maggi Gerhard to the Sherwood Library Advisory Board**
- M. Resolution 2023-046, Authorizing the City Manager to sign agreements with Washington County for a Community Development Block Grant for improvements to the Marjorie Stewart Senior Center**

MOTION: FROM COUNCILOR BROUSE TO APPROVE THE CONSENT AGENDA. SECONDED BY COUNCILOR YOUNG. MOTION PASSED 7:0; ALL MEMBERS VOTED IN FAVOR

6. PRESENTATIONS:

A. Proclamation, Proclaiming July 15-16, 2023 as Robin Hood Festival Weekend

Mayor Rosener read the proclamation and said since 1954, the Sherwood Robin Hood Festival had been a long-standing tradition in the City of Sherwood and the Robin Hood Festival Committee was made up entirely of volunteers from the community who had willingly given countless hours to make it a memorable and successful event for the community. He proclaimed July 15-16, 2023 as Sherwood Robin Hood Festival Weekend and called upon citizens and the surrounding communities to participate fully in all of the festival ceremonies, activities, and events.

Mayor Rosener addressed the next agenda item.

B. Recognition of 2023 Robin Hood Festival Maid Marian Court Members

Jessica Mulkey came forward and introduced the court members and provided a brief bio for each member. The Council presented Maid Marian Paige Squires and Court members, Sophie Fletcher, Poehler, Madisyn Dorsing, Rylynn Dorsing, Madeleine Riffenburgh, Aylin Thompson, and Abigail Roe with certificates. Madisyn Dorsing and Rylynn Dorsing were not present.

Mayor Rosener addressed the next agenda item.

C. Recognition of 2023 Oregon Mayor's Association "If I Were Mayor" Grade School Entry Contest Winner – Juliet Farrand

Mayor Rosener stated that Sherwood resident Juliet Farrand was selected as the winner of the Grade School entry for the "If I Were Mayor..." contest and explained that all regional winners would be entered to win in the state-level contest. Ms. Farrand came forward and provided background information on her poster she had submitted for the contest. Council President Mays congratulated Ms. Farrand on her achievement and Council presented Ms. Farrand with a certificate and congratulated her on her achievement.

Mayor Rosener addressed the next agenda item.

D. TVF&R Annual Presentation

Assistant Chief Patrick Fale came forward and introduced other attending TVF&R members and presented the "TVF&R State of the District 2023" PowerPoint presentation (see record, Exhibit C). He stated that TVF&R was committed to creating safer communities through prevention, preparedness, and effective emergency response. He explained that the mission statement was based on their five-year Strategic Plan

with the objective of health, performance, and opportunities. He stated that some of TVF&R's founding principles included advancing a healthy organization through a unified mission, effective communication, resilient people, and responsible resource management. He addressed recruitment, academies, and promotion and commented that there had been a high amount of turnover and stated that TVF&R had many different promotion processes. He commented that TVF&R heavily utilized social media both as a recruitment tool and as a community engagement tool and reported that there would be two fire academies per year for the foreseeable future. He provided a bond update and reported that they were looking into relocating an existing fire station, funding fire station improvements, upgrading their training center, rebuilding the King City Fire Station and the completion of necessary remodeling of other TVF&R stations, replacing response vehicles, and purchasing land for future stations. He provided an overview of the Sherwood area and reported that there were 2,024 incidents in 2022 and explained that staff were always working to determine better ways to serve high-incident areas. He reported that 83% of the calls in Sherwood were medical in nature and explained that that was standard for the industry. He provided an overview of the new technology TVF&R utilized to serve the community. He reported that TVF&R had participated in 101,995 hours of training in 2022, including 80,135 hours of non-EMS/fire training and 21,860 hours of EMS training and explained that TVF&R primarily trained for high-risk, low-acuity calls. Assistant Chief Fale explained that that in 2022, TVF&R put out an RFP for a new patient transportation service provider and AMR would begin to service the TVF&R district starting in August. He addressed risk reduction and education efforts and reported that in 2022, TVF&R had held 588 risk reduction and education events which put them in contact with nearly 30,000 TVF&R customers outside of emergency incidents. He reported that TVF&R's Fire Marshals and inspectors had performed over 3,000 inspections of commercial buildings and had used their expertise to help guide the creation of safer state and national building codes. He stated that their education efforts focused on targeting people and places with frequent 911 calls, but often only had simple questions or another type of non-urgent resource and their goal was to reduce non-urgent calls for service. He reported that there would be a replacement levy on the May 2024 ballot and explained that the current TVF&R levy expired in June 2025. He stated that the current bond's rate of .45 cents per \$1,000 in assessed value would not sustain TVF&R going forward. He provided an overview of upcoming TVF&R training opportunities. Councilor Giles asked where the firefighters from Station 33 would be located while Station 33 was renovated. Assistant Chief Fale explained that it was likely that the site was large enough to accommodate the necessary temporary housing for Station 33 firefighters. He commented that if the site was not big enough, the housing would be located nearby as the placement of fire stations was important.

Mayor Rosener addressed the next agenda item.

7. CITIZEN COMMENTS:

There were no citizen comments and Mayor Rosener addressed the next agenda item. The City Recorder read aloud the public hearings statement for all public hearing items.

8. PUBLIC HEARINGS:

- A. Ordinance 2023-005, Approving a minor land partition of Tax Lot 400 of Washington County Assessor Map 2S129CD and an amendment to the City's General Plan and Zoning Map to rezone the ±3.3 acre portion of the site to High Density Residential (HDR) from Retail Commercial (RC) *(Second Hearing)***

