



AGENDA

ASTORIA CITY COUNCIL

May 2, 2016

7:00 p.m.

2nd Floor Council Chambers
1095 Duane Street · Astoria OR 97103

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **REPORTS OF COUNCILORS**

4. **CHANGES TO AGENDA**

5. **PROCLAMATIONS**

- (a) Emergency Medical Services Week
- (b) Police Week
- (c) National Historic Preservation Month

6. **PRESENTATIONS**

- (a) Friends of the Astoria Column Annual Report

7. **CONSENT CALENDAR**

The items on the Consent Calendar are considered routine and will be adopted by one motion unless a member of the City Council requests to have any item considered separately. Members of the community may have an item removed if they contact the City Manager by 5:00 p.m. the day of the meeting.

- (a) City Council Minutes of 4/4/16
- (b) City Council Work Session Minutes of 4/4/16
- (c) City Council Work Session Minutes of 4/5/16
- (d) Boards and Commissions Minutes
 - (1) Library Board Meeting of 3/22/16
- (e) Authorization to Execute Contract for Interim Building Code Services (Community Development)
- (f) Historic Preservation Program – Preserving Oregon Grant (Community Development)
- (g) Authorization for Grant Application to Support Site-Specific Park Plans (Parks)
- (h) Amended Management Agreement between the Friends of the Astoria Column and the City of Astoria (Parks)
- (i) Heritage Square EPA Grant – AMEC Contract Amendment #3 (Public Works)

8. **REGULAR AGENDA ITEMS**

All agenda items are open for public comment following deliberation by the City Council. Rather than asking for public comment after each agenda item, the Mayor asks that audience members raise their hands if they want to speak to the item and they will be recognized. In order to respect everyone's time, comments will be limited to 3 minutes.

- (a) Public Hearing – Request to Purchase City-owned Property Adjacent to 323 Alameda Avenue (Public Works)
- (b) Financial Reports for Fiscal Year Ending June 30, 2015 (Finance)

9. **NEW BUSINESS & MISCELLANEOUS, PUBLIC COMMENTS (NON-AGENDA)**

THIS MEETING IS ACCESSIBLE TO THE DISABLED. AN INTERPRETER FOR THE HEARING IMPAIRED MAY BE REQUESTED UNDER THE TERMS OF ORS 192.630 BY CONTACTING JULIE YUILL, CITY MANAGER'S OFFICE, 503-325-5824.



CITY OF ASTORIA

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April 28, 2016

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER

SUBJECT: ASTORIA CITY COUNCIL MEETING OF MAY 2, 2016

PROCLAMATIONS

Item 5(a): EMS Week

The Mayor will proclaim the week of May 15-21, 2016, as Emergency Medical Services Week.

Item 5(b): Police Week

The Mayor will proclaim the week of May 15-21, 2016, as Police Week.

Item 5(c): National Historic Preservation Month

The Mayor will proclaim the month of May 2016 as National Historic Preservation Month.

PRESENTATIONS

Item 6(a): Friends of the Astoria Column Annual Report

The Friends of the Astoria Column will give a presentation regarding their activities for the past year.

CONSENT CALENDAR

Item 7(a): City Council Minutes

The minutes of the City Council meeting of April 4, 2016 are enclosed for review. Unless there are any corrections, it is recommended that Council approve these minutes.

Item 7(b): City Council Work Session Minutes

The minutes of the City Council Work Session of April 4, 2016 are enclosed for review. Unless there are any corrections, it is recommended that Council approve these minutes.

Item 7(c): City Council Work Session Minutes

The minutes of the City Council Work Session of April 5, 2016 are enclosed for review. Unless there are any corrections, it is recommended that Council approve these minutes.

Item 7(d)(1): Boards and Commissions Minutes

The minutes of the Library Board meeting of March 22, 2016 are enclosed. Unless there are any questions or comments regarding the contents of these minutes, they are presented for information only.

Item 7(e): Authorization to Execute Contract for Interim Building Code Services (Community Development)

Over the last several months, the Community Development Department has been focused on evaluating the provision of building code services. The Clatsop County Building Department has provided excellent service to the City and our customers since June 2015; however, this contract was created on a temporary basis. The contract for all temporary services with the County expires on April 30, 2016. The Community Development Department considered a few options and, based on a financial analysis, the best option is to hire a new Building Official / Code Enforcement Officer. This option will require the City to contract temporarily until the hiring process is completed. It was felt that a City Building Official / Code Enforcement Officer would provide a higher level of consistency rather than having rotating contract inspectors. City staff has worked with The Building Department LLC to develop a temporary services contract that meets our financial needs, but also provides basic building code services to our customers. A local inspector/plans examiner who is already providing service in Vernonia and Clatskanie will conduct reviews and be available in Astoria two days a week on a Tuesday/Wednesday schedule. There is a possibility of adding a third day depending on City needs, customer demand, and contractor availability. A contract, which expires July 31, 2016 is attached. In the event that the recruitment process fails to find a qualified candidate, the contract can be extended. At the time the memorandum was issued, the City Attorney had not been able to review the contract as to form. City Attorney Henningsgaard will review and approve prior to the Mayor signing. It is recommended that City Council execute the contract.

Item 7(f): Historic Preservation Program – Preserving Oregon Grant (Community Development)

The City of Astoria has received grants from the State Historic Preservation Office (SHPO) to assist property owners with needed historic renovations. Similar to the CLG Program, the Preserving Oregon Grant program is also administered by SHPO and offers an opportunity to facilitate restoration of another key property in downtown, the M&N Building at 904 -936 Commercial Street, located at the northeast corner of 9th and Commercial. The building is a significant resource within a designated National Register Historic District and is

therefore eligible. The Community Development Department has submitted a letter of intent to allow a full application to be submitted by the May 13, 2016 deadline. Typically, non-profit and public sector property owners have applied to this grant program; however, in this case, the City is applying on behalf of a potential buyer as a “carrot” to an eventual renovation plan for the building. Staff has reached out to the Flavel conservator who has enthusiastically supported the concept and will write a letter of support.

Staff is requesting the maximum \$20,000 offered to match in-kind resources from the City and leverage expected private investment from the new property owner for a public-private partnership. The City expects a buyer to purchase and renovate the building within the grant reporting deadline (May 2017). The focus of the grant, which is limited, will be targeted to the compromised structural element on the 9th Street side of the 1924 building. It is recommended that Council authorize staff to submit a Preserve Oregon Grant Application to restore the M&N Building and report back to Council on the outcome of the application by August 2016.

Item 7(g): Authorization for Grant Application to Support Site-Specific Park Plans (Parks)

The Parks and Recreation Department’s draft Comprehensive Master Plan recommends completing site-specific park plans at several locations. Staff has recommended that site master plans for Shively Park and McClure Park be prioritized. During the community input process for the Parks and Recreation Comprehensive Master Plan, Shively Park ranked as the community’s highest priority and McClure Park ranked as the second highest priority for site master plans with the community.

The Oregon Parks and Recreation Department Local Government Grant Program provides Small Community Planning Grants to support site-specific park and outdoor recreation plans. These planning efforts target a specific site that has been identified in a system-wide park and recreation plan. Site-specific planning projects include public outreach and an analysis process that leads to a detailed plan for full development or redevelopment a park or other recreational-use site. The plan must address priorities identified in a system-wide or comprehensive plan. The planning process must include the adoption of the planning document through the local land use approval process. If successful, the Parks and Recreation Department would receive \$40,000 to assist in funding site master plans for Shively Park and McClure Park. It is suggested that the Parks and Recreation fund provide a 40% match, in the amount of \$16,000. Should the City receive the grant, a consultant would be selected through the City procurement process. Funds for the match are budgeted in the Fiscal Year 2016-17 budget within the Capital Improvement Fund. It is recommended that Council approve the application for the Oregon Parks and Recreation Department Local Government Grant Program in the amount of \$40,000 to support funding site master plans for Shively Park and McClure Park.

Item 7(h): Amended Management Agreement between the Friends of the Astoria Column and the City of Astoria (Parks)

The Astoria Column was constructed in 1926 to commemorate the settlement of western Oregon. It is listed on the National Register of Historic Places and is located in a wooded 30 acre city park on the highest point within the City of Astoria. Since 1988 The Friends of the Astoria Column, an Oregon no-profit corporation established to assist the City in preserving, improving and publicizing the Column and the Park, have diligently provided support and vision by raising and spending over \$4,000,000 in restoring the Column and the Park. In 2014 the Friends of the Column entered into a Management Agreement with the City of Astoria. The Friends assumed responsibility for the day-to-day operation and maintenance of the Column and Park and shared a fixed \$35,000 in parking fee revenue annually. On December 7, 2015 the City Council approved increasing the annual parking fee at the Astoria Column from \$1 to \$5, with the stipulation that the City of Astoria would receive \$1 of every \$5 collected. Based on previous year's attendance, it is estimated that the City of Astoria will receive \$60,000 in parking fees annually, a \$25,000 increase. Attached is an updated Management Agreement which reflects this change. City Attorney Blair Henningsgaard has approved the document as to form. Due to the Friends of the Astoria Column's ability and long term commitment to the Astoria Column, the positive financial impact to the Parks and Recreation Department, and opportunity to allow for continued care, maintenance, and Park improvements, it is recommended that City Council approve the Amended Management Agreement.

Item 7(i): Heritage Square EPA Grant – AMEC Contract Amendment #3 (Public Works)

The City of Astoria was awarded a United States Environmental Protection Agency (EPA) multi-purpose brownfield pilot grant in 2012 for assessment and cleanup of the Heritage Square site. The 1.37 acre site is located in a primarily commercial area of downtown Astoria. The site occupies an entire City block with the exception of a 0.11 acre portion in the southwest quarter of the block which is owned and occupied by the American Legion. In order to meet the Oregon Department of Environmental Quality requirements at this time, a contract amendment with AMEC Foster Wheeler (AMEC) in the amount of \$37,000 is necessary.

Contract amendment # 3 includes the following scope of work:

- Task 1 – Update Health and Safety Plan, prepare Sampling and Analysis Plan and Quality Assurance Project Plan addenda
- Task 2 – Install groundwater monitoring well and perform first sampling and analysis
- Task 3 – Conduct additional groundwater sampling and laboratory analysis
- Task 4 – Remove investigation-derived waste (final cleanup of floor of old Safeway basement floor
- Task 5 – Prepare Contaminated Media Management Plan (for future use in developing site)

- Task 6 – Prepare Final Report to DEQ and EPA and request “No Further Action (NFA) Letter” or “Comfort Letter” from DEQ

The work will be funded by the Capital Improvement Fund and reimbursed by the Business Oregon Grant. At the time of memorandum preparation, the Contract amendment document had not been reviewed as to form. City Attorney Henningsgaard will review prior to the Mayor signing. It is recommended that City Council execute a contract amendment with AMEC Foster Wheeler a total not-to-exceed amount of \$37,000 for Additional Site Cleanup Work and Groundwater Monitoring for the Heritage Square EPA Grant Cleanup Project.

REGULAR AGENDA ITEMS

Item 8(a): Public Hearing – Request to Purchase City-owned Property Adjacent to 323 Alameda Avenue (Public Works)

The City has received a request from Bruce Conner to purchase City-owned property directly southeast of his property located at 323 Alameda Avenue. The City property is approximately 1.0 acre (Lots 25 to 41, Block 17 Map number 80907CD, Tax Lot 06400). At their April 18, 2016 meeting, Council acted to set a public hearing on May 2, 2016. A summary appraisal report has been prepared and the estimated real land value is \$ 47,000. Mr. Conner has indicated a willingness to proceed with the sale. As the cost of the appraisal was \$800, staff is recommending that the additional cost above the \$450 fee set in the City Fee Schedule be added to the sale price for a total of \$47,350. It is recommended the City Council conduct the scheduled public hearing, and if deemed appropriate, approve the sale of City-owned property southeast of 323 Alameda Avenue to Bruce Conner.

Item 8(b): Financial Reports for Fiscal Year Ending June 30, 2015 (Finance)

Under Oregon Municipal Audit Law the City is required each fiscal year to contract with an authorized accounting firm for the audit of its accounts and fiscal affairs (ORS 297.425). The firm of Pauly Rogers and Co., PC has completed the audits of the City of Astoria and the Urban Renewal Agency for the Fiscal Year Ending June 30, 2015. Finance Director Brooks will provide an overview of the Financial Reports at the Council meeting and will be available to answer questions.



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PROCLAMATION

WHEREAS, emergency medical services is a vital public service; and

WHEREAS, the members of emergency medical services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

WHEREAS, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

WHEREAS, the emergency medical services system consists of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, educators, administrators and others; and

WHEREAS, the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

WHEREAS, it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week.

NOW, THEREFORE, I, Arline LaMear, Mayor of Astoria, do hereby proclaim the week of May 15-21, 2016, as

EMERGENCY MEDICAL SERVICES WEEK

with the theme, **EMS STRONG: Called to Care**. I encourage the community to observe this week with appropriate programs, ceremonies and activities.

IN WITNESS WHEREOF, I have herewith set my hand and caused the Seal of the City of Astoria to be affixed this May 2, 2016.

Mayor



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PROCLAMATION

WHEREAS, there are approximately 900,000 law enforcement officers serving in communities across the United States, including the dedicated members of the Astoria Police Department; and

WHEREAS, there have been 15,725 assaults against law enforcement officers in 2014, resulting in approximately 13,824 injuries; and

WHEREAS, since the first recorded death in 1791, more than 20,000 law enforcement officers in the United States have made the ultimate sacrifice and been killed in the line of duty, including this year's death of Seaside Police Department's Sergeant Jason Gooding which affected every member of our community; and

WHEREAS, the names of these dedicated public servants are engraved on the walls of the National Law Enforcement Officers Memorial in Washington, D.C.; and

WHEREAS, 252 new names of fallen heroes are being added to the National Law Enforcement Officers Memorial this spring, including 123 officers killed in 2015 and 129 officers killed in previous years; and

WHEREAS, the service and sacrifice of all officers killed in the line of duty will be honored during the National Law Enforcement Officers Memorial Fund's 28th Annual Candlelight Vigil on the evening of May 13, 2016; and

WHEREAS, the Candlelight Vigil is part of National Police Week, which takes place this year on May 15-21; and

WHEREAS, May 15th is designated as Peace Officers Memorial Day, in honor of all fallen officers and their families and U.S. flags should be flown at half-staff.

NOW, THEREFORE, I Arline LaMear, Mayor of the City of Astoria, do hereby proclaim May 15-21, 2016 as

POLICE WEEK

in the City of Astoria and publicly salute the service of law enforcement officers in our community and in communities across the nation.

IN WITNESS WHEREOF, I have herewith set my hand and caused the seal of the City of Astoria to be affixed this 2nd day of May, 2016.

Mayor



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PROCLAMATION

WHEREAS, historic preservation is an effective tool for revitalizing neighborhoods, fostering local pride, and maintaining community character while enhancing livability; and

WHEREAS, historic preservation is relevant for communities across the nation, both urban and rural, and for Americans of all ages, walks of life, and ethnic backgrounds; and

WHEREAS, it is important to celebrate the role of history in our lives and the contributions made by dedicated individuals in helping to preserve the tangible aspects of the heritage that has shaped us as a people; and

WHEREAS, “This. Place. Matters.” is the theme for National Historic Preservation Month, 2016.

NOW, THEREFORE, I Arline LaMear, Mayor of the City of Astoria, do proclaim the month of May 2016 as

NATIONAL HISTORIC PRESERVATION MONTH

and call upon the people of Astoria to join their fellow citizens across the United States in recognizing and participating in this special observance.

IN WITNESS WHEREOF, I have herewith set my hand and caused the seal of the City of Astoria to be affixed this 2nd day of May, 2016.

Mayor

A regular meeting of the Astoria Common Council was held at the above place at the hour of 7:10 pm.

Councilors Present: Nemlowill, Herzig, Warr, Price, Mayor LaMear

Councilors Excused: None

Staff Present: City Manager Estes, Police Chief Johnston, Community Development Director Cronin, Planner Ferber, Parks and Recreation Director Cosby, Finance Director Brooks, Fire Chief Ames, Library Director Tucker, Public Works Director Cook, and City Attorney Henningsgaard. The meeting is recorded and will be transcribed by ABC Transcription Services, Inc.

REPORTS OF COUNCILORS

Item 3(a): Councilor Warr had no reports.

Item 3(b): Councilor Price reported that she had been visiting Ocean View Cemetery because its maintenance had been an issue. She believed the cemetery was beautiful, except for the blue plastic garbage cans, which she suggested be placed inside a cedar container. The lawn looked very European, not like the ninth green. The Parks Department was doing a stellar job with the staff they have and she did not have any complaints. She hoped people would begin to speak highly of the cemetery.

Item 3(c): Councilor Herzig reported that the Astoria Warming Center was now open for showers and laundry service. Showers would be available for men on Thursdays from 1:00 pm to 3:00 pm and for women on Fridays from 1:00 pm to 3:00 pm. The Councilors and Mayor LaMear attended the City/County meeting, which was initiated by Cannon Beach Mayor Sam Steidel and coordinated by the Interim County Manager Rich Mays. Discussions were broad, but not deep. Everyone at the meeting agreed there were serious issues with traffic, affordable housing, emergency preparedness, and mental health. It was nice to see the cities come together to share concerns. Suzanne Bonamici will be at the Astoria Senior Center on Saturday, April 9th at 3:30 pm.

Item 3(d): Councilor Nemlowill reported that she believed the Citizens Advisory Committee working on the Parks Master Plan was taking an objective look at the department's core services so that the department could operate more efficiently. At last week's meeting, the Committee discussed whether the department should continue to offer daycare. Daycare is ranked high in Park's surveys and is important to the community; however, when compared to the Aquatic Center, daycare might not be considered a core service of the Parks Department. She believed the Parks Master Plan would be a good product that would make the department more efficient. At the City/County meeting, she mentioned the by-pass and received a warm reception to the idea. She suggested that other cities and the county partner with Astoria to consider a gas tax to help fund a by-pass project and see if it gets ODOT's attention. It was nice to see a shared interest in a by-pass to ease the gridlock. She believed a by-pass would enhance resiliency in a natural disaster, be good for the economy, and be good for livability. Staff ran a great open house for the Waterfront Bridges project. Many businesses along the waterfront attended the meeting because access to the businesses would be shut off for up to six months. She believed Staff was doing their best at working with the business owners and suggested the City help the businesses by funding a public relations campaign to advertise that they would remain open during construction.

Item 3(e): Mayor LaMear reported that the City/County meeting was great. Everyone agreed that affordable housing, transportation, and homelessness were statewide issues, not just in Clatsop County. The opportunity to speak with people from around the county was refreshing and she hoped the meeting was the start of a real partnership.

CHANGES TO AGENDA

There were none.