Senior Planner Joy Chang and Planning Manager Erika Palmer presented the "LU 2023-005 ZC & MLP Sherwood Plaza Zone Change & Partition" PowerPoint presentation (see record, Exhibit D) and provided background. She explained that the applicant was proposing a two-parcel partition to create a 3.3-acre parcel and a subsequent zone change from Retail Commercial to High Density Residential. She reported that the parcel was located along SW Langer Drive, it was a Type 5 application due to the zone change, and City Council was the final decision maker. She provided an overview of the site on page 3 of the presentation and reported that the site was the Sherwood Plaza Center located along SW Langer Drive south of Highway 99W. She stated that the site was improved with the Sherwood Plaza shopping mall and associated commercial entities and the 3.3-acre eastern portion of the property was currently a vacant grassy field. She outlined that it was this portion of the site that would undergo a zone change to High Density Residential. She stated that the site has direct access to Langer Drive and the portioned site will have access to Langer Drive through an easement. She explained that the site was currently zoned for Retail Commercial and the properties north and west of the site were also zoned Retail Commercial with land uses consisting of retail shops, restaurants, fast food, service stations, hair salons, etc. The properties to the east were zoned as High Density Residential Planned Unit Development (HDR-PUD) with land uses of attached townhomes and apartment complexes. The properties to the south were zoned HDR-PUD and RC-PUD, with land uses consisting of a residential care facility and an apartment complex. Ms. Chang provided an overview of the proposed partition of the site on pages 5-6 of the presentation. She outlined the applicable Development Code chapters and explained that zone changes had to be consistent with the Comprehensive Plan, state planning goals, and the Transportation Planning Rule. She continued that the partition needed to be consistent with each of the zone's dimensional standards, be adequately served by infrastructure, and could not hinder development on adjacent parcels. She addressed the current use of Retail Commercial Zones and explained that this zoning generally allowed for general retail stores, restaurants, medical, business, and professional offices. She stated that Retail Commercial also allowed for multifamily housing that was subject to specific standards cited on page 8 of the presentation. Senior Planner Chang explained that the High-Density Residential Zones provided higher-density multifamily housing with a density between 16.8-24 dwelling units per acre and building types could be attached townhomes, apartments, or condos. She provided an overview of the criteria for a map amendment on page 10 of the presentation and explained that a zoning map amendment needed to be consistent with the goals and policies in the city's Comprehensive Plan and Transportation Systems Plan, there needed to be a demonstrated need for the particular uses and zoning proposed, the proposed amendment needed to be timely considering the pattern of developments and surrounding land uses in the area, and other lands in the city were unsuitable or unavailable. She stated that the Applicant had demonstrated consistency with the TPR and clarified that the Applicant had specifically addressed whether the proposed amendment created a significant effect on the transportation system pursuant to the OAR. Ms. Chang addressed the demonstratable need and timeliness requirement and stated that the Housing Needs Analysis showed that Sherwood had a deficit of homes in the 20-year forecasted supply and included all housing types in all residential zones. She reported that there was a 145 HDR unit deficit and explained that alternative sites were limited due to availability, the need for annexation to occur, and needed infrastructure. She noted that the city only had 17 acres of HDR available. She provided an overview of the findings of the Economic Needs Analysis conducted by Johnson Economics, LLC on page 12 of the presentation and explained that the site's location and configuration presented challenges to retail use in terms of visibility, access, and effective site planning. She reported that residential uses were likely feasible and multifamily development was a common transitional use between residential and commercial areas as long as proper buffering was provided. She noted that the Economic Needs Analysis forecasted slow growth in demand for retail space in coming years, with a likely surplus of retail commercial zoned land to accommodate it. Senior Planner Chang addressed the Transportation Systems Plan and stated that the proposed change in zoning from Retail Commercial to High-Density Residential was not found to have a

significant impact on the transportation system and the change would result in fewer vehicle trips compared to Retail Commercial, and traffic volume would remain consistent with the city's adopted TSP. She noted that ODOT had reviewed the Applicant's TPR analysis and concurred that there would be a reduction in the number of trips from General Commercial to High-Density Residential and it would not have a significant impact on Highway 99W. She addressed the partition criteria on page 14 of the presentation and provided an overview. She explained that the application met the dimensional standards criteria of the Sherwood Development Code, the site had access to Langer Drive, and it would not hinder future development on the surrounding parcels. She outlined that the partition complied with applicable zoning district standards and both parcels met the minimum dimensional and setback standards; the Applicant was required to dedicate ROW frontage along SW Langer Drive, an 8-foot Public Utilities Easement (PUE) was required along SW Langer Drive frontage, and no other park, floodplain, sanitary sewer, stormwater, or water supply system dedication was necessary for this project. She explained that the existing mall provided those systems and explained that anything that encroached onto Parcel 2 had been conditioned or was not an issue when it came to portioning. She continued that adequate water, sanitary, sewer, and other public facilities existed to support the proposed use of the partitioned land and included future access from public ROWs to allow future development to occur. Senior Planner Chang referred to the public comments that had been submitted to Council prior to the meeting (see record, Exhibit E) and explained that there was concern regarding the partitioning of the site/access. She clarified that at this time, there was no proposed development for Parcel 2, but should development occur in the future, access would be evaluated during the Land Use Application process. She explained that in order for the partition to happen, it must be proven that access could be provided and commented that since there was frontage off of SW Langer Drive, future development could access the site off of SW Langer Drive. She continued that there was also a specific condition that required an access easement from an existing driveway east of Parcel 1 and was required to be shared with the future development of Parcel 2. Ms. Chang recapped that staff had routed the application to affected agencies on April 4, 2023 and had followed public noticing requirements per the city's Development Code, which included mailing the notice to property owners within 1,000 feet of the site. She cited the nine public comments from SW Holland Lane residents regarding the proposed ordinance and clarified that those comments had been shared with Council prior to this hearing. She outlined the concerns of those who had submitted comment and explained that they were concerned about future access to SW Holland Lane and its impact to their community, they desired to retain the integrity of the community, concern over increased pedestrian and vehicle traffic, concern over increased parking congestion on SW Holland Lane, and the desire that the creation of a new parcel address specific access to the site. She outlined Council alternatives as: approve the application based on the findings and conditions in the Planning Commission's recommendation, approve the application with modified findings and conditions, or deny the application with modified findings. Senior Planner Chang stated that staff's recommendation was to approve the application and adopt Ordinance 2023-005 based on the findings included as Exhibit 1 to Ordinance 2023-005. Councilor Scott referred to portioning easement access requirements and asked if there were any other conditions. Senior Planner Chang replied that there were many conditions in regard to the zoning change as well as conditions that must be met prior to the recording of the final plat. Councilor Scott clarified that he meant requirements that were outside of the typical requirements. Ms. Chang replied no, and that many of the conditions were specific to utilities. Councilor Giles referred to the concerns cited in Exhibit E regarding the removal of the barricade at the end of SW Holland Drive, and asked if the removal of the barricade was a part of this process. Ms. Chang replied that there was currently no development proposal for the parcel that contained the barricade and explained that should that parcel be developed, then the barricade would be addressed at that time. She added that the only criteria that dealt with transportation for this ordinance was ensuring that the Transportation Planning Rule was followed and stated that the Applicant had satisfied that requirement. Councilor Scott asked that the differences in the number of vehicle trips between the different zoning types be clarified.

He commented that the roads that led to the site had already been built to accommodate a commercial-zoning amount of vehicle trips, but now that the site was being rezoned, it would result in less vehicle trips. Councilor Scott confirmed that should the vacant lot be developed in the future, that development would go through a different and separate planning process and would go through the Planning Commission. Ms. Chang replied that was correct and Councilor Scott and Senior Planner Chang provided a brief overview of the probable public hearings process for such an application.

Applicant representative, Marie Holladay with AKS Engineering, 12962 SW Herman, Suite #100, Tualatin, Oregon 97062, came forward and presented the "Sherwood Plaza Zoning Map Amendment and Partition Application" PowerPoint presentation (see record, Exhibit F) and explained that Six Corners, LLC. was the Applicant, AKS Engineering had done the land use planning and civil engineering work for the project, Kittleson & Associates had done the TPR analysis and transportation documentation, and Johnson Economics provided the land use economics study for the project. She provided an overview of the project and explained that the property was located on the south side of SW Langer Drive and stated that the proposal was for a two-parcel partition. She stated that this was a Type 2 application and explained that they had decided to bundle it with the zone change so that the zone change only impacted the eastern half of the property. She provided an overview of the preliminary partition plat and stated that access to Parcel 2 would be provided by a 40-foot planned access easement through Parcel 1. Ms. Holladay reported that the proposal met the preliminary partition plat approval criteria and outlined the criteria on page 5 of the presentation. She outlined the zoning overview maps on page 6 of the presentation and said the Parcel 2 would be zoned HDR for future high-density residential as well as residential development to the south and east of the site. She provided an overview of the Conceptual Site Plan on page 7 of the presentation and explained that the Conceptual Site Plan included a multifamily residential community with public improvements and design standards to be reviewed with the submittal of the Site Plan Review application. Ms. Holladay summarized that the application met the zoning map amendment approval criteria since the application was consistent with the Comprehensive Plan goals and policies; the use complied with the Transportation Planning Rule; the application was consistent with Section 16.080.B(1)-(4); there was an existing market demand; the city had a land deficit of 145 HDR units and over 600 total residential units; the application was compatible with the land use pattern, character, and available services of the area; and the application set the stage to provide needed housing near walkable commercial amenities. She stated that multifamily housing made sense for the site because of the proximity to nearby commercial amenities. She referred to the submitted public testimonies and clarified that the application did not endorse approval for any means of access for any specific site plan. She stated that a future Site Plan Review application would involve a neighborhood meeting, public hearing, etc. as required, a Traffic Impact Study would be prepared and would discuss site access, trip generation, and site circulation; and the Applicant agreed with city staff that site access should be determined through the Site Plan Review process when an application for a proposed use and relative Traffic Impact Study was submitted. She stated that the Applicant concurred with the findings and conditions of the staff report and asked that Council approve the proposed ordinance. Mayor Rosener opened the public hearing portion of the meeting and asked for public comment on the proposed ordinance.

Sherwood resident Michele Machiels came forward and explained that she had two young children and she lived near the site. She explained that her children often played outside and referred to the barricade near the site and the rezoning of the site to HDR. She stated that she was concerned about the impact on safety with the potential for increased traffic in the area if the lot was rezoned. She stated that she was also concerned about the easement located near the barricade. She asked that the barricade not be removed and stated she was concerned about increased foot traffic, noise, and parking issues with the development of an apartment complex.

Mayor Rosener closed the public hearing and asked for questions or discussion from Council. Councilor Giles explained that based on the presentation, the barricade would remain in place until a future Site Plan Review application had been submitted and clarified that at this time, there was no such application. He commented that that area was already zoned HDR, and the discussion of density was a separate issue. Councilor Scott provided an overview of the likely process a future Site Plan Review application would go through. Council President Mays referred to parking issues and commented that if residents have been having parking issues, there were several potential solutions to help alleviate those problems such as neighborhood parking permits. Councilor Standke commented that he was pleased that residents had shared their concerns regarding future development at this meeting so that developers were aware of their concerns. Mayor Rosener commented that he had gone through a similar process with ongoing development in his neighborhood and spoke on parking permits. Councilor Young thanked those who had sent in their public testimony and commented that she felt that their concerns were valid. Council President Mays commented that when that area was originally being developed, the original intent was to extend the road, which was why the road was built as it was and why the barricade had been put in place. He explained that roads were often built with the intent of future expansion as development occurred and commented that the city was required to follow Metro's rules regarding transportation connectivity. Councilor Scott commented that the site would not develop as it was currently zoned, as evidenced by the lot remaining undeveloped for so long. He stated that he felt that this was the highest and best use for this property and the rezoning made sense with the surrounding neighborhoods which were also HDR. He commented that the creation of HDR housing was much needed in Sherwood, and he was in favor of approving the ordinance. Councilor Standke referred to Councilor Scott's comments about the site and stated he agreed with Councilor Scott and supported the ordinance. Councilor Brouse spoke on the need for HDR housing and Sherwood's housing shortage and commented that this was an opportunity to bring needed housing to Sherwood. Councilor Giles stated he supported the ordinance and commented that the development of the site could be designed to ensure that it was safe, family friendly, and traffic friendly. Councilor Young stated that she agreed with the previous Councilor's comments and supported the ordinance. Council President Mays stated he also agreed with Council's comments and said that he was optimistic that should a development application be submitted, that the design would work well with the neighborhood. Councilor Scott expressed that he was impressed by the level of community feedback the city received and said that it was valuable for developers to hear this feedback now, prior to the start of a Site Plan Review application. Mayor Rosener stated that he agreed with Council's comments and thanked those who had provided testimony or had attended the meeting. He stated that he agreed with Councilor Scott's comments about the value of providing their comments now so that developers could factor that feedback into their application. He stated he supported the ordinance and asked for a motion from Council.