PROCLAMATIONS

Item 5(a): Child Abuse Prevention Month

Mayor LaMear read the proclamation declaring April 2016 as Child Abuse Prevention Month. She announced that on April 11th, pinwheels would be planted near Custard King in honor of abused and neglected children.

Item 5(b): Public Safety Telecommunicators Week

Mayor LaMear read the proclamation declaring April 10 through 16, 2016 as Public Safety Telecommunicators Week.

Councilor Herzig noted April was also Sexual Assault Awareness Month. The Column would be lit teal as part of collaboration between the Parks Department, Friends of the Column, The Harbor, and the Clatsop County Domestic Violence Council.

CONSENT CALENDAR

The following items were presented on the Consent Calendar:

- 6(a) City Council Minutes of 3/7/16
- 6(b) Boards and Commission Minutes
 - (1) Library Board Meeting of 3/23/16**
- 6(c) License to Occupy a Portion of the Hamburg Avenue Right-of-Way Adjacent to 487 West Marine Drive (Public Works)
- 6(d) Federal Emergency Management Agency (FEMA) December Storm Damage Public Assistance Grant & Oregon Infrastructure Finance Authority (IFA) Match Grant (Public Works)

Councilor Nemlowill requested Item 6(b)(1) be removed for further discussion.

City Council Action: Motion made by Councilor Warr, seconded by Councilor Herzig, to approve Items 6 (a), (c), and (d) of the Consent Calendar. Motion carried unanimously. Ayes: Councilors Price, Warr, Herzig, Nemlowill, and Mayor LaMear; Nays: None.

Item 6(b)(1): Library Board Meeting of 3/32/16

Councilor Nemlowill said she read the minutes with interest and noted that the Library Board wants to be more involved in the process of moving forward with library options and conveying the need for a new library to the community. She appreciated the Library Board and looked forward to hearing more.

REGULAR AGENDA ITEMS

Item 7(a): Astoria Senior Center Renovation Completion – 2nd Public Hearing (Public Works)

The City of Astoria recently completed the Senior Center Renovation project funded with Community Development Block Grant (CDBG) funds from the Oregon Business Development Department. The Senior Center is located at 1111 Exchange Street, Astoria Oregon. It is estimated that the renovated Center will benefit more than 400 seniors of whom 17 percent are low or moderate income. The purpose of the hearing is for the Astoria City Council to obtain citizens views about the project and to take comments about the local government's performance. This public hearing is required to close out the CDBG funded project. A public hearing notice was published in *The Daily Astorian* on March 28, 2016. It is recommended that the Astoria City Council conduct the scheduled hearing to obtain citizens views about the Senior Center Renovation project and to take comments about the local government's performance.

Mayor LaMear opened the public hearing at 7:27 pm and called for anyone wanting to address the City Council on the Senior Center renovation to come forward with any comments or concerns.

Frank Spence, 5169 Birch, Astoria, said he was a member of the Senior Center and president of Encore, a group sponsored by Clatsop Community College for the continuing education of senior citizens. The Senior Center and Encore have overlapping membership and they are satisfied with the outcome of the renovation. He complimented the City on starting the grant process almost three years ago, even though the bids were higher

than the \$1.5 million grant. Staff was able to overcome unanticipated problems and delays. When the bids came in at \$1.9 million, Staff did a great job reducing them to a level that still produced an excellent product. The grant funds could only be used for construction, so Encore agreed to spend over \$8,000 to equip the classroom at the Senior Center with a television, white boards, and a podium. After the senior meals finish at 1:30 pm, Encore will encroach into the dining area, so maps and a whiteboard will be placed there as well. The facility is wonderful, clean, and airy. In order to reduce costs, work on the basement was eliminated. Therefore, he hoped this project would be considered Phase 1. All of the large expenditures have already been made on a new roof, engineering fees, and architectural fees. He hoped the next round of CDBG funds would allow the Senior Center to work on the elevator and finish the basement. The Senior Center is a great asset for this city.

Mayor LaMear asked John Ryan, Senior Center President, Larry Miller, Senior Center Director, Al Jacques, and Mary McArthur, Astoria's Grant Manager, to stand for a round of applause.

Mayor LaMear closed the public hearing at 7:31 pm.

Councilor Herzig said he hoped that in the future, City Council would go to the Senior Center during hours of operation to hear from the seniors about their usage of the facility because that is the real feedback Council wants to hear. He understood this hearing was one of the tracking responsibilities to comply with the grant. However, it is not always possible for seniors to come out in the evening to participate in a public hearing.

Mayor LaMear said she is at the Senior Center every other Wednesday and has heard that the members are excited about the new facility.

Item 7(b): Authorize Waterfront Bridges Project (Public Works)

The Waterfront Bridges Replacement Project is currently in the preliminary design phase and the project team has been gathering data, coordinating with stakeholders and developing construction strategies. During this process, it has become apparent that there is a need to request additional funding from the ODOT Local Bridge Group for a number of different reasons including deep bedrock and accommodating rail loads. Council will discuss this issue in greater depth during a work session prior to the regular Council meeting. It is recommended Council approve submittal of a project change request to ODOT for additional funding.

Councilor Nemlowill asked if funding would include seismic upgrades. City Manager Estes confirmed the seismic upgrades would be part of the bedrock work. City Engineer Moore added that the last three of the four options listed in the chart of Page 30 of the agenda packet included seismic upgrades.

City Council Action: Motion made by Councilor Herzig, seconded by Councilor Nemlowill to approve submittal of a project change request to ODOT for additional funding to support current rail use and freight [1:34:02] and a separate project change request for the 11th Street extension area. Motion carried unanimously. Ayes: Councilors Price, Warr, Herzig, Nemlowill, and Mayor LaMear; Nays: None.

Item 7(c): Liquor License Application from Thomas and Elena Shern, dba Capricorn Pub and Fine Dining LLC, located at 1040 Commercial Street, for a Change of Ownership and Greater Privilege for a Full On-Premises Sales Commercial Establishment and Caterer License (Finance)

A liquor license application has been filed by Thomas and Elena Shern, doing business as Capricorn Pub and Fine Dining LLC, located at 1040 Commercial Street. The application is for a Change of Ownership and Greater Privilege for a Full On-Premises Sales Commercial Establishment and Caterer License. The appropriate departments have reviewed the application. It is recommended that Council approve the application.

Councilor Nemlowill declared a potential conflict of interest, as her husband owned Cervecia Gratis, doing business as Fort George Brewery. She did not believe this was a direct conflict so she planned to vote.

City Council Action: Motion made by Councilor Warr, seconded by Councilor Price to approve the Liquor License Application from Thomas and Elena Shern, dba Capricorn Pub and Fine Dining LLC, located at 1040 Commercial Street, for a Change of Ownership and Greater Privilege for a Full On-Premises Sales Commercial Establishment and Caterer License. Motion carried unanimously. Ayes: Councilors Price, Warr, Herzig, Nemlowill, and Mayor LaMear; Nays: None.

Item 7(d): Pipeline Road Transmission Main Resiliency Study Grant (Public Works)

The Oregon Infrastructure Finance Authority (IFA) is offering grants in the amount of \$20,000 for resiliency studies of important infrastructure. The objective of the grant is to assist communities with water system planning and related activities that promote sustainable water infrastructure. Public Works staff has been reviewing eligible projects for the City of Astoria. The current project concept consists of a resiliency study of the transmission main that delivers water from the City headworks and Bear Creek Reservoir to Reservoirs #2 and #3 in town. At the Council meeting, City Engineer Harrington will give a brief presentation explaining the details of the proposed project. It is recommended that Council authorize staff to proceed with the submittal of a letter of interest and a formal application to IFA for an estimated amount of \$20,000.

City Engineer Harrington presented the details of the proposed project, noting that Staff tries to incorporate resiliency planning into all projects and master plans. All of the work funded by this grant would be incorporated into the City's Water System Master Plan when the plan is updated. He reviewed past resiliency projects, explained how these projects have made Astoria's infrastructure more sustainable, and how resiliency projects are prioritized. He displayed a map and showed which areas were most vulnerable to natural disasters.

City Manager Estes noted that the grant would fund an analysis to determine appropriate next steps. City Engineer Harrington confirmed that \$20,000 would cover the scope of work.

Councilor Price understood that Staff would consider a resiliency pipeline from Bear Creek Dam into Astoria. She has heard from residents of Knappa that the dam would fall apart easily, that Astoria should not bother with the dam, and should run a pipeline from Knappa instead. City Engineer Harrington said the City supplies water to Astoria and five outlying districts. Knappa could not accommodate the usage, which was about 4 million gallons per day last summer. The sand filters and filtration plant must be at optimum capacity to accommodate this level of usage. City Manager Estes added that while the seismic study of the dam is still ongoing, it appears as if the dam is in better shape than originally anticipated.

Councilor Herzig said the Bear Creek Dam was essential to the reservoir with the hydroelectric plant], so the City should not ignore the dam.

City Council Action: Motion made by Councilor Nemlowill, seconded by Councilor Warr to authorize staff to proceed with the submittal of a letter of interest and a formal application to IFA for an estimated amount of \$20,000. Motion carried unanimously. Ayes: Councilors Price, Warr, Herzig, Nemlowill, and Mayor LaMear; Nays: None.

NEW BUSINESS & MISCELLANEOUS, PUBLIC COMMENTS (NON-AGENDA)

There was none.

EXECUTIVE SESSION

Item 9(a): ORS192.660(2)(e) – Real Property Transactions

City Council recessed to the Executive Session at 7:58 pm to discuss Real Property Transactions. The regular session was reconvened at 8:17 pm.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:17 pm.

ATTEST:

APPROVED:

Finance Director

City Manager

A work session meeting of the Astoria Common Council was held at the above place at the hour of 6:00 pm.

Councilors Present: Nemlowill, Herzig, Warr, Price, Mayor LaMear

Councilors Excused: None

Staff Present: City Manager Estes, Police Chief Johnston, Community Development Director Cronin, Planner Ferber, Parks and Recreation Director Cosby, Finance Director Brooks, Fire Chief Ames, Library Director Tucker, Public Works Director Cook, and City Attorney Henningsgaard. The meeting is recorded and will be transcribed by ABC Transcription Services, Inc.

PARKS MASTER PLAN UPDATE

Draft findings from the Parks and Recreation Comprehensive Master Plan will be presented including key takeaways from the Plan's community profile, level of service analysis, needs assessment, and recommendations. City Council will have an opportunity to provide feedback on these findings. The draft Plan will continue to be refined through input from the project's Citizen Advisory Committee, Parks Advisory Board, and the public in advance of a May 16 City Council Work Session. Project staff will also discuss the upcoming public input opportunities and next steps toward completion of the Plan.

Ian Sisson, 1263 Commercial Street, Astoria, stated upcoming community input sessions were scheduled as follows:

- Wednesday, April 6, 2016 at Fort George Lovell Showroom from 5:00 pm to 7:00 pm
- Thursday, April 7, 2016 at Street 14 from 7:00 am to 10:00 am
- Saturday, April 9, 2016 at Old Town Framing from 5:00 pm to 8:00 pm

He presented the Parks Master Plan Update via Power Point and confirmed that altogether over 1200 people had provided input to the master planning process through various means.

Councilor Price said she wanted to know the income disparity between park users and Astorians, adding she was impressed with the work that had been done so far. Mr. Sisson stated that 70 percent of the survey respondents had a household income of over \$50,000 and the median income for Astorians is \$45,000.

City Manager Estes noted that City Council's review of the Parks Master Plan was only tentatively scheduled for May 16th because Council would also discuss the findings of the library study at that same work session. It is possible that a separate meeting would be scheduled to discuss the Parks Master Plan.

Councilor Nemlowill thanked Mayor LaMear for appointing the members of the Citizen Advisory Committee (CAC), which includes herself, a mother, the superintendent of Lewis and Clark National Park, a Department of Land Conservation and Development (DLCDD) representative, and a former member of the Parks Advisory Board. The process has been exemplary and Staff has set the bar high for planning processes in Astoria.

Councilor Herzig said the City has already benefited from the new point of sale system. He was concerned about duplicating services and asked if the City has discussed the future of Patriot Hall with Clatsop Community College (CCC). Because Patriot Hall was funded through a bond measure, he was not sure how much Astorians would be able to use the facility. Director Cosby confirmed that Staff began communicating with the CCC before they went out for the bond and the City and college do not want to duplicate services. The college kept this in mind as they purchased exercise equipment. Councilor Nemlowill added the Master Plan recommends that duplication of services should be avoided.

Mr. Sisson passed out flyers advertising the open houses.

Mayor LaMear said Staff had done a magnificent job and the Master Plan would make the Parks Department better than it already is.

WATERFRONT BRIDGES PROJECT – UPDATE AND FUNDING DISCUSSION

The Waterfront Bridges Replacement Project is currently in the preliminary design phase and the project team has been gathering data, coordinating with stakeholders and developing construction strategies. During this process, it has become apparent that there is a need to request additional funding from the Oregon Department of Transportation (ODOT) Local Bridge Group for a number of different reasons including deep bedrock and accommodating rail loads. Staff will present several issues for discussion during the Council work session. Please refer to the memo for the associated regular agenda item for more information.

City Manager Estes noted that this discussion correlated to a Regular Agenda Item of the regular session City Council meeting, which would require a motion.

City Engineer Cindy Moore and City Attorney Henningsgaard presented an update on the Waterfront Bridges Project via Power Point.

Councilor Warr asked how many areas between Astoria and Wauna would not support the level of rail traffic being discussed. Engineer Moore said a lot of work would need to be done along most of the route. The City would be using modern materials like steel piles with concrete decks. Much of the trestle going east is wooden, which could be retrofitted or modified easier than stone and concrete. Councilor Warr believed it would cost about \$100 million to upgrade the rails from one hour west of Clatskanie to Astoria to a standard that could accommodate freight.

Councilor Nemlowill asked what other potential uses, besides freight, would need a higher standard than the current uses. Engineer Moore explained that Staff was planning for 100 years into the future. The City was not aware of any other users at that time and it would be difficult to anticipate who might want to use Astoria's facilities in the future. She was not referring to any specific use.

Councilor Herzig confirmed that a passenger train was considered a use between freight and Astoria's current use. He believed a passenger train from inland out to the coast would be good for the economy. He wanted to know how much of the annual \$100,000 Surface Transportation Program (STP) funds were being spent each year. Engineer Moore said the City used STP funds as a match for the Franklin and Irving Bridges and over the last nine years, all of the available funds have been used.

Councilor Herzig said STP funds are not used for annual maintenance and confirmed that this project would be the fund's primary use. He also understood that the bedrock was deeper than anticipated.

Councilor Price asked if Staff anticipated needing STP funds for other future projects. Engineer Moore said no, she understood Staff planned to use STP funds for bridge matches. However, the match for the Irving Bridge project resulted in a funding gap that would provide additional funds for the Highway 202 sidewalk project before the Waterfront Bridges project begins.

Councilor Price asked how the design could be modified. Engineer Moore explained that the design team could design the details of the project so that it could be upgraded. This would require more piles and ensuring the location of each pile is cleared of utilities or anything else that might be in the way. The design team would also have to consider the depth of the piles. Currently, design and construction costs are estimated to be nominal and modifying the design could be a great option.

Councilor Price asked if a lot of the wood planking needed to be replaced with concrete. She also wanted to know what business owners along the waterfront thought about the aesthetics of concrete because the wood adds character to the area. Engineer Moore confirmed Staff is considering ways to minimize the difference between wood and concrete. Concrete requires the least maintenance and lasts the longest, so Staff does not plan to use wood. Councilor Price said she spoke to a number of business owners at the public meeting who were happy that the wood planks would be removed. Business owners, tourists, and residents like the wood because they make up the original character of the rail bed, but it is very difficult to maintain and is dangerous. She asked if Staff had spoken with the Port. It did not appear as if freight was currently planned for the Port or for Astoria and passenger rail has always stopped east of the project area. City Manager Estes said he and Engineer Moore had spoken to the Port's Director Jim Knight, who indicated the Port's focus on freight had been in the Tongue Point area. Mr. Knight had said he could not see freight rail returning to Piers 1, 2, and 3 because

the dead end spurs do not provide a way for trains to turn around, and nor is there enough room to build a turn-around.

Councilor Price asked if City Attorney Henningsgaard was confident that the advice he received about easement issues from an attorney in Seattle was good, if the attorney had precedence in this case, and if Astoria had a good relationship with Rails to Trails. City Attorney Henningsgaard said there are almost 200 Rail-to-Trail projects in the United States and only two of those have ever reverted to rail. Therefore, there is not a lot of precedent to find out how those agreements will be interpreted or what the Service Transportation Board would do. He was confident that this project would not be in violation of the Rails-to-Trails agreement and the attorney in Seattle was confident that the Service Transportation Board would not reject this type of improvement. He did not believe the bridges were sufficient to sustain rail traffic at this time. Therefore, replacing the bridges with something less would not be a violation of the easement. He confirmed that Astoria would not need to get permission from the board; however, because the board is a federal agency, they could interject to protect the national rail system. City Manager Estes added that Mr. Montange had represented Astoria in the past when the City approved leases with breweries that placed grain tanks on railways.

Councilor Herzig suggested the lumber could be salvaged if it were not too toxic. He confirmed the pile driving had to be done in the winter to avoid disturbing marine life. City Engineer Moore added that Staff would update City Council in May on the timeline and feedback received at the public meeting.

Mayor LaMear said it was difficult to predict what would happen in 75 or 100 years. She liked the option of asking Oregon Department of Transportation (ODOT) to look at both funding strategies. If ODOT is willing to fund a heavier weight load, it might be worthwhile. It would be nice to get passenger trains back in Astoria.

City Manager Estes reminded that City Council would need to provide direction to Staff in a motion during discussion of the corresponding Regular Agenda Item in the regular session meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:01 pm to convene the regular session Astoria City Council meeting.

ATTEST:

APPROVED:

Finance Director

City Manager

A work session meeting of the Astoria Common Council was held at the above place at the hour of 5:30 pm.

Councilors Present: Nemlowill, Herzig, Warr, Price, Mayor LaMear

Councilors Excused: None

Staff Present: City Manager Estes, Police Chief Johnston, Community Development Director Cronin, Parks and Recreation Director Cosby, Finance Director Brooks, Fire Chief Ames, Library Director Tucker, Public Works Director Cook, and City Attorney Henningsgaard. The meeting is recorded and will be transcribed by ABC Transcription Services, Inc.

INTRODUCTION OF MARTY JAECKSCH, FACILITATOR, FOR STRATEGIC PLANNING PROCESS

City Manager Estes introduced Marty Jaecksch, who had previously presented his strategic planning methodology to City Council. He noted that he asked the department heads to be present since they would be responsible for implementing the final strategic plan.