MOTION: FROM COUNCIL PRESIDENT MAYS TO READ CAPTION AND ADOPT ORDINANCE 2023-005, APPROVING A MINOR LAND PARTITION OF TAX LOT 400 OF WASHINGTON COUNTY ASSESSOR MAP 2S129CD AND AN AMENDMENT TO THE CITY'S GENERAL PLAN AND ZONING MAP TO REZONE THE ±3.3 ACRE PORTION OF THE SITE TO HIGH DENSITY RESIDENTIAL (HDR) FROM RETAIL COMMERCIAL (RC). SECONDED BY COUNCILOR YOUNG. MOTION PASSED 7:0; ALL MEMBERS VOTED IN FAVOR.

Mayor Rosener addressed the next agenda item.

B. Ordinance 2023-006, Adopting the Sherwood 2023 Economic Opportunities Analysis Update as a Sub-Element of the Comprehensive Plan (First Hearing)

Planning Manager Erika Palmer and Economic Development Manager Bruce Coleman presented the "Economic Opportunities Analysis (EOA) Land Use Case File: LU 2023-007-PA" PowerPoint presentation (see record Exhibit G). Ms. Palmer stated that Council had adopted the EOA in 2021 as a part of the Comprehensive Plan Update and explained that the city had many aspirational goals for job growth and job development within the community, and staff wanted to ensure that the EOA addressed those goals. She provided an overview of State Land Use Goal 9, "Economic Development," and explained that the state required cities and counties to go through the EOA planning process to identify future employment growth, economic trends, target industries, and land needs for future employment growth. She outlined what an Economic Opportunities Analysis entailed and explained that the city reviewed the economic forecast for the 20-year planning period, conducted an inventory and evaluation of the city's land supply, and formulated new policies and action items. She noted that through this process, staff had not identified any new policies that were needed, but staff had included an action strategy in the EOA for staff to use moving forward. She outlined that this EOA update reviewed Sherwood's economic trends, target industries, employment land needs, capacity, and reconciliation of the city's short and long-term demand for employment land to the existing inventory to determine capacity over a five and 20-year period. Planning Manager Palmer addressed economic trends and stated that staff reviewed economic trends at the national level, including Gross Domestic Product, the growth of online shopping, and the increase in automation and its impacts on local and regional levels. She outlined that regionally, Oregon had experienced strong growth in construction and professional business services and Washington County had experienced robust employment growth. She addressed economic trends in Sherwood and outlined that the city had outperformed Washington County in terms of growth over the last decade and noted that the average employment rate in Sherwood was 3.8% from 2010-2019. She outlined that Sherwood had seen employment growth in retail trade, construction, accommodation and food services, and healthcare. She noted that employee wages in Sherwood were lower than in Washington County and clarified that this was because Sherwood had a younger workforce. She added that more Sherwood residents traveled outside of Sherwood for work. She recapped that based on census data, 824 people lived and worked in Sherwood while over 9,000 Sherwood residents commuted out of the city for work, and 5,500 people commuted into Sherwood for work. Ms. Palmer addressed jobs to housing and noted that the city recognized that a better housing-to-employment balance was beneficial to the community and helped to create a diversified tax base. She outlined that higher employment levels were associated with better fiscal revenue profiles and explained that cities with greater employment to workforce ratios had higher per capita revenues and jurisdictional service costs were generally higher for residential uses relative to tax contributions. She addressed the projected jobs to housing ratio and stated that the city was expected to transition to higher employment per capita over time. She outlined that Sherwood was expected to transition away from a "bedroom community" between 2035-2042 and commented that that timeline may be lessened if the city continued to grow and promote jobs within Sherwood. She addressed target industries and said that Sherwood's target industries had not changed since the last EOA and outlined that the city was focused on targeting advanced manufacturing and machining, clean tech, software development, and professional and business services. Economic Development Manager Bruce Coleman stated that Sherwood was very focused on high-technology companies and commented that some progress had already been made and referred to ongoing development in the TEA. He explained that staff communicated the desire for high-technology and advanced manufacturing companies to developers and industrial brokers. Planning Manager Palmer addressed the forecast of employment and land needs analysis and explained that staff reviewed the 2021 EOA employment forecast which showed an employment growth rate of 1.8% and noted that Sherwood had outpaced that estimate. She explained that there were three scenarios for forecasting employment growth, and they included the Safe Harbor forecast, the Sherwood Trend forecast, and the adjusted employment forecast. The Safe Harbor approach utilized a 2% growth rate based on the Portland workforce region from the Oregon Employment Department. The

Sherwood Trend approach looked at how fast employment had grown in Sherwood in the past 10 years. The Adjusted Employment forecast was based on trends and was more optimistic than Safe Harbor. She stated that the EOA's TAC (Technical Advisory Committee) provided input on the employment forecast scenarios and outlined that the TAC was comprised of ten members who represented the local community; industrial developers, brokers, and appraisers; Business Oregon; Greater Portland Inc.; Department of Land Conservation and Development; and NAIOP. Ms. Palmer reported that the TAC had decided to use the Adjusted Employment forecast with an average annual growth rate of 3.2%, which would result in 8,280 jobs over the 20-year planning period. She outlined that based on those figures, the TAC calculated the land needs forecast by allocating employment by sector into building typologies, converting employment into space by using estimates of typical square footage within each building typology, and then they considered the characteristics of building types and the amount of land required for that building type. She provided an overview of the detailed steps for the land need forecast on pages 16-19 of the presentation. She noted that the most growth would be in general industrial, office, and flex/business park space. She summarized that Sherwood would need 485 acres of employment land for the 20-year planning period and 143.1 acres of employment land over the next five years. She addressed the Buildable Lands Inventory and reported that the new EOA had removed roughly 41 acres from the Buildable Lands Inventory. She outlined that Sherwood had 956 total acres of commercial and industrial plan designations, but of the 956 acres, about 520 acres were in classifications that had no development capacity, 233 acres were constrained, and 208 acres were considered buildable land with development capacity. Ms. Palmer explained that the table on page 22 of the presentation showed the size of lots by plan designations for buildable employment land and reported that Sherwood only had 25 lots that were smaller than 2 acres, 36 lots between 2-10 acres, and zero lots between 10-50 acres in size. She explained that the lack of buildable lots over 10-acres was notable, especially for the city's industrial land that supported high-tech manufacturing and trade sector jobs. She addressed short-term land supply and stated that Sherwood had 24 acres of buildable commercial land on 134 tax lots in the short-term supply of land and 94 acres of buildable industrial land on 125 tax lots in the short-term supply of land. Economic Development Manager Coleman explained that these results were not conducive to procuring the identified target industries as those industries required much larger acreage. Councilor Scott asked if most of the available industrial lots were contiguous? Mr. Coleman replied that some of the lots were contiguous, but they were under multiple ownerships and the city could not require that those lots be assembled. Planning Manager Palmer addressed the 20-year forecast of employment land demand and capacity and reported that there was a total employment land deficit of 277 acres and recommended that the city continue to monitor sites that were 10 acres or larger to ensure there were sufficient opportunities for small to mid-size businesses to locate within Sherwood. She reported that no public comments on the proposed ordinance had been received. Mayor Rosener asked what the feedback had been from other agencies. Mr. Coleman replied that the DLCD was a member of the TAC and commented he felt that the DLCD had been supportive of the process. He noted that the city had also worked with Metro on the project and Metro had not provided a comment letter. Ms. Palmer added that clarifying information had been added to the new EOA to explain why the city had chosen not to utilize Metro's regional forecast. Councilor Giles asked if there were any incentives the state or Metro could provide to encourage contiguous landowners to combine their land and sell it to the city? Mr. Coleman spoke on SB 4 and the national competitiveness of attracting advanced manufacturing businesses and SB 5. He commented that SB 5 contained most of the incentives that Councilor Giles was asking about. Mayor Rosener spoke on the importance of connecting people, building relationships, and networking when it came to private property.

MOTION: FROM COUNCILOR SCOTT TO EXTEND THE CITY COUNCIL PUBLIC MEETING TO 10 PM. SECONDED BY COUNCILOR YOUNG. MOTION PASSED 6:1, COUNCILORS STANDKE, GILES, SCOTT, BROUSE, AND YOUNG VOTED IN FAVOR. COUNCIL PRESIDENT MAYS OPPOSED.

Mayor Rosener stated that he wished to close out the discussion portion of the public hearing and resume the discussion at the next public hearing.

Council recessed for a break from 9:00 PM to 9:05 PM.

Mayor Rosener opened the public hearing portion of the meeting and asked for public comment on the proposed ordinance. Hearing none, Mayor Rosener closed the public hearing and addressed the next agenda item.

C. Ordinance 2023-007, Adopting the Sherwood Camping Code, Chapter 9.54 (First Hearing)

City Manager Keith Campbell provided background on the proposed ordinance and explained that in 2013, the city adopted Ordinance 2013-008 which prohibited camping in the city. He provided an overview of pertinent case law related to camping code and homelessness and stated cases included *Martin v. Boise* from 2019 and *Blake/Johnson v. Grants Pass* from 2022. He continued that the Court also found that cities violated the Eighth Amendment if they punished a person for the mere act of sleeping outside, or for sleeping in their vehicles at night when there was no other place in the city for them to go. He stated that the Oregon legislature enacted HB 3115 which required cities to allow community members to sleep and rest on public property, with restrictions, when no shelter beds are accessible. He said that HB 3115 stated that cities were able to regulate the time, place, and manner in which sleeping and resting occurred, so long as the regulations were "objectively reasonable" based on the totality of the circumstances as applied to all stakeholders, including persons experiencing homelessness. He explained that that allowed cities to enact reasonable time, place, and manner regulations with the goal of allowing cities to preserve the ability to manage public spaces effectively for the benefit of an entire community. City Manager Campbell stated that Sherwood was required to implement HB 3115 by July 1, 2023 and noted that work sessions on the topic had been held on March 21, 2023, April 18, 2023, and May 16, 2023. He outlined that the proposed ordinance was the general outcome of the work session discussions. Mr. Campbell presented the "HB 3115: State Mandated Updates to Sherwood's Camping Code" PowerPoint presentation (see record, Exhibit H) and provided an overview of the proposed time and manner restrictions as: 9:00 PM until 7:00 AM, no open flames, no gas heat, no structures other than tents or tarps, no public defecation or urination, no accumulation of trash or rubbish, and no digging in the ground or removing vegetation. He outlined place restrictions as: Institutional Public Zone, Residential Zone, and Residential Structures, plus 50 feet; within 1,000 feet of any school; within all Sherwood School District Walk Zones; within certain sensitive areas/vegetated corridors designated by Clean Water Services; on any place that would reduce sidewalk width to less than 4 feet; within the Old Town District; or within 500 feet of the Sherwood Police Department. He noted that the City Manager was able to designate a place for camping on any City owned property after consultation with City Council. He provided an overview of the place restrictions map on page 5 of the presentation and explained that any area outlined in blue was an area that qualified for camping. Mayor Rosener clarified that this ordinance did not apply to private property. City Manager Campbell replied that was correct and added that private property could allow people experiencing homelessness to camp on their property, and that property would be conditioned based on the requirements of the state mandate. City Manager Campbell stated that the state's mandate to comply with HB 3115 remained applicable even though Sherwood did not have a large population of people experiencing homelessness and said that staff did not anticipate any financial impacts at this time. He stated that staff recommended that a second hearing on the proposed ordinance be held at the June 20th City Council meeting. Mayor Rosener spoke on the stipulation that allowed the City Manager to designate a place for camping on any City owned property after consultation with City Council and explained that that was included to provide flexibility as new lands were annexed into the city. Councilor Young referred to previous discussions where the vacant lot across from Cannery Square was cited as an acceptable location for camping and asked if that site

was removed. City Manager Campbell replied that the site had been removed from the available area to camp as it was within the Old Town District. Councilor Brouse commented that she appreciated staff's work on the ordinance, but she did not feel that the ordinance was fair or equitable and she wished to continue work on finding a location. She commented she liked the addition of allowing the City Manager to designate a place for camping on any City owned property after consultation with City Council.

Mayor Rosener opened the public hearing portion of the meeting and asked for public comment on the proposed ordinance. The City Recorder noted that additional public comments had been submitted to Council via email (see record).