Marty Jaecksch stated he was an independent management consultant and briefly noted his professional background. He reviewed the agenda and outlined the goals of the work session. The entire planning process would remain flexible and he anticipated about four drafts would be produced before the final plan.

CLARIFICATION OF FINAL OUTCOME FOR STRATEGIC PLANNING PROCESS

Mr. Jaecksch presented a hand out at the dais, which included two examples of strategic plans from small cities. He reviewed the format and contents of each plan, noting the similarities and differences between the plans and explaining how each element of the plans collectively resulted in action items that when implemented would achieve the cities' goals. The key to executing a strategic plan is in the plan's ability to translate objectives into operations. Therefore, every objective will have a measure and a target. He recommended Council consider using themes in their plan because it was a good way to describe issues the City wanted to address.

Councilor Herzig wanted Astoria's strategic plan to state whether the City's role is to lead or partner with another entities and state which department would be responsible for each action item. Mr. Jaecksch explained how the plan would provide detailed direction to Staff about how to implement each action item.

Mayor LaMear said she liked the four themes in Albany's strategic plan and wanted to use their plan as a template for Astoria's. Mr. Jaecksch pointed out that the copy of Albany's plan did not include a mission statement, vision, or values because those elements were introductory, not the body of the work. The mission statement, vision, and values were preliminary and could be displayed with the strategic plan.

Mayor LaMear asked if the themes were incorporated into the mission statement, vision, and values. Mr. Jaecksch explained that the themes were separate, but implied. Councilor Herzig understood the themes flow from the mission, vision, and values. He requested copies of Albany's mission, vision, and values so that Council could see how the two elements corresponded.

STRATEGIC PLANNING MODEL AND PROCESS, ASSUMPTIONS

Councilor Price believed the planning process should consider challenges that the city faces. She liked Albany's plan because they have many of the same challenges as Astoria. However, Astoria also has some different challenges, concerns, and interests that should be considered.

Mr. Jaecksch outlined the steps involved in the strategic planning process, describing how each step involved more and more detail as the process moved forward, starting with high level statements that would eventually lead to detailed action items and review processes. He noted which parties would be responsible for each step and how Council and Staff would work together to finalize the details in the plan.

Councilor Nemlowill asked which steps included public engagement. Mr. Jaecksch said the public would be involved in developing the mission, vision, and values. After that, it would be up to City Council to decide how

much public involvement would take place at each step of the planning process. More public involvement will result in a longer planning process. City Manager Estes added that Council has indicated they would like to produce a product that could be vetted to the public. He believed Council could develop the mission, vision, and values first and then ask the public to provide feedback. He confirmed Staff could hold open houses and public input sessions anytime Council directed them to do so. He recommended Council develop more than just the mission, vision, and values before soliciting public feedback. The public should definitely have the opportunity to provide input before objectives and action items are developed, but City Council could develop the higher-level sections of the strategic plan.

Councilor Warr preferred Council develop a rough draft of the themes, goals, and objective prior to asking for any public input. Otherwise, the process could get bogged down. City Manager Estes said the document would be reviewed internally with Staff, who would provide feedback to Council as well.

Mr. Jaecksch drew a diagram that showed how the mission, vision, and values would work and described the process of collecting feedback throughout the process. He explained that as feedback is received, new drafts of the plan would be developed in response.

Councilors Price and Nemlowill briefly discussed the importance of the public input process and the various means of collecting feedback from a variety of interest groups. Councilor Nemlowill noted that while the public input process used for the Riverfront Vision Plan was great, the implementation occurred so many years later that the public's vision had changed, so, Staff offered new opportunities for the public to provide input.

City Manager Estes reminded that City Council made the decision to develop a strategic plan. If this planning process is going to include a more robust public involvement program, Staff will need direction from City Council and more time to develop the plan.

Councilor Nemlowill noted that this planning process is an opportunity to put the future of the city into writing.

Mr. Jaecksch confirmed that during the planning process, it would be up to City Council to state when they would like the public to be involved. Councilor Nemlowill wanted a public involvement timeline. Councilors and Staff discussed the importance of such a timeline, noting the difficulties of developing one so early in the planning process. Mr. Jaecksch said he would integrate public involvement milestones into the planning process, which would include suggested methods of collecting feedback for each milestone.

Councilor Price wanted Council to develop a good first draft of the mission, vision, values, objectives, and goals that could be presented to the public. She believed Council should be open to revising the draft after feedback is received. Mayor LaMear and Councilor Warr agreed.

ROLES CLARIFICATION

Mr. Jaecksch stated the roles of each group were as follows:

- City Council - create, approve, and oversee the strategic plan.
 - City Manager – execute the strategic plan.
 - City Staff – implement the strategic plan.
 - Mr. Jaecksch – consult on and facilitate the strategic planning process.
 - Citizens – give feedback and offer ideas.
 - Core Team – write the first draft and revise the draft based on feedback.
- He explained how the school district developed a core team during their strategic planning process, with each member representing a group of stakeholders. The core team wrote a first draft and each member presented it to the group they represented to collect feedback and ideas. The team then revised the draft based on this feedback.

Mayor LaMear asked if City Council should be part of the core team. City Manager Estes listed the requirements for conducting public meetings. Councilor Price believed it would be impossible for City Council because the core team would need to work together to write a draft. Councilor Nemlowill believed it was the consultant's responsibility to listen to the core group then write the draft. Councilor Price said this would make the process lengthy.

Mr. Jaecksch confirmed he would be willing to write the draft at City Council's direction. City Manager Estes noted that City Council wanted this process to remain affordable, which would not be the case if Mr. Jaecksch attended every meeting. A core team could meet separately and call Mr. Jaecksch for assistance when necessary. The draft created by the core team will be presented to City Council for approval. He recommended a core team comprised of two Councilors and himself, who would develop the mission, vision, and values. Mr. Jaecksch added that after the core team developed the mission, vision, and values, the entire City Council would complete the themes, objectives, and goals.

Councilor Herzig suggested the entire Council and City Manager Estes be assigned to the core team with the understanding that a quorum would not be necessary at meetings. However, if more than two Councilors planned to attend, Staff could announce that the meeting would be public. He believed some Councilors were more interested than others were in being a part of the core team. This would give each Councilor the flexibility to be as involved as that want to be, as well as a baseline for a core group.

The entire City Council indicated they wanted to be part of the core group. Councilor Price did not understand why the mission, vision, and values could not be developed via email. She understood that public meetings could not be conducted via email, but believed that if the core group were not a quorum, there would be enough trust amongst the Council to allow two Councilors and the City Manager to do the work.

City Manager Estes asked Council to consider potential core group members while the next two items on the agenda were discussed, as the core team would be established towards the end of the meeting.

PROCESS FOR MISSION, VISION, AND VALUES

Mr. Jaecksch defined a mission statement, explained its purpose, and noted considerations necessary when developing a mission statement. He and Staff guided Council through the process of developing statement, as follows:

- Council discussed what they liked about Albany's and Vancouver's mission statements and noted some concepts they wanted Astoria's statement to convey, like providing quality services, leadership, and stewardship, and Astoria's heritage.
- Mr. Jaecksch explained the differences between a mission statement and a vision statement, noting both must be meaningful to those who write the statements and understood by the organization. He briefly described the processes used to develop these statements and asked Council what they wanted to include in their mission statement.
 - Mayor LaMear suggested a statement about preserving Astoria's unique character.
 - Mr. Jaecksch noted that Councilor Herzig had already said leadership should be included, which could be interpreted several ways. He recommended Council discuss this further.
- Councilors and Staff discussed using the word "quality" in the mission statement. Councilor Nemlowill was concerned that saying the City offered quality services would not be an honest reflection, but noted the City does the best it can with the resources it has. Councilor Warr disagreed and Councilor Herzig noted the statement reflected the City's aspirations.
 - Mr. Jaecksch explained that the mission is a statement reflecting a summary of the services the City provides. The word quality indicates that the City believes it is doing a good job working towards its goals, but the word full-service is too broad for the mission statement. The mission also reflects what the City does not do. Organizations that try to do too much and are not focused end up with fuzzy mission statements. He asked Council to consider this as the mission statement is written.
- Councilors Warr and Nemlowill agreed the word "affordable" might not be appropriate because the word is subjective and Astoria's tax rates were high.
 - Councilor Nemlowill suggested the statement include, "providing quality services while preserving Astoria's unique history." The City is trying to uphold the current quality of life, so the statement should also include something about preserving a good quality of life for citizens now. Mr. Jaecksch said quality of life statements were more visionary and belonged in the vision statement.
- Councilor Herzig suggested the mission statement be, "to lead in providing quality public services while preserving Astoria's unique heritage." Councilor Nemlowill believed the wording implied that others are providing the services. However, the City is the only entity providing services. Councilor Herzig said he wanted leadership to be included somehow and agreed the statement was not very clear.
- Mayor LaMear explained that the statement should reflect the City's mission, not Council's mission. Councilors briefly discussed the role of the City Council.

The meeting recessed at 6:55 pm for a break and reconvened at 7:05 pm.

Mr. Jaecksch continued to explain the process involved in developing the mission, vision, and value statements, which would be a collaborative effort of the core team, City Staff, and City Council. City Manager Estes noted how Staff would participate in the process.

WRITE FIRST DRAFT OF MISSION, VISION AND VALUES

Mission Statement

Mr. Jaecksch described the process for coming to a consensus and asked each member of City Council to indicate his or her level of support for each suggested mission statement. City Council unanimously agreed on one of the statements.

Vision Statement

Mr. Jaecksch gave the definition of a vision and noted the considerations necessary when developing the statement. Mayor LaMear suggested Councilors write down words and phrases as they brainstormed about the vision. Council shared ideas about the vision statement with guiding comments from Staff, as follows:

- Councilor Nemlowill said she wanted Astoria to be a place where people who work in Astoria could also live. She believed the City could make policy decisions that would achieve this vision.
- Mayor LaMear said she wanted to maintain the aesthetics of the riverfront.
- Councilor Warr believed the only way to achieve Councilor Nemlowill's vision would be to aggressively pursue economic development that would provide family wage jobs. However, the City has not shown that it wants development. Councilor Nemlowill agreed the economy was an important aspect of her vision for Astoria. They discussed the high numbers of second homes in Astoria, the housing shortage, and the current economy. While Astoria does not want to give up any of its waterfront for economic development, the City still needs to attract family wage jobs.
 - Council agreed the vision statement should include "balanced economic growth."
- Councilor Price believed the statement should also include, "a safe, healthy, active, entrepreneurial community that balances growth with preserving Astoria's unique, natural, rural, and historic character."
- Mr. Jaecksch noted that vision statements could be broken down with bullet points that more specifically explain some of the broad words within the statement. The themes would also provide more specific details about the vision statement.
- Councilor Nemlowill believed the community was another reason people wanted to work and live in Astoria. Mayor LaMear agreed. They briefly discussed the local community, which was different from a resort town and offered events year-round. Councilor Nemlowill believed balancing economy and livability should be part of the vision statement. Council agreed livability and quality of life were about parks, public spaces, access to healthcare, and transportation. Councilor Nemlowill added that while the types of blue-collar jobs in Astoria have evolved over the years, the city's heritage remains the same and she wanted this to continue into the future. Councilor Herzig noted that Astoria's heritage was already mentioned in the mission statement.
 - City Manager Estes said he had heard from many people lately that Astoria is changing for the better. Mayor LaMear said if City Council believes the authentic character of Astoria should be maintained, it should be included in the vision statement. She reminded that the public would have the opportunity to provide feedback about the statement. Councilor Nemlowill agreed. Councilor Herzig noted that he would like more information about the comments made to City Manager Estes.
- Mr. Jaecksch asked Council to describe Astoria's authentic character. Mayor LaMear and Councilors listed the aspects of Astoria they believed contributed to the character of the city, including pilings, Victorian homes, museums, the fishing community, the Coast Guard, the year-round community, the high level of volunteerism in the community, political activism, the outdoor environment, and events.
 - Councilor Nemlowill liked the phrase "Astoria for Astorians." While tourism is a large part of the economy, the niche that brings tourists to Astoria and provides quality of life is the way the City does things for the locals first. Mayor LaMear added that Astoria remains authentic because the city is not trying to be a tourist town.

Mr. Jaecksch confirmed that Council wanted to consider the following phrases for the vision statement:

- A place where people who work in Astoria can live in Astoria
- Maintain the riverfront aesthetic
- Economic development that provides family wage jobs and balance

- A safe, healthy, active, entrepreneurial community that balances growth with preserving Astoria's unique, natural, rural, and historic character
- A year-round community
- Balance the economy with livability/quality of life
- Maintain the authentic character of Astoria
- Volunteerism is related to the word active
- Community involvement
- He noted three main concepts could be drawn from the list and crafted into a vision statement, 1) the City wanted a specific type of development, 2) Astoria's authentic character contributed to its livability, and 3) the year-round community was a result of community involvement and volunteerism.

The phrase suggested by Councilor Price included most of the concepts. However, Mayor LaMear and Councilor Warr did not believe the word rural was appropriate for Astoria. Councilor Price agreed Astoria was not an up and coming town, but was full of people who work hard for a living. Astoria is under pressure to make the city pretty, where all of the houses look great and all of the people work white-collar jobs.

Councilor Warr asked Councilor Price to explain what she meant by entrepreneurial. She considered Astoria's businesses to be entrepreneurial and said Astoria would not get big factories or big businesses. Councilor Herzig believed the word entrepreneurial implied hustling. Councilor Nemlowill said the word made her think of small businesses, but also believed entrepreneurial could apply to medium or large-scale businesses as well. Councilor Price said entrepreneurship included innovation.

Councilor Nemlowill suggested the vision statement include "a thriving year-round community with its authentic heritage intact." Councilors Warr and Price believed the statement should indicate where the city wanted to go. However, Councilor Herzig and Mayor LaMear liked the phrase "thriving year-round community."

Councilors brainstormed about the exact wording of a vision statement, discussing which words would best convey the concepts they had agreed to reflect in the statement.

Councilor Warr explained that Astoria's authentic character 70 or 80 years ago put large windows towards the street. No one wanted to look at the river because that was where they made their living. Today, the City is saying that in order to preserve that authentic character, it will not allow growth that would buffer the view shed. He did not believe this was authentic or economically healthy. Authenticity evolves and changes with the times. Balancing growth with the authentic character of the city does not reflect any interest in economically taking care of future generations. Tourism creates low wage jobs and the people who work in tourism cannot afford to live in Astoria. Therefore, he believed the vision statement should say to the community that the City wants to find a way to take care of its citizens economically, in addition to providing great public services. Councilors Price and Herzig believed the word thriving reflected Councilor Warr's suggestion.

Mr. Jaecksch asked how Council believed the vision statement would provide guidance. Councilor Warr said the Riverfront Vision Plan was initially crafted to leave the west end of town for riverside development. During the implementation process, the City became convinced that people withheld their views. So, the City implemented regulations that block any type of meaningful development on the river. He believed this was very economically hurtful. If this vision is for the future, the statement should include something that allows the City to be economically healthy so that people who work in Astoria can also live in the community. He believed the word thriving could mean many different things. Councilor Herzig suggested Councilor Warr's concerns be discussed in a more strategic level of the planning process.

Councilor Price said she had heard similar statements from pro-development people who have lived in Astoria for a long time, which she believed made up about 30 percent of Astoria. There are very different visions of Astoria's authentic character, so she recommended the vision state "balances growth with livability." Then, livability can be debated instead of character.

Councilor Warr believed the City needed to state forcefully that it is not anti-development or anti-business because governments do not create wealth. If this is going to be a long-range plan, the City needs to be very serious about providing more than just views, nice parks, and other comforts. The City should do what it can to provide jobs. Councilor Price said that is what balancing growth is. People want to come to Astoria because it has limited development and a lot of open space, unlike Seaside or Warrenton.

Councilor Nemlowill added that the word growth could mean many things too. Mr. Jaecksch reminded that the meanings of these words would be specified later in the process. City Council agreed the strategic plan should include an economy theme.

Councilor Warr confirmed that he believed “balances growth with the preservation of our authentic character” sounded anti-development.

Mr. Jaecksch said when the vision statement is presented to the next group for input, both sides of this conversation needed to be reflected so that the group could offer their own perspective. He proposed a specific phrase as the initial draft vision statement, which he wrote on the board.

Councilor Nemlowill asked if the information written on the board would be documented. Even if some of the concepts discussed did not fit into the vision statement, they still needed to be included in the strategic plan. Staff confirmed that discussions and hand-written notes from public, core team, and stakeholder meetings would be compiled in a project binder.

Value Statement

Mr. Jaecksch defined value statements and explained what types of things should be included. City Council stated the value statements should include the following:

- Historic preservation
- Astoria for Astorian’s
- Honoring the workers
- Year-round community
- Environmental preservation
- Sense of place
- Economic vitality
- Economic opportunity for future generations
- Resiliency
- Fiscal responsibility
- Fiscally and environmentally sustainable
- Heritage
- Personal honesty and integrity
- Excellence
- Teamwork
- A humane and diverse organization
- Social responsibility

Councilor Price understood the characteristics should indicate the values of the City Council and the City government. Councilor Warr believed the list of values should be concise and brief and include open and honest government, fiscal responsibility, maintaining the environment, and providing sensible customer service. The City has discussed affordable housing, but has never discussed the many of the things it could do to promote affordable housing. The only way to promote affordable housing is to make it economically viable and bureaucracy makes development much less affordable than it needs to be. Therefore, business friendly should also be a value. Councilor Nemlowill agreed.

Mr. Jaecksch reminded that values provide guidance and do not make decisions. Values often come into conflict and the City would have to balance them sometimes.

Councilor Herzig wanted the values to include entrepreneurial instead of business friendly because it sounded local and artisanal. Astoria does not want Wal-Mart, but does want businesses like Fort George and the Wet Dog.

Councilor Price believed the values would resonate with the public. Councilors Nemlowill and Herzig agreed that economic development should be discussed separately.

Council agreed their initial list of values was too long and discussed the best way to make the values more concise by combining individual statements. Staff guided Council through the process by clarifying the purpose of a values statement and offering suggestions. Mr. Jaecksch stated he would refine Council’s final list of value statements and Staff would email his changes to Council for feedback and approval. Staff reminded that all communications would be added to the project binder.

DESIGNATION OF THE CORE TEAM

Mr. Jaecksch confirmed he did not need to be a member of the core team and could simply coach the team through the process. Councilor Herzig discussed the importance of inviting Staff to the work session, which he believed would be beneficial when the core team solicits feedback from each department. Councilor Warr believed Council should complete the first four or five steps of the planning process, and then turn the project over to a core team that included Staff, a few Councilors, and a member from outside the City government.

Mr. Jaecksch reminded that the core team needed to be a decision-making body that would collect feedback about the draft and adjust the draft accordingly. City Manager Estes noted a few pros and cons of having the entire City Council on the core team and Mr. Jaecksch offered suggestions about how to handle some of the potential issues.

Councilor Price was concerned about how much of a burden the planning process would put on Staff and how much it would cost. City Manager Estes said he understood that he and Julie Yuill would take on additional work to facilitate the process. He could delegate some of the work to Mr. Jaecksch, but would still have to manage the budget for this project.

Councilor Nemlowill suggested the department heads discuss what they heard at this work session with their Staff, collect feedback, and present the feedback to City Council. She did not understand why the core team would have to explain the concepts to Staff because Staff attended the work session and witnessed the entire process.

City Manager Estes suggested he and a few Councilors be on the core team. City Council would still have to approve any amendments. Council debated having a few Councilors versus the entire City Council on the core team and agreed the core team would include the entire Council.

NEXT STEPS

City Manager Estes stated he and Mr. Jaecksch would meet in the morning to discuss refinements to the value statements.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:32 pm.

ATTEST:

APPROVED:

Finance Director

City Manager

Astoria Library Board Meeting

Astoria Public Library

March 22, 2016

5:30 pm.

Present: Library Board members David Oser and Susan Stein; Staff Library Director Jane Tucker and ALFA Representative Steve Emmons.

Excused: Kimberley Chaput, Chris Womack, and Kate Summers

Call to Order: Director Tucker called the meeting to order at 5:35 pm.

David Oser stated no votes would be conducted for lack of a quorum.

Approval of Agenda: The agenda was approved without changes.

Approval of Minutes: David Oser noted the following change to the minutes of the February 23, 2016 meeting. The last sentence in the seventh paragraph of Page 3 should read: "However, Mr. Oser suggested a Board member should tell Mayor LaMear, ~~instead of~~ **as well as** Director Cronin, that the Board plans to send this letter to City Council."

Library Options:

Director Tucker explained that the City's contract with Hacker Architects has been amended to include the study of four options for renovating the existing library building. Director Cronin plans to show the Board draft floor plans for all four options in April and a full presentation would be made to City Council on May 16th. She listed upcoming City Board, Commission, and Council meetings scheduled for April and May.

David Oser noted that Ruth Metz was not tasked with developing accurate cost estimates, but there is a sense that her gross square foot estimates were the project costs. Director Tucker described the results of a request for information from other libraries who had temporarily relocated library materials and services, including during renovation projects. Results included costs to staff morale and retention during a relocation. Susan Stein believed these costs were not being considered and said the cost to replace an employee is between \$100,000 and \$125,000.

Board Reports:

Item 5(a): Reports of Community Presentations

Library Director's Report:

David Oser said he hoped the library would have the opportunity to connect with the new preschool program. Director Tucker said the library has already been a large part of the preschool program in Warrenton and she was excited about the new program in Astoria. She briefly discussed the Warrenton program, which began two years ago.

Director Tucker reported that a draft job description for the Library Director position is currently being reviewed by City Manager Estes. Susan Stein asked that the Board receive a copy of the job description. Mr. Oser agreed the Board should be included in the hiring process. The Board and Staff discussed the relationship between Board members and a Library Director and the benefits of hiring a new director.

Update on ALFA Activities:

Steve Emmons reported that ALFA had its annual meeting on March 9th and they are recruiting board members. The next board meeting is April 26th at 2:00 pm and the next ALFA meeting is June 28th.

New Business:

Old Business:

Item 9(a): Library Board Role Clarification in Renovation

Director Tucker said Director Cronin read the minutes of the February meeting, which stated cost estimates were not shared with the Library Board. She explained that Director Cronin had made a strategic decision to refrain from sharing the cost estimates with any outside group until he shared them with City Council.

David Oser confirmed he had not spoken to the Mayor because he was waiting on the letter that Kimberly Chaput had volunteered to write. He believed the Board should meet earlier in April to discuss how to work with Director Cronin and next steps. He remained concerned that the Board was not being considered in this process and that their input was not being added to the discussions. Mr. Oser said he would call Mayor LaMear to schedule a meeting.

Public Comments: There were none.

Items for Next Meeting's Agenda: Approve the minutes of the February meeting and continue the discussion of the Board's role in the renovation.

Adjournment: There being no further business, the meeting was adjourned at 6:10 pm.

Respectfully submitted,

Jane Tucker, Director, Astoria Public Library.



CITY OF ASTORIA

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April 25, 2016

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER

SUBJECT: AUTHORIZATION TO EXECUTE CONTRACT FOR INTERIM BUILDING CODE SERVICES

DISCUSSION/ANALYSIS

Over the last six months, the Community Development Department has been conducting a review of the development review process from streamlining permits and procedures to new forms, customer survey, presentations to trade associations, and launching of a social media strategy. After hiring a City Planner in December 2015, the Department has been focused on evaluating the provision of building code services. The Clatsop County Building Department has provided excellent service to the City and our customers since June 2015; however, this contract was created on a temporary basis until a Community Development Director was hired (July 2015) to rebuild the team, including the hiring of a new Building Official. The contract for all temporary services with the County expires on April 30.

Moving forward, the Community Development Department considered a few options including a new contract with Clatsop County. Based on a financial analysis, the best option is to hire a new Building Official / Code Enforcement Officer. This option will require the City to contract temporarily until the hiring process is completed. A recruitment brochure and job description is expected to be released in May with a projected three month minimum hiring process.

It was felt that a City Building Official / Code Enforcement Officer would provide a higher level of consistency rather than having rotating contract inspectors. City staff has worked with The Building Department LLC to develop a temporary services contract that meets our financial needs, but also provides basic building code services to our customers. A local inspector/plans examiner who is already providing service in Vernonia and Clatskanie will conduct reviews and be available in Astoria two days a week on Tuesday/Wednesday schedule. There is a possibility of adding a third day depending on City needs, customer demand, and contractor availability.

Enclosed is a copy of the contract, which expires July 31, 2016. In the event that the recruitment process fails to find a qualified candidate, the contract can be extended. At the time the memorandum was issued, the City Attorney had not been able to review the contract as to form. City Attorney Henningsgaard will review and approve prior to the Mayor signing.

RECOMMENDATION

It is recommended that City Council execute the contract.

By: 

Kevin A. Cronin,
Community Development Director

CITY OF ASTORIA
CONTRACT FOR PROFESSIONAL SERVICES

This Contract, made and entered into this ___ day of May 2016, by and between the City of Astoria, a municipal corporation of the State of Oregon, hereinafter called "CITY", and The Building Department LLC, hereinafter called "CONSULTANT", duly authorized to perform such services in Oregon.

WITNESSETH

WHEREAS, CONSULTANT is undertaking to provide on call as needed Building Official, inspection service, plan review service, including fire/life safety, structural, and mechanical, to the CITY.

WHEREAS, the projects involved are all types of construction projects requiring the issuance of a building permit within the City.

WHEREAS, CONSULTANT represents itself as possessing the skills and experience necessary to perform said services.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants hereinafter recited, hereby agree as follows:

1. **Scope of Services.** CONSULTANT shall provide professional services at the request of, and in consultation with, the CITY, under the direction of the Director, Community Development. The specific services that CONSULTANT shall provide are set forth in the Statement of Services attached hereto as Exhibit A.
2. **Term of Agreement.** This agreement shall be valid beginning May 2, 2016 through July 29, 2016.
3. **Time of Performance.** CONSULTANT shall complete the scope of services as follows: Residential plans deemed simple under Oregon Revised Statute (ORS) 455.455 and 455.457, within ten (10) working days. Commercial plans may vary depending on the complexity. However, a normal plan review time will be within fifteen (15) working days.
4. **Compensation.** The CITY shall pay CONSULTANT for services rendered in accordance with the attached Fee Schedule marked Exhibit B. Payment shall be made within 30 days after CONSULTANT submits an itemized statement for work performed to the CITY Building Department.
5. **Obligations of CITY.** The CITY shall, to the extent reasonable and practicable, assist and cooperate with CONSULTANT in the performance of CONSULTANT services hereunder. Such cooperation and assistance shall include, but not be limited to, (a) providing two sets of plans and documents to CONSULTANT at their designated office; (b) obtaining from the applicant, the necessary items to allow plan checking to be

completed expeditiously- such items shall include complete plans, construction specifications, soils reports, energy calculations, structural calculations, name, address, and telephone number of the applicant or his designee and similar items necessary for a particular project; (c) providing the valuation for proposed construction or requesting that CONSULTANT calculate the valuation; and (d) providing CONSULTANT with copies of any CITY ordinances that modify the Standard regulations of review.

6. Right to Terminate Contract. Contract may be terminated at any time, by either party, without cause, upon 30 days prior written notice.

All terms and conditions of the contract are considered material and failure by CONSULTANT to comply with any said terms or conditions shall, at the City's option, be deemed a breach of contract. Upon such failure, the CITY shall have the right, whether an alternative right is provided or not, to declare the contract terminated. Notice shall be given in writing to the CONSULTANT and shall be effective 15 days from the date of delivery.

CITY may cancel all or any part of the Contract in the event of any of the following: Insolvency of CONSULTANT; voluntary or involuntary petition in bankruptcy by or against CONSULTANT; appointment of a receiver or trustee for CONSULTANT, or an assignment for benefit of creditors of CONSULTANT. Damages for breach shall be those allowed by Oregon Law, reasonable and necessary attorney's fees, and other costs of litigation at trial and upon appeal. Notice shall be given in writing to the CONSULTANT and shall be effective 30 days from the date of delivery.

7. Insurance. CONSULTANT shall purchase and maintain policies of general liability and Professional Liability (Errors & Omissions) insurance from reputable companies written on an occurrence basis, in amounts not less than the limitations on liability for local public bodies provided in ORS 30.272 and ORS 30.273. This insurance shall be in force during the life of this contract and the insurer shall agree to provide the CITY with 30 days notice of cancellation or change of policy.
8. Independent Consultant. CONSULTANT'S services shall be provided under the general supervision of City's project director or his designee, but CONSULTANT shall be an independent CONSULTANT for all purposes and shall be entitled to no compensation other than the compensation provided for under Section 4 of this Contract.

CONSULTANT acknowledges that for all purposes related to this Contract, CONSULTANT is and shall be deemed to be an independent CONSULTANT and not an employee of the City, shall not be entitled to benefits of any kind to which an employee of the City is entitled and shall be solely responsible for all payments and taxes required by law; and furthermore in the event that CONSULTANT is found by a court of law or an administrative agency to be an employee of the City for any purpose, City shall be entitled to offset compensation due, or to demand repayment of any amounts paid to CONSULTANT under the terms of the Contract, to the full extent of any benefits or other remuneration CONSULTANT receives (from City or third party) as result of said finding and to the full extent of any payments that City is required to make (to CONSULTANT or a third party) as a result of said finding.

The undersigned CONSULTANT hereby represents that no employee of the City of Astoria, or any partnership or corporation in which a City of Astoria employee has an interest, has or will receive any remuneration of any description from the CONSULTANT, either directly or indirectly, in connection with the letting or performance of this Contract, except as specifically declared in writing.

9. Indemnification. With regard to Comprehensive General Liability and Professional Liability, CONSULTANT agrees to defend, indemnify and hold harmless the City of Astoria, its Officers, and Employees against and from any and all loss, claims, actions, suits, reasonable defense costs, attorney fees and expenses for or on account of injury, bodily or otherwise to, or death of persons, damage to or destruction of property belonging to city, consultant, or others resulting from or arising out of CONSULTANT'S negligent acts, errors or omissions in services pursuant to this Agreement. This agreement to indemnify applies whether such claims are meritorious or not; provided, however, that if any such liability, settlements, loss, defense costs or expenses result from the concurrent negligence of CONSULTANT and the City of Astoria. This indemnification and agreement to assume defense costs applies only to the extent of the negligence or alleged negligence of the CONSULTANT.

With respect to claims made against the City of Astoria, The City of Astoria reserves the right to approve the choice of counsel.

10. Attorney's Fees. In the event suit or action is instituted to enforce any of the terms of this contract, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorney's fees at trial or on appeal of such suit or action, in addition to all other sums provided by law.
11. Non-Assignability. This agreement is for the professional services of CONSULTANT and is non-assignable with prior written consent of the CITY.
12. Notices. Any notices required pursuant to this Agreement shall be served at the following addresses:

CITY
Kevin A. Cronin
City of Astoria
Community Development Dept.
1095 Duane Street
Astoria, Oregon 97103

CONSULTANT
David Mortier
The Building Department, LLC
144 E. 14th St
Eugene, Oregon 97401

13. Force Majeure. Neither CITY nor CONSULTANT shall be considered in default because of any delays in completion of responsibilities hereunder due to causes beyond the control and without fault or negligence on the part of the party so disenabled provided the party so disenabled shall, within ten (10) days from the beginning of such delay, notify the other party in writing of the causes of delay and its probable extent. Such notification shall not be the basis for a claim for additional compensation.

14. Nonwaiver. The failure of the CITY to insist upon or enforce strict performance by CONSULTANT of any of the terms of this Contract or to exercise any rights hereunder shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon such terms or rights on any future occasion.

15. Public Contract Clause. The City of Astoria is a municipal corporation and certain contract terms are required to be included in all public contracts by Oregon law. Therefore, the parties incorporate by this reference the provisions contained in Exhibit C, attached.

16. Nondiscrimination. It is the policy of the City of Astoria that no person shall be denied the benefits of or be subject to discrimination in any City program, service, or activity on the grounds of age, disability, race, religion, color, national origin, sex, sexual orientation, gender identity/expression. The City of Astoria also requires it's contractors to comply with this policy.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the _____ day of May 2016.

Approved as to form:

CITY OF ASTORIA, a municipal corporation
of the State of Oregon

Blair Henningsgaard
City Attorney

BY: _____
Mayor Date

BY: _____
City Manager Date

The Building Department, LLC

BY: _____
Consultant Date

EXHIBIT A
STATEMENT OF SERVICES

The Building Department, LLC (CONSULTANT) will provide professional services for the review of proposed building plans for conformance to regulations contained in the State mandated Specialty building and mechanical codes, as those codes are amended by the CITY or State; in State laws governing energy conservation in buildings, provisions for access to buildings by disabled persons.

I. BUILDING OFFICIAL SERVICES

In providing on call as needed Building Official services, CONSULTANT will perform the duties as Building Official as outlined in operating plans of the CITY. These are filed with the State of Oregon Building Codes Division. CONSULTANT will supervise all inspectors and plans examiners performing services to CITY. Any temporary Building Official services shall be provided only with properly licensed and Oregon certified building official personnel approved by the CITY.

II. PLAN CHECKING SERVICES

In providing plan review services, CONSULTANT will do the following:

1. Perform traditional and Fire and Life-Safety plan review services of submitted plans to determine compliance with ORS 479.155(2) the most recent CITY adopted:
 - a. Oregon Residential Specialty Code (including structural plan review), latest edition
 - b. Oregon Structural Specialty Code, latest edition
 - c. The currently adopted NFPA 72
 - d. All other codes required to be enforced under ORS 455
 - e. International Existing Building Code, latest edition as amended by the State of Oregon per ORS 455.060
 - f. City of Astoria Municipal Codes
2. Provide the applicant (or their designee) and the CITY, a typed list of items including all applicable code sections cited and needing clarification or change to achieve conformance with the above regulations.
3. Perform all necessary liaisons with the applicant's designee, either by phone, mail, or meetings in CONSULTANTS' office, and perform one re-check. If any additional re-checks are necessary, they shall be performed and billed to the City at the rate of \$88.00 per hour. Preapproval is required by the CITY Community Development Director.
4. Perform all necessary duties as the Building Official or his designee, either by mail, phone or in meetings to insure compliance with the Oregon Structural Specialty Code Sections 105 and 106 and to insure compliance with local policy interpretations.

III. BUILDING INSPECTION SERVICES:

In providing building inspection services, CONSULTANT will do the following:

1. Perform traditional building inspection services to determine compliance with approved plans and documents and the most recent City of Astoria adopted building codes and regulations.
2. Furnish State Certified inspection personnel with the required State of Oregon SRI and/or SRL license required by OAR 918-090-0200 for third party service providers. The City of Astoria shall have the right review the qualifications of each inspector assigned by CONSULTANT.
3. Perform traditional building inspections in accordance with established policies and procedures, including preparation and keeping of inspection records, logs, and notices. All correction notices shall cite the applicable code section for each violations noted when the inspection is failed.
4. Attend meetings related to building inspection projects when requested or authorized by the Community Development Director.
5. Perform inspections during the normal working hours and days as performed by regular inspectors or as otherwise agreed.
6. Ensure an Oregon licensed inspector is available to provide regular services and inspections. inspector shall be available during the normal working hours and days as performed by regular inspectors or as otherwise agreed.. Consultant shall be responsible for scheduling any required substitute inspectors should regular personnel be unable to provide required services.
7. Building Finals and Certificate of Occupancy approvals shall only be issued by prior written approval of the CITY Community Development Director or designee.

EXHIBIT B “Please See proposal for services fees and rates”
FEE SCHEDULE

EXHIBIT C

WORKMEN'S COMPENSATION

The CONSULTANT, its sub consultants, if any, and all employers working under this Agreement are either subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage for all their subject workers, or are employers that are exempt under ORS 656.126.

LABORERS AND MATERIALMEN, CONTRIBUTIONS TO INDUSTRIAL ACCIDENT FUND, LIENS AND WITHHOLDING TAXES

CONSULTANT shall make payment promptly, as due, to all persons supplying CONSULTANT labor or material for the prosecution of the work provided for this contract.

CONSULTANT shall pay all contributions or amounts due the Industrial Accident Fund from CONSULTANT or any sub consultant incurred in the performance of the contract.

CONSULTANT shall not permit any lien or claim to be filed or prosecuted against the CITY on account of any labor or material furnished.

CONSULTANT shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

OVERTIME

Employees shall be paid at least time and a half for work performed on legal holidays and for all overtime worked in excess of ten (10) hours per day, or in excess of 40 hours in any one week, whichever is greater, except for individuals under these contracts who are excluded under ORS 653.010 to 653.261 or under 29 USC Sections 201 to 209 from receiving overtime.

PAYMENT OF MEDICAL CARE

CONSULTANT shall promptly, as due, make payments to any person, copartnership, association or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury to the employees of such CONSULTANT, of all sums which the CONSULTANT agrees to pay for such services and all moneys and sums which the CONSULTANT collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.