Braden King provided comments from the audience.

Marty Krauter, a Sherwood resident, came forward and asked if camping was only permitted if shelters were full and asked how often the shelters were full. He stated that he viewed the homeless population in two groups, one group were people experiencing "situational" homelessness and provided an example of someone with medical issues, and the other group was "homeless by choice" and cited drug use. He explained that he and his neighbors were primarily concerned about the second group. He asked how Sherwood was coordinating its "homeless activities" with surrounding cities. He clarified that he was concerned that if Sherwood was viewed as more lenient than surrounding cities, then people experiencing homelessness would move to Sherwood. He asked what Sherwood was doing to encourage building affordable housing and referred to recent housing developments. He commented that he and his neighbors did not want to see the city change dramatically and commented that he was concerned about the Police Department's resources for managing potential issues created by the legislation.

Steve Robertson, a Sherwood resident, came forward and commented that he was glad that the Cannery Row site had been removed as an acceptable camping site and that he supported the new proposed areas. He stated that he hoped that people were aware of the impact this could have on the community as a whole and said that he was glad to hear that the city was enacting regulations within the ordinance. He asked that Council be aware of the impact this could have on communities, neighborhoods, houses, and to enforce the rules as best as possible.

Mayor Rosener closed the public hearing and asked for discussion or questions from Council.

Councilor Scott addressed the comment regarding shelter space and explained that because Sherwood did not have a shelter, the city was not able to tie its regulations to shelters in other jurisdictions. Mayor Rosener provided background on the case law around HB 3115 and commented that he would rather partner with neighboring cities to connect people with higher level services they may need, but HB 3115 mandated that cities provide a place within the city to allow camping. He clarified that the city would still seek to work with neighboring cities to address homelessness. Councilor Brouse addressed the question regarding shelter capacity and explained that shelters were only open during cold weather seasons and were full during those seasons. She added that Washington County was currently building some affordable housing units, temporary housing, and providing wraparound services that would help address some of the issue. She stated that she would prefer to rescind the current ordinance. Councilor Young added that if Sherwood did have a shelter, then the shelter could have no restrictions on who could stay at the shelter. Councilor Giles commented that this was a complex issue and stated that Police Chief Ty Hanlon was at every work session discussion on this topic to determine the best practice. He stated that the city was still working to address homelessness by continuing its work on creating affordable housing and partnering with other organizations and commented that affordability factored into what the city was able to provide.

Mayor Rosener recapped that Council had reviewed what other cities were putting in place to address HB 3115 and explained that most cities were designating areas to allow camping. Councilor Scott commented that the mandates of HB 3115 were forced onto cities by the state and cities were doing their best to mitigate community concern. He commented that he was pleased with the new draft of the ordinance and that the ordinance was something that could be passed while Council worked to find a more permanent solution. Councilor Standke referred to previous work session discussions with Police Chief Hanlon and explained that even though there were people experiencing homelessness already in Sherwood, they were not disruptive and did not create problems. He stated that he agreed with Councilor Brouse and also preferred to rescind the current ordinance and create another ordinance for camping if the need arose. He commented that Sherwood did not currently have a large population of people experiencing homelessness and the city did not have a transit center or other types of places people tended to congregate at. He stated that the delineated camping areas were so far removed from the city, that while it may be legal, he did not feel it was the compassionate choice. Councilor Young asked for clarification on Councilor Standke's comments regarding his desire to rescind the current ordinance. Councilor Standke replied that he preferred to leave the timeframe stipulations in place but remove the place restrictions which would allow camping on any public property in the city. Councilor Young replied that she was not in favor of that. Mayor Rosener stated that the Sherwood Police Department had built relationships with the people experiencing homelessness in Sherwood and dealt with them compassionately. He explained that the Sherwood Police Department was able to be compassionate because they had the "tool" of the camping ban. He said that if someone was disruptive, that person could be dealt with appropriately in a compassionate manner and lifting the current ordinance took that tool away from the Sherwood Police Department. Mayor Rosener stated that he liked the current solution, and he liked the flexibility it offered to move the designated areas and that it preserved the Sherwood Police Department's ability to work with those who were experiencing homelessness. Councilor Young stated that she appreciated the feedback from the community because this was something that impacted the community. Councilor Brouse replied that she agreed that this issue was a big deal and commented that she understood the fear from the community, and she understood the desire to provide the Sherwood Police Department with tools, but she was asking for Council to not respond out of fear and to instead find a solution that was beneficial to Sherwood's homeless families who needed support. Mayor Rosener reported that the second hearing on the proposed ordinance was scheduled for June 20th.

Record Note: Prior to the meeting, City Attorney Ryan Adams emailed Council updated maps of possible camping locations for Ordinance 2023-007 (see record, Exhibit I).

Mayor Rosener addressed the next agenda item.

9. CITY MANAGER REPORT:

City Manager Campbell reported that the ribbon cutting ceremony for the Robin Hood Plaza would be held on June 14th. He reported that the Denali Summit would host the Street of Dreams July 29th-August 20th. He reported that this was the 79th anniversary of WWII D-Day. Community Services Director Kristen Switzer reported that the rededication ceremony at Veterans Park was held on June 3rd. She reported that the city would launch a "Buy-a-Brick" program for veterans and provided details on the program.

Mayor Rosener addressed the next agenda item.

10. COUNCIL ANNOUNCEMENTS:

No Council announcements.

11. ADJOURN:

Mayor Rosener adjourned the regular session at 9:45 pm and reconvened the work session.

WORK SESSION

- 1. CALL TO ORDER:** Mayor Rosener called the meeting to order at 9:47 pm.
- 2. COUNCIL PRESENT:** Mayor Tim Rosener, Council President Keith Mays, Councilors Kim Young, Doug Scott, Taylor Giles, Renee Brouse, and Dan Standke.
- 3. STAFF PRESENT:** City Manager Keith Campbell, City Attorney Ryan Adams, HR Manager Lydia McEvoy, Police Chief Ty Hanlon, and City Recorder Sylvia Murphy.
- 4. TOPICS:**

A. Discuss City Manager Annual Review

Mayor Rosener explained the purpose for the work session and stated this is the first public meeting on this topic and the Council has gone through a review process for the City Managers annual review. He stated the Council is late in conducting the review and will get back on track with the City Manager's annual review process this coming September to align with the fiscal year.