CITY OF ASTORIA
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COMMUNITY DEVELOPMENT

April 25, 2016

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER

SUBJECT: HISTORIC PRESERVATION PROGRAM – PRESERVING OREGON GRANT

BACKGROUND

The City of Astoria has received grants from the State Historic Preservation Office (SHPO) to assist property owners with needed historic renovations. For example, the Certified Local Government Program has provided pass through grants to assist multiple renovations over the last few years. Similar to the CLG Program, the Preserving Oregon Grant program is also administered by SHPO and offers an opportunity to facilitate restoration of another key property in downtown – the M&N Building at 904 -936 Commercial Ave – located at the northeast corner of 9th & Commercial. The building is a significant resource within a designated National Register Historic District and is therefore eligible. It has been a longstanding goal of the City Council to preserve, revitalize, and reoccupy the building with new businesses.

The Community Development Department has submitted a letter of intent to allow a full application to be submitted by the May 13 deadline. Staff has requested letters of support from members of the Columbia Pacific Preservation Advisory Committee, which is a coalition of local groups including the Lower Columbia Preservation Society, Clatsop Community College Historic Preservation Program, ADHDA, and Columbia Maritime Museum.

Typically, non-profit and public sector property owners have applied to this grant program. However, in this case the City is applying on behalf of a potential buyer as a “carrot” to an eventual renovation plan for the building. Staff has reached out to the Flavel conservator who has enthusiastically supported the concept and will write a letter of support.

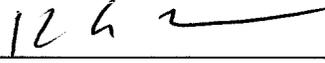
Staff is requesting the maximum \$20,000 offered to match in kind resources from the City and leverage expected private investment from the new property owner for a public private partnership. The City expects a buyer to purchase and renovate the building within the grant reporting deadline (May 2017). The focus of the grant, which is limited, will be targeted to the compromised structural element on the 9th Street side of the 1924 building.

The attached document from SHPO explains the grant program guidelines and is provided for reference.

RECOMMENDATION

Authorize staff to submit a Preserve Oregon grant application to restore the M&N Building and report back to Council on the outcome of the application by August 2016.

Prepared by:



Kevin A. Cronin, Community Development Director

PRESERVING OREGON GRANT

2016-2017

OREGON STATE HISTORIC PRESERVATION OFFICE, OREGON HERITAGE

Preserving Oregon Grant Programs funds are to be used for:

- rehabilitation work on properties listed in the National Register of Historic Places, or
- significant work contributing to identifying, preserving and/or interpreting archaeological sites.

Grants must be submitted through the Oregon Parks and Recreation Department Grants Online program. There will be two grant cycles in the 2015-2017 biennium. A Letter of Intent to apply and a project review or site visit is required to apply for the Preserving Oregon Grant.

FINANCIAL INFORMATION: Grant funds may be awarded for amounts up to \$20,000.

MATCH: Grants must be matched 1:1 by the grantee. Match can be in the form of cash, in-kind donations, and volunteer time.

BUDGET INFORMATION: Bids and estimates strengthen the grant request when applicable.

PRESERVATION REQUIREMENTS: The application must convey that all work will be completed using appropriate preservation practices, for example, the Secretary of the Interior's Standards for Rehabilitation of Historic Properties, SHPO regulations for archaeological work, etc.

GRANT REPORTING AND PAYMENT: Awarded projects will be the subjects of binding agreements between the State and the applicants. Typically, grant funds are dispersed on a reimbursable basis. Details of payment arrangements and grant reporting will be provided at the time of award.

GRANT TIMELINE:

Letter of Intent Deadline – (11:59pm) April 15, 2016

Deadline – (11:59pm) May 13, 2016

Notification – July 1, 2016

Reporting deadline – May 15, 2017

HISTORIC PROPERTIES GRANTS ELIGIBILITY, PRIORITIES AND CRITERIA:

- Properties must be listed on the National Register of Historic Places, either individually or as a "contributing" property in a Historic District, to qualify for funding.
- Higher priority will be given to publicly owned resources and private nonprofit resources, and properties that offer the greatest public benefit through visual access and interpretive/educational value.
- Properties that are not publicly owned or nonprofit-owned must have exceptional significance and/or extraordinary public benefit to compete.
- Commercial or depreciable properties that are taking advantage of the federal investment tax credit cannot include these grant dollars in the expenses for the tax credit.
- Interior work will be considered on a case-by-case basis depending on the significance of the interior and its public value.



- All work must meet the Secretary of the Interior's Standards for Rehabilitation of Historic Properties; see <http://www.nps.gov/history/hps/tps/tax/rhb/stand.htm>. Examples of eligible projects include: roof and gutter repair, foundation work, structural stabilization, replacement of deteriorated historic features, and weatherization.
- Remodeling, new additions, or solely cosmetic efforts are not eligible for funding.

The review panel will evaluate each project proposal by the following criteria.

- how significant the work is to the structure's integrity,
- the preservation of character-defining features,
- how well the work plan is developed and described and the corresponding cost estimates,
- how well the project is shown to meet the Secretary of the Interior's Standards for Rehabilitation of Historic Properties,
- geographic distribution and historic significance of the property will be considered in determining project funding, and
- additional evaluation will be based on demonstrated project readiness and the matching dollar share in-hand commitment.

ARCHAEOLOGY GRANTS ELIGIBILITY, PRIORITIES AND CRITERIA:

Priority will be given to field-based research projects concerning the documentation of archaeological sites, structures, and artifacts, including:

- conservation and stabilization of specific archaeological sites and monuments;
- field or experimental testing of new or developing methods and materials for identification or conservation;
- development, testing or implementation of heritage management plans;
- programs promoting public awareness of and education about the value and fragility of cultural resources;
- developing and/or implementing innovative techniques in dating, monitoring, analysis, remote sensing of and predicting locations for archeological sites and artifacts;
- conducting surveys and preparing contexts of archaeological sites; and
- preparing National Register nominations of archaeological sites.

The review panel will evaluate each project proposal by the following criteria. The proposed project should:

- provide a significant contribution to the field of archaeology,
- demonstrate a technically sound methodology,
- include a principal investigator who is a professional archaeologist,
- show that it is part of a larger project, or has far reaching results and uses beyond the submission of the product to SHPO.
- disseminate project results effectively
- geographic distribution and historic significance of the property will be considered in determining project funding, and
- be cost effective given the scope of work and the audience.

LETTER OF INTENT SUBMISSION: Visit the OPRD: Grants Online at www.oprdgrants.org and register to submit the letter of intent. The letter must include a project description, estimated cost, estimated



request, and physical location of the property. The project will be reviewed and, if necessary, a site visit will be scheduled. You will receive follow up information and approval to apply following the review. The deadline to submit a Letter of Intent is April 15, 2016 for the second cycle. Instructions for OPRD: Grants Online visit our website. <http://www.oregon.gov/oprd/HCD/FINASST/Pages/grants.aspx>

APPLICATION SUBMISSION: Once you receive notification that you are eligible to apply you will receive an email from the OPRD: Grants Online. At that time you will be able to submit your application. You can enter information, save, log out, log back in, enter more, etc. as many times as you would like before you submit. Instructions for OPRD: Grants Online visit our website. <http://www.oregon.gov/oprd/HCD/FINASST/Pages/grants.aspx>

APPLICATION QUESTIONS: The following questions will appear on the online application.

- Brief Project Description
- Finance –
 - Project Budget - use categories: contractor/consultant; volunteer time; employee; travel ; materials & equipment; printing, publication, design, etc.; other.
 - Funding Source - use categories: organizational funds (include staff time, operations, donations), in-kind donations, volunteer time. Enter matching grants individually.
- Project Need and Value - For a historic property project describe need and value in terms of the condition of the property, the historical significance of the property, the value of the property to the community or the organization. For an Archaeology project describe need and value in terms of the condition of the site, the significance of the site, the value of the method or study to the field.
- Project Timeline - List major objectives and approximate dates they will be completed, including proposed project start and end dates and key phases with their start and end dates.
- Project Detail - Describe the preservation or archaeology work that will be completed, who will do it and their qualifications, materials and methods to be used, and standards to be followed. Work plans, drawings, resumes, etc. may be attached.
- Ability to Complete the Project - Describe your organization's history and past successes related to this project, any partnerships on this project, volunteer or community support for this project, and any other evidence of your ability to complete the project.
- Photos and work plans are required.

ASSISTANCE:

Historic structure projects: Joy Sears, joy.sears@oregon.gov , 503-986-0688;

Archaeology projects: Dennis Griffin, dennis.griffin@oregon.gov , 503-986-0674;

Grant questions and OPRD: Grants Online: Kuri Gill, kuri.gill@oregon.gov , 503-986-0685.





CITY OF ASTORIA

Founded 1811 • Incorporated 1856

April 26, 2016

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER

SUBJECT: AUTHORIZATION FOR GRANT APPLICATION TO SUPPORT SITE-SPECIFIC PARK PLANS

DISCUSSION/ANALYSIS

The Parks and Recreation Department's draft Comprehensive Master Plan recommends completing site-specific park plans at several locations. The process would allow the Department to plan for specific improvements and new development, as well as long term maintenance at each site. The plans would assess alternative options for improvements and new development, and recommend the best option. The planning process would involve input from the community, specify landscape features and park amenities to be developed or improved, and include cost estimates, funding strategies, and a timeframe for implementation.

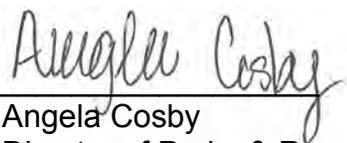
Staff has recommended that site master plans for Shively Park and McClure Park be prioritized. During the community input process for the Parks and Recreation Comprehensive Master Plan, the public was asked to prioritize sites in need of master plans. Shively Park ranked as the community's highest priority. The park's rich history and former glory stands in contrast with current conditions, and many amenities in the park are not accessible to citizens with limited mobility. McClure Park ranked as the second highest priority for site master plans with the community. The Friends of McClure Park have been active in fundraising to make improvements and add amenities. A master plan for McClure Park would ensure that new development is supported by the community and Parks and Recreation Department, and that it can be cared for and adequately maintained into the future.

The Oregon Parks and Recreation Department Local Government Grant Program provides Small Community Planning Grants to support site-specific park and outdoor recreation plans. These planning efforts target a specific site that has been identified in a system-wide park and recreation plan. Site-specific planning projects include public outreach and an analysis process that leads to a detailed plan for full development or redevelopment a park or other recreational-use site. The plan must address priorities identified in a system-wide or comprehensive plan. The planning process must include the adoption of the planning document through the local land use approval process.

If successful, the Parks and Recreation Department would receive \$40,000 to assist in funding site master plans for Shively Park and McClure Park. It is suggested that the Parks and Recreation fund provide a 40% match, in the amount of \$16,000. Should the City receive the grant, a consultant would be selected through the City procurement process. Funds for the match are budgeted in the Fiscal Year 2016-17 budget within the Capital Improvement Fund.

RECOMMENDATION

It is recommended that City Council approve the application for the Oregon Parks and Recreation Department Local Government Grant Program in the amount of \$40,000 to support funding site master plans for Shively Park and McClure Park.

Submitted By: 
Angela Cosby
Director of Parks & Recreation

Prepared By: 
Ian Sisson
Planner, Parks & Recreation
Department



CITY OF ASTORIA

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April 25, 2016

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER

SUBJECT: AMENDED MANAGEMENT AGREEMENT BETWEEN THE FRIENDS OF THE ASTORIA COLUMN AND THE CITY OF ASTORIA

DISCUSSION/ANALYSIS

The Astoria Column was constructed in 1926 to commemorate the settlement of western Oregon. It is listed on the National Register of Historic Places and is located in a wooded 30 acre city park on the highest point within the City of Astoria.

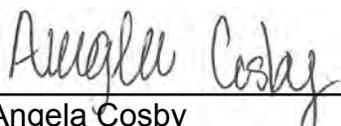
Since 1988 The Friends of the Astoria Column, an Oregon no-profit corporation established to assist the City in preserving, improving and publicizing the Column and the Park, have diligently provided support and vision by raising and spending over \$4,000,000 in restoring the Column and the Park.

In 2014 the Friends of the Column entered into a Management Agreement with the City of Astoria. The Friends assumed responsibility for the day-to-day operation and maintenance of the Column and Park and shared a fixed \$35,000 in parking fee revenue annually.

On December 7, 2015 the City Council approved increasing the annual parking fee at the Astoria Column from \$1 to \$5, with the stipulation that the City of Astoria would receive \$1 of every \$5 collected. Based on previous year's attendance, it is estimated that the City of Astoria will receive \$60,000 in parking fees annually, a \$25,000 increase. Attached is an updated Management Agreement which reflects this change. City Attorney Blair Henningsgaard has approved the document as to form.

RECOMMENDATION

Due to the Friends of the Astoria Column's ability and long term commitment to the Astoria Column, the positive financial impact to the Parks and Recreation Department, and opportunity to allow for continued care, maintenance, and Park improvements, it is recommended that City Council approve the Amended Management Agreement.

By: 

Angela Cosby
Director of Parks & Recreation

AMENDED MANAGEMENT AGREEMENT

This Agreement is made and executed as of the ____ day of _____, 2016 by the City of Astoria, through its Parks and Recreation Department, (hereinafter "City"), and The Friends of Astoria Column, Inc., an Oregon non-profit corporation (hereinafter "The Friends"); collectively referred to as "the Parties."

RECITALS

WHEREAS, City is the owner of the Astoria Column which was constructed in 1926 to commemorate the American settlement of western Oregon, is listed on the National Register of Historic Places and is located in a wooded 30 acre city park (hereafter "Park") on the highest geographical point in Astoria.

WHEREAS, The Friends is a tax exempt, non-profit corporation organized in 1988 with a mission to advance the restoration and preservation of the Astoria Column, provide educational visitor experiences and raise awareness and financial resources.

WHEREAS, The Friends carries out its mission through an independent volunteer Board of Directors (the "Board") appointed by the Mayor consisting of representatives from the Astoria and Portland communities and general public.

WHEREAS, The Friends has successfully and cooperatively worked with the City on a continuous basis for approximately 28 years, during which time its Board has devoted substantial time, effort and resources in fulfillment of its mission.

WHEREAS, City has determined that it is in the best interest of the public to expand the role of the Friends.

WHEREAS, THE PURPOSE OF THIS AGREEMENT IS TO DEFINE THE RELATIONSHIP BETWEEN City and The Friends in regard to their respective purposes, responsibilities and accountability.

NOW THEREFORE, in consideration of the mutual covenants and benefits stated herein, and in further consideration of the obligations, terms and considerations set forth and recited, the City and The Friends agree as follows:

City will maintain the ownership and liability for the site.

City will maintain the roads, infrastructure and safety services, including structural maintenance repairs, damage and insurance of the public restrooms and caretaker house.

City will maintain and be responsible for lighting the Column and covering the cost of utilities except as otherwise exempted.

City and The Friends will continue the current working relationship.

The Friends will continue to operate the gift shop premises and provide gift shop business oversight including employment of personnel, merchandise selection and sales.

The Friends will be responsible for the day to day upkeep and cleaning of the public restrooms facility.

The Friends will assist with the maintenance and preservation of the Astoria Column.

The Friends will choose the dates and employ seasonal parking and information guides and collect parking fees from visitors to the park. City and Friends will be responsible to establish the parking fees.

The Friends and the City will share the parking fee revenues. Per the Amended Fee Schedule passed by The City on December 7th, 2015, \$1 of each \$5 annual parking pass will be paid to the City on an annual basis.

The Friends will employ and supervise the appropriate staff to maintain and manage the Column site, compensation will be shared between City and The Friends as follows:

- City will provide the residence located on the site at no cost to the Friends.
- The Friends will provide the cost of the residence utilities.
- The Friends will provide remuneration for the professional services provided in support of its mission unless the City and the Friends agree in writing to the contrary.
- The Friends wish to be acknowledged for the cottage capital improvements to date of over \$50,000.

The Friends will obtain approval from the City prior to any remodeling, removal or construction of structures, trees or performance of any work to conserve, restore or improve the Astoria Column or the surrounding site.

The Friends will be responsible for the development of a Master Plan for the Park with continuing responsibility for the landscape maintenance around the Column and the hillside.

City and the Friends will cooperate and coordinate marketing and event programming, designating responsibility to The Friends and the City Parks Director for this purpose.

The Friends will provide an Annual Report to the Astoria City Council. Other requests related to capital, maintenance and programming will be reviewed by the parties on a timely basis.

City

The Friends

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____



CITY OF ASTORIA
Founded 1811 • Incorporated 1856

Date: April 27, 2016

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER

SUBJECT: **HERITAGE SQUARE EPA GRANT - AMEC CONTRACT AMENDMENT #3**

DISCUSSION/ANALYSIS

The City of Astoria was awarded a United States Environmental Protection Agency (EPA) multi-purpose brownfield pilot grant in 2012 for assessment and cleanup of the Heritage Square site. The 1.37-acre site is located in a primarily commercial area of downtown Astoria. The site occupies an entire City block with the exception of a 0.11-acre portion in the southwest quarter of the block which is owned and occupied by the American Legion.

At the September 8th, 2015 City Council meeting, staff and the project consultant AMEC Foster Wheeler (AMEC) provided a project update and requested approval to place fill at a local City owned quarry site. Council was also notified that staff would be bringing a request to the Astoria Development Commission to allocate \$40,000 from the Astor East Urban Renewal District (AEURD) for use as a match for the \$400,000 EPA grant.

At the December 7th, 2015 Astoria Development Commission (ADC) meeting the ADC approved \$109,842 in additional funds from the AEURD needed to complete the cleanup. At that time the additional cleanup costs were identified as a result of a revised contractor bid which incorporated changes made by DEQ and the Environmental consultant (AMEC) as they navigated through the approval process. The original cleanup estimates were obtained prior to the final approvals per standard EPA Grant procedures.

At the February 4th, 2016 Special City Council meeting the Council approved a contract amendment in the amount of \$46,909.23 for AMEC for additional cleanup work identified once cleanup had started. At that meeting, Council was told that we anticipate receipt of grant funds from Business Oregon in the amount of \$82,000 by the end of March which will cover the requested change order and provide for installation of a groundwater monitoring well at a later date.

At the April 18th, 2016 City Council Meeting, Council approved the acceptance of a grant from Business Oregon in the amount of \$82,000. Resolutions recognizing resources and additional appropriations associated with the grant are anticipated to come before Council and the ADC before the end of the current fiscal year. The resolution will recognize the resource (grant funds) and increased appropriations.

Contract amendment # 3 includes the following scope of work:

- Task 1 – Update Health and Safety Plan, prepare Sampling and Analysis Plan and Quality Assurance Project Plan addenda
- Task 2 – Install groundwater monitoring well and perform first sampling and analysis
- Task 3 – Conduct additional groundwater sampling and laboratory analysis
- Task 4 – Remove investigation-derived waste (final cleanup of floor of old Safeway basement floor)
- Task 5 – Prepare Contaminated Media Management Plan (for future use in developing site)
- Task 6 – Prepare Final Report to DEQ and EPA and request “No Further Action (NFA) Letter” or “Comfort Letter” from DEQ

The scope of work includes all tasks required and known at this time to be required to finalize the Oregon Department of Environmental Quality requirements for receiving a NFA letter for the site. Please see the attached proposal for the detailed scope of work. The work will be funded by the Capital Improvement Fund and reimbursed by the Business Oregon Grant.

Budget Summary

Original Contract Amount	\$337,000	Funded by EPA Brownfield Grant
Contract Amendment #1	\$142,325	Funded by AEURD & Capital Improvement Fund (included City’s \$40,000 match)
Revised Contract Amount	\$479,325	
Contract Amendment #2	\$46,909	Covered by Business Oregon Grant
Revised Contract Amount	\$526,234	
Contract Amendment #3	\$37,000	\$35,000 covered by Business Oregon Grant. Remaining \$2,000 to be paid out of Capital Improvement Fund
Revised Contract Amount	\$563,234	Anticipated to be the final contract amount

Next Steps

Once the proposed work is complete, our consultant will request on behalf of the City a NFA letter from DEQ. Our DEQ representative has indicated that the actual letter may not be issued until all conditions are met. At this time we anticipate that the conditions will include a restriction on groundwater well use (not an issue since the City has a domestic water supply) and possibly a protective cap over the remaining soil under the elevated parking structure. Since the protective cap would best be accomplished through development of the site and the placement of either a concrete slab or a plastic barrier over the soil, the No Further Action Letter may not be issued until development takes place. In this event, should the City need documentation of the forthcoming NFA letter, DEQ will issue what is referred to as a Comfort Letter documenting that the NFA will be issued as soon as the barrier restriction is complete.

At the time of memorandum preparation, the contract amendment document had not been reviewed as to form. City Attorney Henningsgaard will review prior to the Mayor signing.

RECOMMENDATION

It is recommended that City Council execute a contract amendment with AMEC Foster Wheeler a total not-to-exceed amount of \$37,000 for Additional Site Cleanup Work and Groundwater Monitoring for the Heritage Square EPA Grant Cleanup Project.

Submitted By 
Ken Cook, Public Works Director

Prepared By 
Jeff Harrington, City Engineer

CONTRACT AMENDMENT NO. 3

To

PROFESSIONAL SERVICES CONTRACT

Between

CITY OF ASTORIA and AMEC Environment & Infrastructure

The parties hereby agree to amend the contract for Professional Services for environmental engineering services, dated May _____, 2016, per Proposal / Scope of Work attached. Therefore, Section 2.A on Page 1 is hereby deleted and replaced to read as follows:

2. COMPENSATION

A. The CITY agrees to pay CONSULTANT a total not to exceed \$563,234.00 for performance of those services provided in Attachment A, Proposal / Scope of Work, and Proposal / Scope of Work dated April 19, 2016.

Except as hereby amended, all terms and provisions of the original agreement shall remain in full force and effect.

CITY OF ASTORIA

CONSULTANT

Brett Estes, City Manager

Amec Foster Wheeler
Environment & Infrastructure, Inc.

APPROVED AS TO FORM:

Blair Henningsgaard, City Attorney



CITY OF ASTORIA
Founded 1811 • Incorporated 1856

April 21, 2016

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER

SUBJECT: **REQUEST TO PURCHASE CITY OWNED PROPERTY ADJACENT TO 323 ALAMEDA AVENUE**

DISCUSSION/ANALYSIS

The City has received a request from Bruce Conner to purchase City-owned property directly southeast of his property located at 323 Alameda Avenue. The City property is approximately 1.0 acre (Lots 25 to 41, Block 17 Map number 80907CD, Tax Lot 06400). Mr. Conner wishes to purchase a 13,875 square foot (0.32 acres) portion of this property associated with Lots 37 through 41, Block 17. He intends to construct his retirement home on the property in the future.

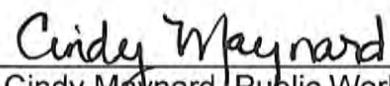
A summary appraisal report was prepared by Steven Weed, Member Appraisers Institute, Senior Residential Appraiser. He has estimated that the property has a real land value of \$ 47,000. Mr. Conner was provided a copy of the report and has indicated a willingness to proceed with the sale. As the cost of the appraisal was \$800.00, Staff is recommending that the additional cost above the \$450.00 fee set in the City fee schedule be added to the sale price for a total of \$47,350.00.

At their April 18, 2016 meeting, the Astoria City Council acted to schedule a public hearing on the proposed property sale on May 2, 2016 at 7:00 p.m. The public hearing notice was advertised in the Daily Astorian and sent to property owners within a 250 foot radius of the property.

RECOMMENDATION

It is recommended the Astoria City Council conduct the scheduled public hearing, and if deemed appropriate, approve the sale of City-owned property southeast of 323 Alameda Avenue to Bruce Conner.

Submitted By 
Ken P. Cook, Public Works Director

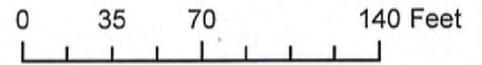
Prepared By 
Cindy Maynard, Public Works Admin Assistant

City of Astoria Proposed
Property Sale
Lots 37,38, 39, 40,& 41
Block 17, Taylors, Astoria



Legend

 Proposed Property Sale





SUMMARY APPRAISAL REPORT

OF THE REAL PROPERTY LOCATED AT

324 W. Exchange Street
Astoria, OR 97103

for

City of Astoria

1095 Duane St
Astoria, OR 97103

as of

March 15, 2015

by

Steven A. Weed
P.O. Box 2304
Gearhart, OR 97138

Estimated Market Value
\$47,000

Steven A. Weed, MAI, SRA

Appraisal Report

LAND APPRAISAL REPORT

0.32 Ac W. Exchange
File No. G1896

IDENTIFICATION	Borrower <u>Client: City of Astoria</u> Census Tract <u>9502</u> Map Reference <u>Portion 8097CD6400</u>
	Property Address <u>324 W. Exchange Street</u>
	City <u>Astoria</u> County <u>Clatsop</u> State <u>OR</u> Zip Code <u>97103</u>
	Legal Description <u>Lots 37, 38, 39, 40, 41 Block 17, Taylors, Astoria</u>
	Sale Price <u>\$N/A</u> Date of Sale <u>N/A</u> Loan Term <u>N/A</u> yrs. Property Rights Appraised <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Leasehold <input type="checkbox"/> De Minimis PUD
Actual Real Estate Taxes <u>\$Not assessed now (yr)</u> Loan charges to be paid by seller <u>\$N/A</u> Other sales concessions	
Lender/Client <u>City of Astoria</u> Address	
Occupant <u>Vacant Land</u> Appraiser <u>Steven A. Weed</u> Instructions to Appraiser <u>Estimate Current Market Value</u>	

Site would be a new seg from a large portion of undeveloped land.

<table border="0" style="width: 100%;"> <tr> <td>Location</td> <td><input checked="" type="checkbox"/> Urban</td> <td><input type="checkbox"/> Suburban</td> <td><input type="checkbox"/> Rural</td> </tr> <tr> <td>Built Up</td> <td><input checked="" type="checkbox"/> Over 75%</td> <td><input type="checkbox"/> 25% to 75%</td> <td><input type="checkbox"/> Under 25%</td> </tr> <tr> <td>Growth Rate</td> <td><input type="checkbox"/> Fully Dev.</td> <td><input type="checkbox"/> Rapid</td> <td><input checked="" type="checkbox"/> Steady</td> </tr> <tr> <td>Property Values</td> <td><input type="checkbox"/> Increasing</td> <td><input checked="" type="checkbox"/> Stable</td> <td><input type="checkbox"/> Declining</td> </tr> <tr> <td>Demand/Supply</td> <td><input type="checkbox"/> Shortage</td> <td><input checked="" type="checkbox"/> In Balance</td> <td><input type="checkbox"/> Over Supply</td> </tr> <tr> <td>Marketing Time</td> <td><input type="checkbox"/> Under 3 Mos.</td> <td><input checked="" type="checkbox"/> 4-6 Mos.</td> <td><input type="checkbox"/> Over 6 Mos.</td> </tr> <tr> <td>Present Land Use</td> <td><u>70</u> % 1 Family</td> <td><u>10</u> % 2-4 Fam</td> <td><u>5</u> % Apts. <u> </u> % Condo <u>10</u> % Commercial</td> </tr> <tr> <td>Change in Present Land Use</td> <td><input checked="" type="checkbox"/> Not Likely</td> <td><input type="checkbox"/> Likely (*)</td> <td><input type="checkbox"/> Taking Place (*)</td> </tr> <tr> <td>Predominant Occupancy</td> <td><input checked="" type="checkbox"/> Owner</td> <td><input type="checkbox"/> Tenant</td> <td><input type="checkbox"/> % Vacant</td> </tr> <tr> <td>Single Family Price Range</td> <td colspan="3">\$ <u>125,000</u> to \$ <u>300,000</u> Predominant Value \$ <u>200,000</u></td> </tr> <tr> <td>Single Family Age</td> <td colspan="3"><u>10</u> yrs. to <u>130</u> yrs. 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Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, noise) **Subject site is located west of an area of houses west of Melbourne on W. Exchange and south of houses on the south side of Alameda Ave. Area is predominant single family with a mix of standard lots, older homes, and some duplexes. Area has steep topography and has not been developed. The site has steep topography and would require an engineering report on its suitability for residential development.**

SITE	Dimensions <u>125 x 111</u> = <u>0.32</u> ac <input type="checkbox"/> Corner Lot			
	Zoning Classification <u>R-3 (High Density Residential)</u> Present improvements <input checked="" type="checkbox"/> do <input type="checkbox"/> do not conform to zoning regulations			
	Highest and best use: <input type="checkbox"/> Present use <input type="checkbox"/> Other (specify)			
	<table border="0" style="width: 100%;"> <tr> <td style="width: 30%;"> Elec. <input checked="" type="checkbox"/> Available Gas <input checked="" type="checkbox"/> Available Water <input checked="" type="checkbox"/> Available San. Sewer <input checked="" type="checkbox"/> Available <input type="checkbox"/> Underground Elect. & Tol. </td> <td style="width: 30%;"> OFF SITE IMPROVEMENTS Street Access: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private Surface <u>Gravel</u> Maintenance: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private <input type="checkbox"/> Storm Sewer <input type="checkbox"/> Curb/Gutter <input type="checkbox"/> Sidewalk <input type="checkbox"/> Street Lights </td> <td style="width: 40%;"> Topo <u>Very Steep</u> Size <u>0.32</u> ac Shape <u>Rectangle</u> View <u>View of River</u> Drainage <u>Adequate</u> Is the property located in a HUD identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes </td> </tr> </table>	Elec. <input checked="" type="checkbox"/> Available Gas <input checked="" type="checkbox"/> Available Water <input checked="" type="checkbox"/> Available San. Sewer <input checked="" type="checkbox"/> Available <input type="checkbox"/> Underground Elect. & Tol.	OFF SITE IMPROVEMENTS Street Access: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private Surface <u>Gravel</u> Maintenance: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private <input type="checkbox"/> Storm Sewer <input type="checkbox"/> Curb/Gutter <input type="checkbox"/> Sidewalk <input type="checkbox"/> Street Lights	Topo <u>Very Steep</u> Size <u>0.32</u> ac Shape <u>Rectangle</u> View <u>View of River</u> Drainage <u>Adequate</u> Is the property located in a HUD identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
	Elec. <input checked="" type="checkbox"/> Available Gas <input checked="" type="checkbox"/> Available Water <input checked="" type="checkbox"/> Available San. Sewer <input checked="" type="checkbox"/> Available <input type="checkbox"/> Underground Elect. & Tol.	OFF SITE IMPROVEMENTS Street Access: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private Surface <u>Gravel</u> Maintenance: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private <input type="checkbox"/> Storm Sewer <input type="checkbox"/> Curb/Gutter <input type="checkbox"/> Sidewalk <input type="checkbox"/> Street Lights	Topo <u>Very Steep</u> Size <u>0.32</u> ac Shape <u>Rectangle</u> View <u>View of River</u> Drainage <u>Adequate</u> Is the property located in a HUD identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions) Subject site slopes rapidly from side/street grade to about 10' below grade, which is typical for the area. Site has a good potential view of the Columbia River. Subject site's topography is steep and will require an engineers reports for its geological stability. See Report Comments.				

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	Subject Property	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	<u>324 W. Exchange Street Astoria, OR 97103</u>	<u>3011 Grand Ave Astoria, OR 97103</u>	<u>2715 Irving Ave Astoria, OR 97103</u>	<u>840 Lexington Ave Astoria, OR 97103</u>
Proximity to Subj.		<u>1.91 miles E</u>	<u>1.79 miles E</u>	<u>0.76 miles SE</u>
Sales Price	\$ <u>N/A</u>	\$ <u>48,500</u>	\$ <u>29,900</u>	\$ <u>49,000</u>
Price	\$	\$ <u>285,294.13</u>	\$ <u>57,500.00</u>	\$ <u>222,727</u>
Data Source	<u>Inspection</u>	<u>80909CA17100 / MLS 14-651</u>	<u>80909CC08900 / MLS 13-1306</u>	<u>80917BB08700 / MLS 13-1229</u>
Date of Sale and Time Adjustment	<u>N/A</u>	<u>08/27/2014</u>	<u>11/06/2015</u>	<u>10/16/2014</u>
Location	<u>Suburban</u>	<u>Suburban</u>	<u>Suburban</u>	<u>Suburban</u>
Site/View	<u>River View</u>	<u>River View</u>	<u>None</u>	<u>River View</u>
Site Area	<u>0.32</u> ac	<u>0.17</u> ac	<u>0.52</u> ac	<u>0.22</u> ac
Topography	<u>Steep / GEO Report</u>	<u>Slope</u>	<u>Slope / Geo Report</u>	<u>Steep / GEO Report</u>
Utilities	<u>Standard</u>	<u>Standard</u>	<u>Limited</u>	<u>Standard</u>
Street	<u>Gravel</u>	<u>Asphalt</u>	<u>Asphalt</u>	<u>Asphalt</u>
Sales or Financing Concessions	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>
Net Adj. (Total)		<input type="checkbox"/> Plus <input checked="" type="checkbox"/> Minus \$ <u>-1,000</u>	<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ <u>3,000</u>	<input type="checkbox"/> Plus <input checked="" type="checkbox"/> Minus \$ <u>-2,000</u>
Indicated Value of Subject		<u>Gross 39.2%</u> <u>Net -2.1%</u> \$ <u>47,500</u>	<u>Gross 76.9%</u> <u>Net 10.0%</u> \$ <u>32,900</u>	<u>Gross 16.3%</u> <u>Net -4.1%</u> \$ <u>47,000</u>

Comments on Market Data: **Greatest weight was given to Sale No. 1 which is most similar in neighborhood, slope, and view to the subject. Some weight to Sales No. 1 and No. 4 which are similar in size with some view amenity. Less weight to Sale No. 2 which is in an area not developed.**

Comments and Conditions of Appraisal: **The appraiser certifies disclosure to the client of no previous appraisal service on the subject property within the last three years. Adjustments were made for view, site size, topography, and development based on the estimated value difference of these features based on comparison of land values of both vacant and improved properties.**

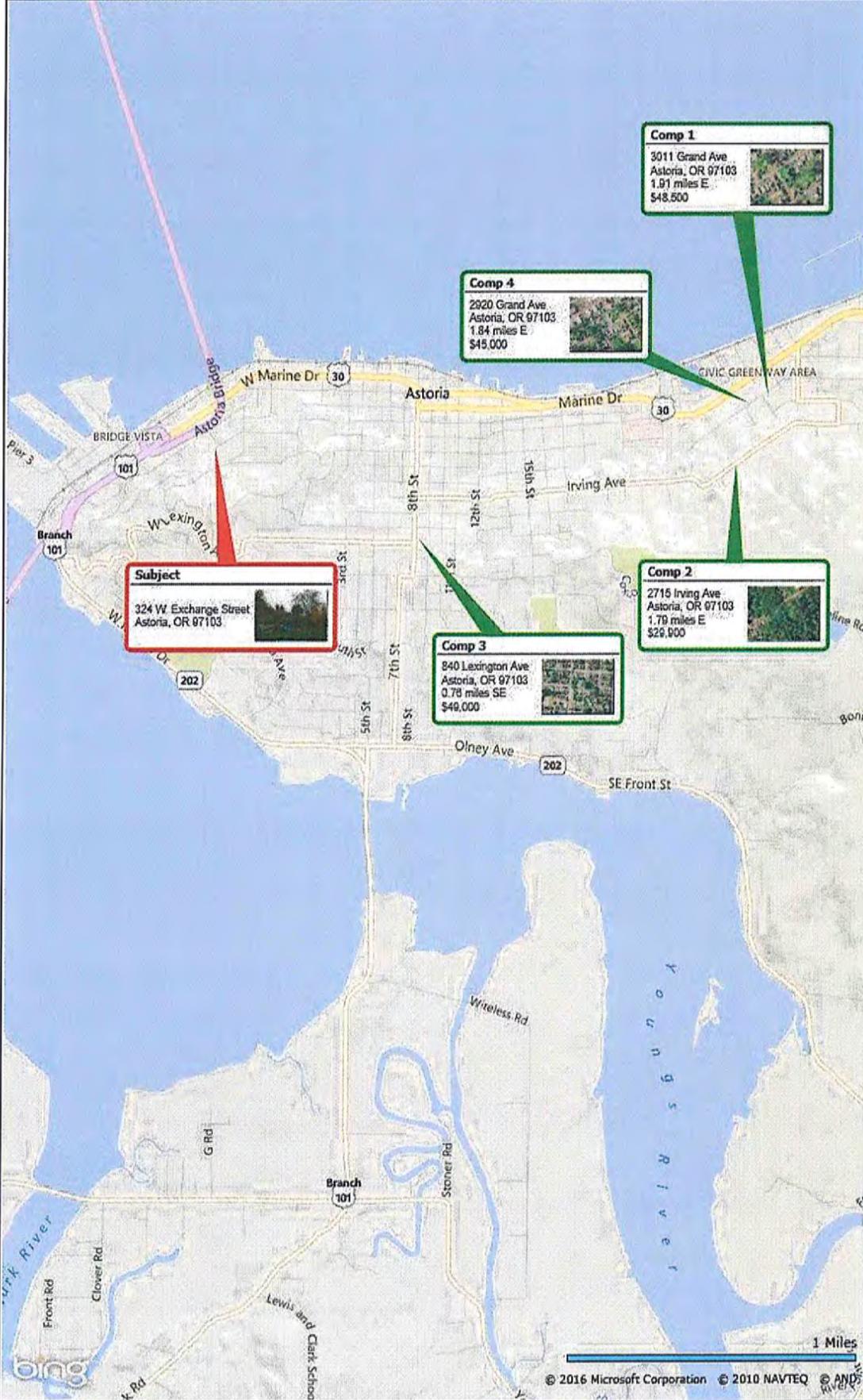
Final Reconciliation: **The most reliable value indications were Sales No. 3, No. 1, and No. 4 to arrive at a value estimate for the subject property. Least weight was given Sale No. 2. Appraisal assumes subject site can be developed into a standard residential homesite.**