Councilor Giles stated after the subcommittee did a review of the 360 review comments from staff, he and Councilor Brouse (the subcommittee) worked with the HR Manager to develop a recommendation for an increase.

HR Manager McEvoy explained her responsibility working with the subcommittee to make a recommendation and stated the review should have occurred in October 2022. She explained the review and compensation process for city employees and informed of the annual Cost of Living Adjustment (COLA), and stated this information was provided to the subcommittee along with a recommendation for a percentage increase. She stated there was discussion by the subcommittee and a final recommendation from Councilor Giles and Brouse. She stated she took that recommendation, looked at the salary package, and made a broad comparison that if that salary increase were to occur, where would that salary be in comparison to other cities. She stated the subcommittee was also provided with internal benchmarking information to see where our director level salaries were in comparison to the City Manager's position. Mayor Rosener reminded that information was provided to the City Council which generated questions that were then directed back to Ms. McEvoy. Ms. McEvoy recapped the questions. Mayor Rosener explained his plan for conducting the meeting was to hear from the subcommittee providing their recommendations, followed by the council members providing their feedback. Councilor Brouse provided her feedback and stated it was surprising to see the amount of push back for the raise. She stated without an increase the salary was within \$2,000 of another position at the city. She commented that the other issue was with PERS and what other employees received. Councilor Giles stated he left a prior meeting with 86% of the feedback on the 360 report where the employee was consistently meeting or above the things asked of the employee by the Council, and all acknowledged that there were some rough spots in the beginning, however we accounted for that in this review. He said he took this to mean that we are on the page of trying to move

forward and in fact we have expressly stated as a Council that we want people to make mistakes, own up to them and move on, and get better. He said he feels like if there is push back for mistakes that were made, and this is the reason there might be push back, we are sending a very mixed message to all of the City Manager's team. He said the amount of money the Council is talking about is essentially \$6,000 and said it is ridiculous we are having this conversation and it is sending the wrong message to the city's employees. He referred to the COLA and said theoretically it is more money, keeping up with inflation, but he takes this off the table and does not consider it an increase. Councilor Giles expressed frustration that the Council was having this discussion. Mayor Rosener commented regarding Councilor Giles' comments of allowing for staff mistakes and said this has nothing to do with that, and said he agrees with Councilor Giles on the messaging. He said the Council will go around the table and provide feedback.

Councilor Scott said he was mistakenly under the impression that the City Manager did not have COLA built into it automatically, and thought he received a static pay amount until the Council changed it. Councilor Scott referred to PERS and said he believes there's a key difference in the City Manager's situation in comparison to the Senior Leadership staff and explained that most leadership staff lost PERS and then got it back, and this did not apply to the City Manager because his starting salary was built around the assumption that we were paying the 6% to begin with, so he never lost it and then got it back. He said this is a net gain for him and this is the difference in his mind of how he thinks about the 6% in his situation compared to other non-represented staff. Councilor Scott said in his mind, pay is completely disconnected from performance and said for other staff, it's automatic as long as they meet the minimum and not underperforming. He said within 21 months of employment, the City Manager has a net increase of double digits, percentage wise, between COLA and the 6% pickup. He said he looks at the 6% as the pay increase, or most of it in looking at the step increases. He said when the Council gets back on track at the City Manager's next review in about four months, he is fully supportive of looking at this again. He said to him, the 6% is now accounted for from the first two years and now we are starting with year three and let's look at an appropriate pay increase. He stated this is his position.

Councilor Standke asked regarding COLA and who receives it. HR Manager McEvoy stated all staff receives COLA and further explained the process of negotiated COLA's for represented staff and a matrix that is used for non-represented staff. She stated historically non represented staff COLA's followed AFSCME. Councilor Standke confirmed the City Manager and City Attorney do not receive step increases. Council President Mays added that there's COLA's and any increases are the decision of the Council. He commented that the review marks show the city manager met expectations and we discussed an increase and backdating the pay, which gave me the impression that this was a number that we had consensus for. He said the COLA, which is given to all staff, is a given and does not feel that that factors into taking away or adding to the salary, and a pay increase for the marks that were received seems warranted as well as the original praise from staff that he is in charge of.

Councilor Young commented regarding not able to have pay discussion in executive sessions and does not believe that anything was decided regarding pay. She stated we tasked two councilors to go and provide a recommendation to us which has always been the case. City Attorney Adams reminded to take caution with discussing specifics of an executive session and generalities are fine, and it is up to the city manager to dive deeper. City Attorney Adams confirmed the Council is not allowed to discuss pay in executive sessions and confirmed that pay was not discussed, and performance discussion is only allowed. Mayor Rosener confirmed with City Manager Campbell that he was fine with general discussion. Councilor Young continued and said two Councilor's were tasked with providing the Council with a recommendation, which they did, resulting in a discussion which we are having. She stated we have always done this process. She said she is in line with Councilor Scott regarding the 6% issue and stated it is definitely different than the

non-represented staff who had their salaries and then a 6% taken from them and then given back. She said the City Manager never had the 6% taken from him and we hired him at a salary rate knowing and taking into consideration that he would be paying his own 6% and he has had the benefit of that 6% not being taken from him. She said this past July the 6% was reversed and given back to non-represented, he had the benefit of having an increase. She said in her eyes this is an increase of 2-3% raises over two years' time, which she believes is a decent amount for an adequate review. She stated the steps for employees is 2.5%. She said the Council does not have to match the step increases of employees and it is not a factor, we get to decide what we pay the City Manager. HR Manager McEvoy confirmed this was correct and referred to the employment agreement and language within the agreement regarding compensation. Councilor Young stated she is in line with Councilor Scott and her opinion isn't saying that we don't think he is deserving of a raise, and what this is saying is that he has already had his raise.

Council President Mays stated he apologizes for his absence at the executive session and commented that he has reviewed five city managers and explained past processes. He said each year the Council looks at a range of 2-5% increase. He said COLAs are COLA's and further explained contract negotiations. He said what is unique about this is the change that occurred in July with PERS and the City Manager receiving a 6% increase and this being above the 2-5%. He stated that he received it early and without a review and he is supportive of no changes and getting back on track this fall.