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF March 15 2015 to be \$47,000

Appraiser(s) Signature <u>Steven A. Weed</u> Name <u>Steven A. Weed</u> Date <u>03/21/2016</u> State <u>OR</u> License <input type="checkbox"/> Certification # <u>C000170</u>	Reviser Appraiser (if applicable) <input type="checkbox"/> Did <input type="checkbox"/> Did Not Physically Inspect Property Signature _____ Name _____ Date _____ State _____ License <input type="checkbox"/> Certification # _____
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Location Map

Borrower or Owner	Client: City of Astoria						
Property Address	324 W. Exchange Street						
City	Astoria	County	Clatsop	State	OR	Zip Code	97103
Client	City of Astoria						

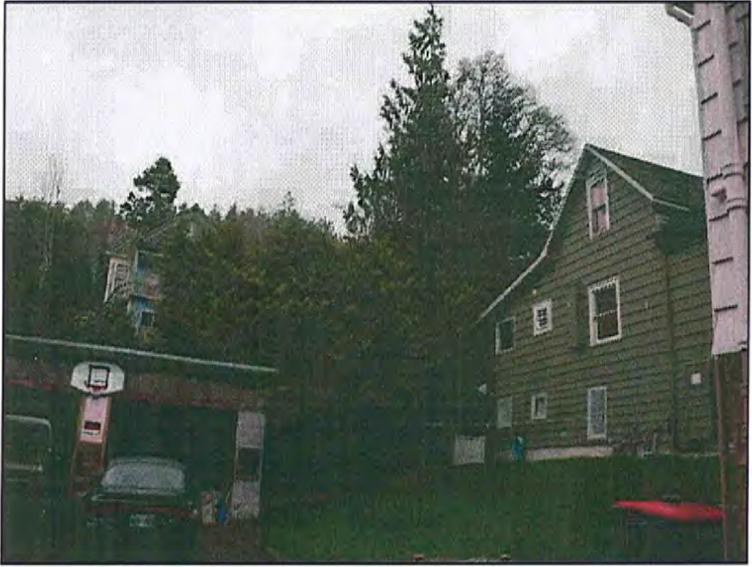


PHOTOGRAPH ADDENDUM

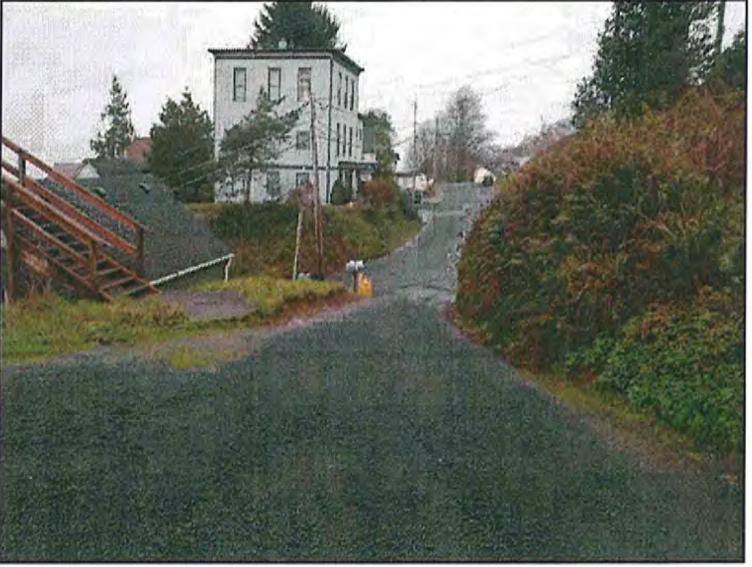
Borrower or Owner	Client: City of Astoria				
Property Address	324 W. Exchange Street				
City	Astoria	County	Clatsop	State	OR
					Zip Code 97103
Client	City of Astoria				



**FRONT VIEW OF
SUBJECT PROPERTY**



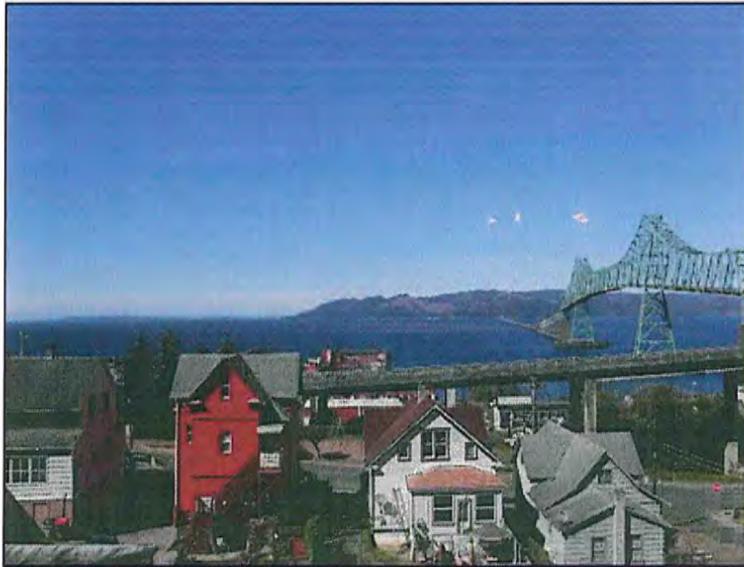
**REAR VIEW OF
SUBJECT PROPERTY**



**STREET SCENE OF
SUBJECT PROPERTY**

PHOTOGRAPH ADDENDUM

Borrower or Owner	Client: City of Astoria				
Property Address	324 W. Exchange Street				
City	Astoria	County	Clatsop	State	OR
				Zip Code	97103
Client	City of Astoria				



3XX W. Exchange Street
View



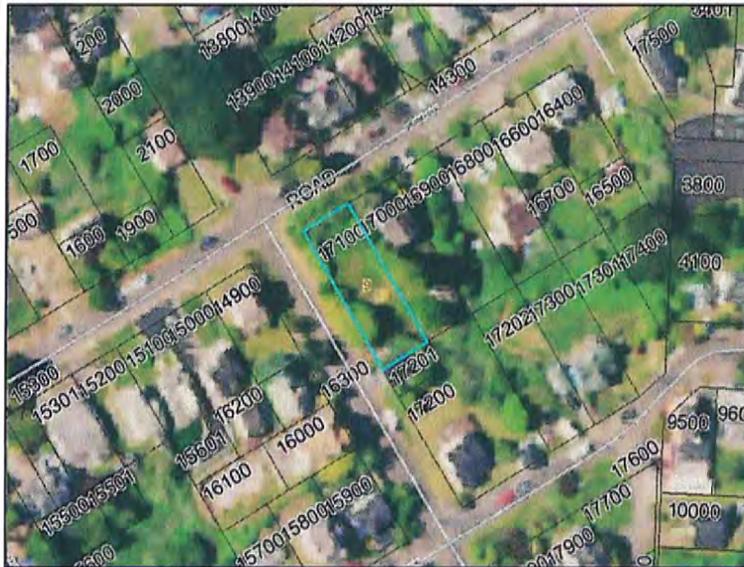
3XX W. Exchange Street
Alternate Street



3XX W. Exchange Street
Brush on top of site

PHOTOGRAPH ADDENDUM

Borrower or Owner	Client: City of Astoria				
Property Address	324 W. Exchange Street				
City	Astoria	County	Clatsop	State	OR
Client	City of Astoria				
				Zip Code	97103



COMPARABLE #1

3011 Grand Ave
Astoria, OR 97103

Price \$48,500
Price/SF 285,294.13
Date 08/27/2014

Site Area 0.17 ac

Value Indication \$47,500



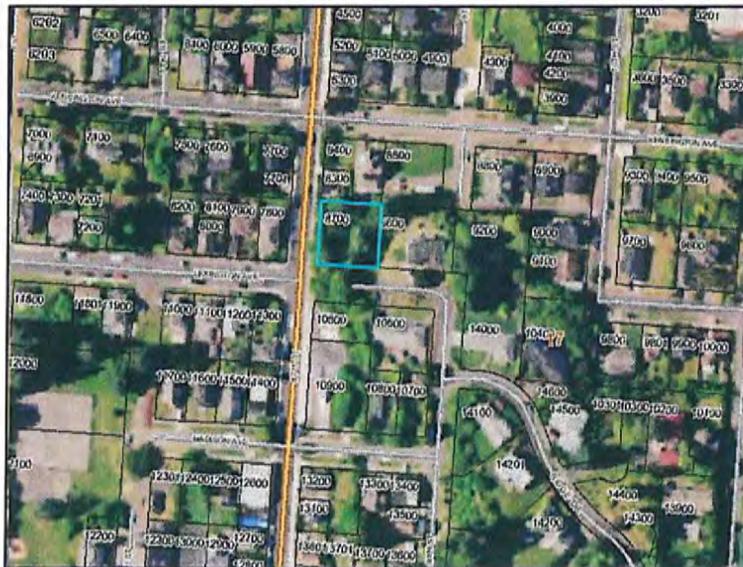
COMPARABLE #2

2715 Irving Ave
Astoria, OR 97103

Price \$29,900
Price/SF 57,500.00
Date 11/06/2015

Site Area 0.52 ac

Value Indication \$32,900



COMPARABLE #3

840 Lexington Ave
Astoria, OR 97103

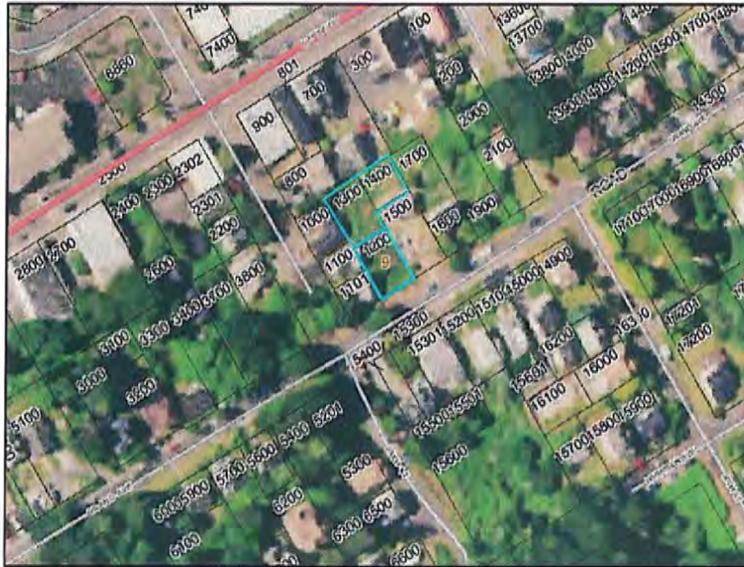
Price \$49,000
Price/SF 222,727
Date 10/16/2014

Site Area 0.22 ac

Value Indication \$47,000

PHOTOGRAPH ADDENDUM

Borrower or Owner **Client: City of Astoria**
 Property Address **3XX W. Exchange Street**
 City **Astoria** County **Clatsop** State **OR** Zip Code **97103**
 Client **City of Astoria**



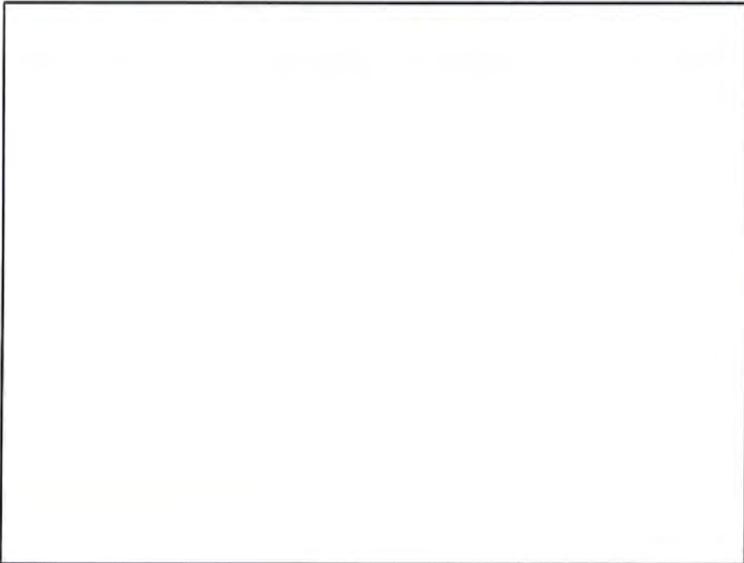
COMPARABLE #4

2920 Grand Ave
Astoria, OR 97103

Price \$45,000
 Price/SF 187,500.00
 Date 10/26/2015

Site Area 0.24 Ac

Value Indication \$45,000

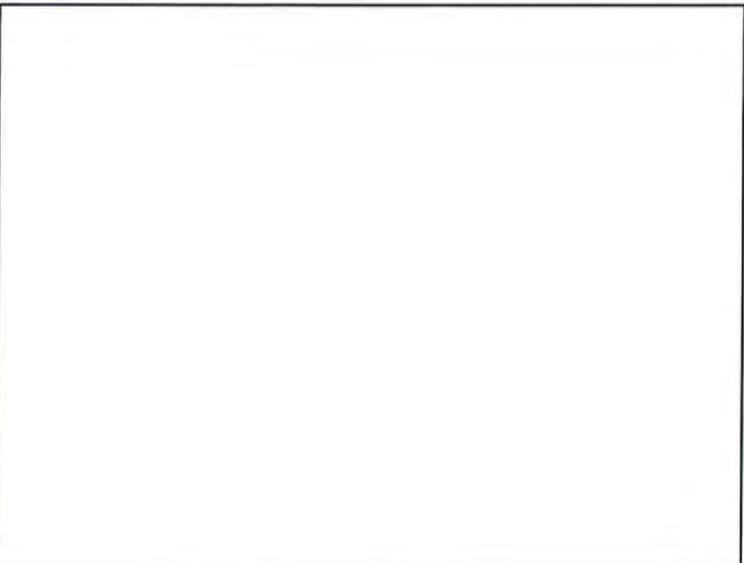


COMPARABLE #5

Price \$
 Price/SF
 Date

Site Area

Value Indication \$



COMPARABLE #6

Price \$
 Price/SF
 Date

Site Area

Value Indication \$

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent adverse conditions of the property (such as, but not limited to, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
5. If the appraiser has based his or her appraisal report and valuation conclusion for an appraisal subject to certain conditions, it is assumed that those conditions will be met in a satisfactory manner.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the subject property. I reported the site characteristics in factual, specific terms.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
9. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
10. I have knowledge and experience in appraising this type of property in this market area.
11. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
12. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
13. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
14. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
15. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
16. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
17. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
18. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
19. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
20. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
21. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
22. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature Steven A. Weed
Name Steven A. Weed
Company Name Steven A. Weed, MAI, SRA
Company Address P.O. Box 2304
Gearhart, OR 97138
Telephone Number 503-738-3800
Email Address _____
Date of Signature and Report March 21, 2016
Effective Date of Appraisal March 15, 2015
State Certification # C000170
or State License # _____
or Other (describe) _____ State # _____
State OR
Expiration Date of Certification or License 8/31/2017

ADDRESS OF PROPERTY APPRAISED
324 W. Exchange Street
Astoria, OR 97103
APPRAISED VALUE OF SUBJECT PROPERTY \$ 47000
LENDER/CLIENT
Name _____
Company Name City of Astoria
Company Address _____
1095 Duane St Astoria, OR 97103
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

- Did not inspect subject property
 Did inspect exterior of subject property from street
Date of Inspection _____
 Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

- Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
Date of Inspection _____

Borrower or Owner	Client: City of Astoria						
Property Address	324 W. Exchange Street						
City	Astoria	County	Clatsop	State	OR	Zip Code	97103
Lender or Client	City of Astoria						

PURPOSE OF APPRAISAL

The purpose of this appraisal report is to estimate the market value of the subject property for a purchase of the subject site. It is not to be relied upon by any third parties for any purpose, whatsoever.

The appraisal is based on an analysis of the subject property as of the date of inspection. Valuation is based on current market conditions as of the date of inspection. Data and conclusions are based on the assumption that there have been no detrimental physical, functional or external factors transpiring between the date of inspection and date of completion of this report.

SCOPE OF APPRAISAL

In conducting the appraisal assignment, the appraiser first collected preliminary public record, title company information, and made an initial search of available market sales, trends, and influences. A physical inspection of the subject property was made in accordance with the information requirements of the URAR format. The appraiser is not an expert in matters of pest control, structural engineering, hazardous waste, survey, or title matters, and no expertise or warranty is implied in these or other areas. General research on comparable properties in the subject and competing neighborhoods was performed. Sales selection was refined to the three or four most similar and recent sale properties. A thorough residential market analysis using standard residential appraisal methods and techniques was completed in accordance with Uniform Standards of Professional Practice as adopted by the Appraisal Foundation. An explanation of adjustments to comparable properties is presented in the Adjustments section.

The value indications from the comparable sale properties were reconciled into a final value estimate. The purpose of the final value reconciliation was to develop a rational, defensible conclusion of the most probable market value for the subject property. The scope of the assignment does not include a separate land value appraisal. The land value estimate is limited to a review of real market assessed land value, land sales in the neighborhood, and abstraction of land values from improved sales in the neighborhood.

DISCLOSURE OF COMPETENCY

The appraiser has the required experience, training, and education to complete the appraisal of the subject property competently. The appraiser has over 30 years of experience in appraising single family residential property in Clatsop and Tillamook Counties and has considerable knowledge in local market conditions. The appraiser's principal area of work is single family residential properties in Clatsop and Tillamook Counties. The appraiser maintains a current, active sales data base using county assessor records, real estate listings, title company records, and the appraiser's own sales files. The report has been prepared as an unbiased, objective value estimate.

HIGHEST & BEST USE

The following influences were considered in concluding the Highest & Best Use of the subject property is as plottage to be used in conjunction of single or multi-family residential use. The subject site's physical size and zoning regulations support single family use when used in conjunction with an adjacent site. Supporting facilities to the site are typically residential in character. Surrounding land use is consistent with single family uses. Also, the report considered the existing land use regulations, reasonably probable modification of such land use regulations, economic demand, the physical adaptability of the property, neighborhood trends, and the optimal usage of the property. Finally, the probability that the above physical, locational, and legal influences will continue to exist was considered. There are no changes in land use within or near the subject property which would indicate a change in current land use.