Council comments were received regarding the effects or non-effects on staff, what occurred in the private sector, not giving people reasons to leave or retire early, or seeking other competing jobs, the city being a good place to work, and haggling over appropriate compensation.

Mayor Rosener stated he sees both sides of the discussion and wanted to hear from the City Manager. He commented regarding council comments not being about performance or that the City Manager had made mistakes. He said this is about different perspectives regarding a PERS and tends to agree that the City Manager was hired with the 6% in mind and that was how the City Managers salary was set up at that time. He said with the PERS being given back, this was a bump. He said he is also concerned with staff perception and stated no one on the Council is saying the city manager does not deserve something. He stated he would like to hear from the City Manager.

City Manager Campbell commented regarding the decision being that of the Council and stated his contract states the salary would be reviewed every year. He commented regarding being an advocate for himself and knowing what the job is, knowing what the situation is, knowing what the marketplace is it might be worth the work that is being done and the Council deciding what that is. He said he was not aware of what the "ask" was and is now aware and some sort of merit increase is fine. He stated he also recognizes that this is the council's decision. Councilor Scott stated we all agree this is a PERS issue and whether you agree with it or not, he would like to hear Mr. Campbell's perspective on what some of the Council considers a raise already received. Mr. Campbell said in some cities, some counties, and some school districts, the PERS pickup is given and in speaking with his peers, it an uncommon fact. He commented regarding when looking at City Manager's, you're looking at a compensation package and this is what we are talking about. He said this is a benefit that goes into the total compensation package. He stated in this market he is still one of the lowest, in terms of comps and where he is at. He said he recognizes that in coming to the city of Sherwood, the Council was taking a chance on him, and he took a chance as well. He commented that it's a universal standard that the 6% is picked up. Councilor Scott stated between the COLA and 6% PERS last July it was significant increase in your net pay and believes this is what the Council is questioning. Mr. Campbell commented that regionally, Sherwood is one of the most expensive places to live, and the reality is he could have gotten a cheaper, bigger, better home in other cities. He commented regarding the benefits

of living in Sherwood and moving his family here. Councilor Scott commented regarding the staff's perspective of the city manager receiving COLA's and 6% PERS, and now getting another increase. Council discussion followed regarding treating the city manager's position in different manners and staff perception.


Mayor Rosener stated he believes everyone know where we stand on the 6% and asked Councilor Giles what the recommendation was. Councilor Giles replied 3.5%. Mayor Rosener polled each council member's position on a pay increase. Council President Mays indicated zero as he has already received 6%; Councilor Brouse replied 3% and said this was the subcommittees original number and they increased it to 3.5% to allow for negotiations. Councilor Standke stated 3%; Councilor Young stated zero; Councilor Giles stated 3.5%. Council comments were received regarding it not being about the dollar amount, it was about principle. Comments were received regarding the next employment agreement negotiation and how difficult the Council is making it over \$6,000. Comments were received regarding being good stewards of the city's money. Councilor Scott stated he is at zero but trying to come to a compromise between 3.5% to zero, and stated he is at 2%. Council discussion continued to try and reach a consensus. Mayor Rosener stated he tends to agree with Councilor's Mays, Scott and Young regarding the 6% and said he hears the concerns of the City Manager regarding a total compensation package and the cost of living. He stated that he wanted it to be loud and clear that the discussion was not about the city manager's performance. Mayor Rosener stated he is interested in reaching a compromise and asked the Council members for their percentage number. Council President Mays stated if the review was outstanding, without the PERS already happening, I would go with 5% and the range talked about. He commented that providing a 6% raise, 7-8 months into a contract was a good, generous raise and a signal to staff that they should take it to heart and stated that he believes they did. He said to give another raise before October is inappropriate and the City manager could have not taken the 6%, and legally he had that right to, but elected not to. He stated that he believes a very fair decision that shows we have rewarded him significantly after the first year as this would have been applicable October of last year, was that 6%. Councilor Giles commented regarding the upcoming evaluation in October and promising that this doesn't happen again, and the Council was playing a game with themselves. Councilor Scott stated to him the 6%, if the Council makes a decision now with a zero increase, that the 6% is now a wash with last year's raise and this year's raise, it is a dead issue, and we are now on new ground moving forward. He stated this is his view, no matter the decision. Discussion followed regarding the 6% and the effect on other employees. Mayor Rosener polled the Council members again with the following results: Councilor Brouse indicated she would prefer 3% but would consider 2.5%; Councilor Scott indicated he was at 2%; Councilor Standke indicated 2.5%; Council President Mays indicated 0%; Councilor Giles indicated 2.5%; Mayor Rosener reminded the Council members that an increase would be retro back to October per the terms of the contract. Comments were received regarding the retro back to October as the review should have occurred sooner. Mayor Rosener added regarding the contract requirements. Mayor Rosener stated if he goes with 2%, can he get Council members to that percentage? Councilor Giles stated he felt like he did not have an option and explained. Mayor Rosener recapped the feedback and said, we have three at 2.5%, two at 0%, he offered 2%, Councilor Scott indicated he was at 2%. Discussion followed regarding the process and communications leading to the work session. Mayor Rosener recapped the percentages again and Councilor Giles stated he would go with 2% but will be asking for more in October. Discussion followed. Mayor Rosener commented regarding the City Manager evaluation and today's conversation being how the Council is interpreting the 6% pickup, that's it. It's not about the City Manager's performance and believes the City Manager continues to grow in his position and is doing a great job. Councilor Giles commented that the 6% PERS is part of the total compensation package for taking less money for a public sector job. Discussion followed. Mayor Rosener polled the Council members again and indicated he had a majority for 2%, backdated to October. City Attorney Adams reminded that with the mayor's comment regarding having a "majority" that the Council was not voting. Mayor Rosener confirmed that he was just gathering a poll to be able to get a resolution on

the calendar. Discussion followed regarding scheduling a resolution on the Council agenda and Ms. McEvoy commented regarding wanting to consult with finance regarding carrying over into the next fiscal year.


5. ADJOURN:

Mayor Rosener adjourned the work session at 10:45 pm.

Attest:



Sylvia Murphy, MMC, City Recorder



Tim Rosener, Mayor