ESTIMATED MARKETING TIME

The estimated marketing time for the subject property under current market conditions is approximately 120 days or less. The estimate is based on analysis of current market trends in the general area, and takes into account the size, condition, and price range of the subject and surrounding properties.

MARKET APPROACH COMMENTS

The comparable sales used in this report represent the most recent sales available. Sources of sales information include county assessor records, title company deed recordings, real estate sales companies, and the appraiser's own sales files. The comparable sale properties were the most similar to the subject in location, size, features, and closest in proximity to the subject property. All comparable sales are closed sales, unless otherwise noted. Sales dates are close of escrow dates.

RECONCILIATION COMMENTS

Greatest weight was given the Sales Comparison Approach because it is the most reliable indicator of behavior in the local market and best reflects current market conditions. The Income Approach is not considered a reliable indicator of market value for residential land in the local market because of virtually no rental activity and reliable comparison with sale properties. The Cost Approach is not considered appropriate for a parcel of vacant land.

PERSONAL PROPERTY

No personal property has been valued in this report.

Borrower or Owner	Client: City of Astoria						
Property Address	324 W. Exchange Street						
City	Astoria	County	Clatsop	State	OR	Zip Code	97103
Lender or Client	City of Astoria						

TIME ADJUSTMENT & PROXIMITY OF SALES PROPERTIES

The time between the date of the appraisal and the sale date of the comparable properties are sufficiently current that an adjustment was not warranted. The population base is relatively small in the area and it is not unusual that recent sales would be located more than one mile from the subject property.

There are a limited number of sales of vacant land in Astoria. In research this appraisal, a review of sales from Clatsop County Assessor's office records and Clatsop MLS were used. Most smaller sites are associated in the Mill Pond which have zoning characteristics unique to that project and are not applicable to other areas in Astoria with different zoning. There were some other sales that were older or less similar in location and view.

LOCATION ADJUSTMENT

The comparables are located in neighborhoods which are sufficiently similar and no adjustment was necessary.

SITE/VIEW

The subject site is 0.32 acres and the sale properties with mostly smaller sites. Adjustment is based on the value contribution of additional site size. It is common in Astoria because of topography that site size has marginal additional utility. View adjustments were based on how strong the view amenity is. The subject property has the potential for a good river view. The subject site has a steep topography and it will require a geological report for the site to be developed.

OTHER SITE DIFFERENCES

Other site characteristics, such as zoning, street improvements, and topography were considered and adjusted based on the estimated cost to develop the properties to have equivalent site utility.

IMPORTANT: Please read the following very carefully. This appraisal is for no purpose other than property valuation as limited by the scope of the assignment as stated in this report. The reader should be aware that there are also inherent limitations to the accuracy of the information and analysis contained in this appraisal. Before making any decision based on the information and analysis contained in this report, it is critically important to read this entire section to understand these limitations.

APPRAISAL IS NOT A SURVEY

It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there are no encroachments or trespass unless noted in the report. The appraiser has made no survey of the property and no responsibility is assumed in connection with such matters. Any maps, plats, legal descriptions or drawings reproduced and included in this report are intended only for the purpose of showing spatial relationships or giving a general idea of the property description. The reliability of information contained in any such map, description or drawing is assumed by the appraiser and cannot be guaranteed to be correct. A surveyor should be consulted if there is any concern on boundaries, setbacks, encroachments, legal description or other survey matters.

APPRAISAL IS NOT A LEGAL OPINION

Title and Boundaries - No responsibility is assumed for matters of a legal nature that affects the title to the property nor is an opinion of title rendered. The value is given without regard to questions of title, boundaries, encumbrances or encroachments. The appraiser is not usually provided with information regarding the title or legal description and, in any event, the appraiser neither made a detailed examination of it nor is any legal opinion given concerning it.

APPRAISAL IS NOT AN ENGINEERING OR PROPERTY INSPECTION REPORT

Structural Problems May Be Present. The reader of this appraisal should understand that purchasing a home entails a certain amount of risk. Properties may have latent problems that are not detectable at the time of the sale or at the time it is appraised. Many properties have hidden problems or may develop structural problems after the sale. The appraisal should not be considered a report on the physical items that are a part of this property. Although the appraisal may contain information about the physical items being appraised (including their adequacy and/or condition), it should be clearly understood that this information is only used as a general guide for property valuation and is not intended to be used to evaluate the condition or adequacy of the subject property. The observed condition of the foundation, roof, exterior walls, interior walls, floors, heating systems, plumbing, insulation, electrical service and all mechanicals and construction is based on casual inspection only and no detailed inspection was made. The appraiser is not acting as a professional engineer; builder, surveyor or other inspector and professionals should be consulted if there are any questions as to the condition of the subject property.

The subject has a steep topography on has soil and subsoil conditions which are unknown to the appraiser. No engineering study of the property was provided. It is assumed that there does not exist a soil or subsoil condition which would have a significant affect on the subject property in terms of being put to a higher and better use than as vacant as it currently exists.

APPRAISAL IS MADE WITH LIMITED DATA

Appraisal reports are technical documents addressed to the specific needs of clients. In most cases, appraisals are made for mortgage companies and/or banks whose use for this report may be wholly different than that of the casual reader. Therefore, the reader should understand that this report was made with a limited amount of data and limited ability to verify certain information. Information was verified when possible through public records, multi-listing services, real estate agents and exterior inspection. This includes verification that the comparables are actually closed sales and the transactions are arms length. No verification technique is one hundred percent accurate but the appraiser has made the assumption that all data is accurate as reported. From time to time, the indicated sizes of comparables shown in available sources such as MLS services or listing sheets appears to be incorrect based on the appraisers professional experience. If the size used in the MLS sheets does not correlate with other known data, the appraiser may use other methods to determine the size of comparables. These include assessor's sheets and physical inspection. The deviation of comparable size from published sizes only indicates an attempt at higher accuracy in the final report. Three or more comparables are used in this report to eliminate the limited data associated with any single comparable. While no factors is believed to be significant but unknown to the client have been knowingly withheld, it is always possible that we have information of significance which may be important to others but which, based on the original scope of this appraisal for mortgage or other purposes, was not included in the report to the client. A mortgage company or other professional client may not require data that may be important if the report is to be used for decision making outside the scope of the report. No decision should be made that is outside the scope of this report without first contacting the appraiser in writing for further clarification.

Borrower or Owner	Client: City of Astoria						
Property Address	324 W. Exchange Street						
City	Astoria	County	Clatsop	State	OR	Zip Code	97103
Lender or Client	City of Astoria						

SITE The site is somewhat typical for the area in terms of size, though larger than standard, and appeal with no readily noted easements or encroachments. The appraiser has not made a survey but is utilizing information provided by surveys, plat maps, and the owner. The appraiser has not done title work on the property and is assuming there are no restrictive covenants, encumbrances, contracts, declarations, unrecorded IRS liens, unpaid special assessments or unpaid property taxes.

ZONING The appraiser has tried to use the most recently available zoning maps to determine the zoning of the subject property.

BUILDING CODES The appraiser has not checked for building code violations and the subject property may not conform to current building codes. It is assumed in this report that all buildings meet applicable codes.

DETRIMENTAL CONDITIONS There are a wide variety of detrimental conditions that can impact property values. These include, but are not limited to: non-market motivations, future temporary disruptions, stigmas, convicted criminals who reside in the neighborhood, neighborhood nuisances, future unannounced surrounding developments, structural and engineering conditions, construction conditions, soils and geotechnical issues, environmental conditions and natural conditions. The appraiser has inspected the subject property on a level that is consistent with the typical responsibilities of the appraisal profession; however, the appraiser does not have the expertise of market analysts, soils, structural or environmental engineers, scientists, specialists, urban planners and specialists in these various fields. Unless otherwise stated within the report, the appraiser assumes no responsibilities for the impact that the variety of detrimental conditions may cause.

PRESENCE OF HAZARDOUS MATERIALS The presence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage or other chemicals, which may or may not be present on or near the subject property, or other environmental conditions were not called to the attention of the appraiser at the time of the valuation or inspection. The appraiser is not qualified to test for any hazardous substance and has no knowledge of the existence of such materials on or near the subject property. If any hazardous material contamination exists, it may affect the value of the subject property to the point that the cost of cleanup far exceeds the value of the property. Unless otherwise stated, this appraisal is predicated on the assumption that there is no condition on or near the subject property that would cause a loss in value. No responsibility is assumed for any hazardous substance contamination that may exist on or near the subject and the client is urged to get a professional inspection if there are questions in this area. Below are detailed some more common problems found in residential homes. This is not a complete list but further details these problems.

LEAD BASED PAINT Lead and lead based products are found in many homes constructed prior to 1978 and particularly in those built or painted before 1960. The use of older paint on new homes may result in finding lead in even very new houses. Lead is found in moving parts of windows and doors, lead based paint, soils next to the exterior of buildings that may have been painted with lead based paint or had such paint recently stripped, and in pipes and solder used for drinking water supply. Lead poisoning can cause serious health problems including nervous system damage and even death. Children and women of childbearing age are most at risk from lead poisoning. The appraiser cannot detect whether a property has lead present on or in it and is not trained in the detection or remediation of lead. The detection of lead in a property can only be done by a qualified firm or laboratory. The full responsibility for lead or any hazardous substance lies with the client or user of this report.

MOLD The appraiser is not qualified to determine if mold is present in the property and if present, the appraiser is not qualified to determine the cause of the mold, the type of mold or whether it poses any risk or hazard to the inhabitants.

RADON Radon is a cancer-causing radioactive gas. It occurs naturally and may seep into houses via the basement. Abnormally high concentrations of Radon in a house may affect the marketability of the house. High levels of radon concentration may cause sickness or even cancer. The appraiser is not a professional at radon detection. Responsibility for detection or remediation of radon lies with the property owner.

Borrower or Owner Client: City of Astoria

Property Address 324 W. Exchange Street

City Astoria County Clatsop State OR Zip Code 97103

Lender or Client City of Astoria

Qualifications of Steven A. Weed, MAI, SRA

Professional Affiliations

MAI Member Appraisal Institute, Chicago, Illinois, 1988 to Present
SRPA Senior Real Property Appraiser, Society of Real Estate Appraisers, Chicago, Illinois, 1982
SRA Senior Residential Appraiser, Society of Real Estate Appraisers, Chicago, Illinois, 1977 to Present

FIRREA Certification & Licensing

General Certified Appraiser #C000170, State of Oregon: From 1993, Expiration: 8/31/2017
Real Estate Broker License, State of Oregon: 1977 to 1993
Real Estate Salesman License, State of Oregon: 1972 to 1977

Education--General & Real Estate Appraisal

Portland State University, Portland, Oregon: B.S., Economics, 1972

SREA: An Introduction to Appraising Real Property Exam 101 1973

Principles of Income Property Appraising Exam 201 1974

Narrative Report Writing Seminar Exam R-2 1976

Standards of Professional Practice 1988

AIREA: Single Family Residential Appraisal Exam VIII 1975

Case Studies in Income Valuation Exam II 1978 Investment Analysis Exam VI 1978

Litigation Valuation Exam IV 1983 Standards of Professional Practice Exam 83 1980

Comprehensive Exam 1985 Basic Valuation Procedures 1988

Standards of Professional Practice Part A Exam SPP-A 1997

Seminars: Apartment Appraising, Report Writing, Expert Witness, Subdivision Analysis (AI: 5/92), How To Value Income Property (12/92), The 1994 Revised URAR Seminar (PGP: 12/93), HUD Refresher Training (HUD: 11/94), Non-Urban Properties Symposium (PGP: 11/94), FHA Appraising (AI: 6/95), Standards of Professional Practice, Part A (6/97), Litigation Skills (AI:11/98), Valuation of Detrimental Conditions (AI:11/98), Residential Design (AI:7/99), USPAP Part C (AI:11:99), FHA & The Appraisal Process (AI:7/01), Internet Search Strategies (AI:8/01), Feasibility, Market Value, Investment Timing: Option Value (AI:1/03), Intro. to GIS Applications for RE Appraisal (AI:1/03), Residential Appraiser Training (SFREP 9/03) Course 400, Online Analyzing Operating Expenses (AI:3/03), Business Practices and Ethics (AI:8/04), National USPAP Update Course (AI:2/05), FHA Update (HUD: 6/06), 2006 USPAP Update (AI: 1/07), Secondary Market & Appraiser Liability (McKissock:1/07), Guide to Fannie Mae 2-4 Unit Form 1025 (AI: 12/07), Analyzing Distressed RE (AI:12/07), USPAP Update (AI: 4/08), Business Practices & Ethics (AI: 10/09), Application of Cost Approach (AU: 10/09), Appraising Historic Property (AU: 7/10), Business Practices & Ethics (AI: 10/09), Planning 101 (1/11), 2011 USPAP Update (1/11), Practical Regression Using MS Excel (AI: 9/12), 2012-13 USPAP Update (5/13), Appraisal Math & Statistics (5/13), Residential Market Analysis and H&B Use (AI:6/14), UAD Dataset(6/14), Business Practices & Ethics (AI: 11/13), USPAP Update (6/14)

Representative Clients

Old Republic Title, Solidifi, Service Link, StreetLinks, Landsafe, LPS, Essential Mortgage, Unitus CU, FNMA, FDIC STARS, TLC Federal CU, Bank of America, Columbia Bank, Chase Mortgage, Oregon Tax Court

Employment History

Independent Fee Appraiser, Gearhart, Oregon: 1984 to Present

Appraiser, Clatsop County Assessor, Astoria: 1975 to 1983

Real Estate Salesman, Portland, Oregon: 1972 to 1975

Types of Property Appraised

Single Family Residential, Duplex, Four-plex, Condominiums, Commercial & Retail Buildings, Restaurants, Motels, Apartments, Warehouses & Industrial Buildings, Farms, Mini-Storage Buildings, Churches, Residential Subdivisions, Cranberry Bogs, Commercial & Industrial Land, Wetlands, Condemnations, Partial Takings, Transmission Line Easements, Mitigation, Casualty Loss From Sliding, Aesthetic Loss, National Park Trail Easement

Education Certification

As of the date of this report, I, Steven A. Weed, MAI, SRA, have completed the requirements under the voluntary continuing program of the Appraisal Institute.

Appraiser Certification and Licensure Board
State Certified General Appraiser
28 hours of continuing education required for renewal



Steven A Weed
PO Box 2304
Seaside, OR 97138

License No.: C000170
Issue Date: September 1, 2015
Expiration Date: August 31, 2017

Gae Lynne Cooper
Gae Lynne Cooper, Administrator



CITY OF ASTORIA

Founded 1811 • Incorporated 1856

April 25, 2016

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER

SUBJECT: FINANCIAL REPORTS FOR FYE JUNE 30, 2015

DISCUSSION/ANALYSIS

Under Oregon Municipal Audit Law, the City is required each fiscal year to contract with an authorized accounting firm for the audit of its accounts and fiscal affairs (ORS 297.425). The firm of Pauly Rogers and Co PC (auditors) has completed the audits of the City of Astoria and the Urban Renewal Agency financial statements for the year ended June 30, 2015 and issued an unmodified opinion on the basic financial statements for both.

The financial reports for the City of Astoria (City) and the Urban Renewal Agency (URA) for fiscal year end (FYE) June 30, 2015 are attached.

There is a summary section in each report entitled "Management Discussion and Analysis" (MDA) which provides an overview of the relevant aspects of the City and ADC financial standings.

The key documents related to the financial statements include the Communication to the Governing Body and Independent Auditors' Report Required by Oregon State Regulation. The first document describes the auditors' responsibilities and on Page 2 contains a section titled "Results of Audit" which contains an unmodified or a "clean" audit opinion with no reservations. This indicates the City's statements are a fair representation of balances and transactions according the Generally Accepted Accounting Principles (GAAP). GAAP for state and local governments is promulgated by the Governmental Accounting Standards Board to ensure consistency in accounting and comparability in financial reporting among state and local governments. A clean opinion is a fundamental financial goal for every government, as it represents the highest level of opinion a government can receive from its independent auditors and is an important indicator of sound financial management and creditworthiness to the citizens, other governmental jurisdictions, credit rating agencies and other private sector entities.

In the second document, beginning on page 101 of the City report and page 22 of the URA, the auditors address the City's compliance with applicable provisions of Oregon Revised Statutes (ORS) including requirements related to debt, deposit of public funds, preparation and adoption of the budget, accounting records and related internal control structure, etc. The auditor also reports if the City had any significant internal control weaknesses. The auditors noted the City complied with all laws with the following budget exceptions noted on page 28 of the City report.

Finance Department staff are responsible for the information contained in and the preparation of both sets of financial statements. To effectively fulfill this responsibility and to contain the cost of auditor services, City staff devotes significant effort to the closing of accounting records, the preparation of schedules and audit work papers and the production of the financial statements.

I am happy to report Best Practice Recommendations were made as part of comments during our audit exit review. These items are not deficiencies in controls and are intended to provide information and best practice information to the governing body.

Finance Director Susan Brooks will provide an overview at the Council meeting and will be available to answer questions.

By: _____
Susan Brooks, CPA
Director of Finance and Administrative Services

**CITY OF ASTORIA
CLATSOP COUNTY, OREGON**

COMMUNICATION TO THE GOVERNING BODY

FOR THE YEAR ENDED JUNE 30, 2015



12700 SW 72nd Ave.
Tigard, OR 97223



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www.paulyrogersandcocpas.com

March 16, 2016

To the City Council
City of Astoria
Clatsop County, Oregon

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Astoria for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the basic financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide assurance on the internal control over financial reporting.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; therefore, our audit involved judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of the City and its environment, including internal control, sufficient to assess the risks of material misstatement of the basic financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City. We also communicated any internal control related matters that are required to be communicated under professional standards.

Pauly, Rogers and Co., P.C.

Results of Audit

1. Audit opinion letter – an unmodified opinion on the basic financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment except as noted on page 101 of the report.
3. Management letter – We did not issue a separate management letter.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2015 except for the implementation of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 71—Pensions Transition for Contributions Made Subsequent to the Measurement Date. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates were the City’s estimate of capital asset depreciation and the Net Pension Asset, which are related to the individual assets’ estimated useful lives and actuarial assumptions. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The disclosures in the basic financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were immaterial uncorrected misstatements noted during the audit which were discussed with management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditors’ report. We are pleased to report that no such disagreements arose during the course of our audit.

Pauly, Rogers and Co., P.C.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the basic financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Supplementary Information

With respect to the supplementary information accompanying the basic financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Other Information

With respect to the other information accompanying the financial statements, we read the information to identify if any material inconsistencies or misstatement of facts existed with the audited basic financial statements. Our results noted no material inconsistencies or misstatement of facts.

Emphasis of Matter – New Pension Reporting Requirements

During the 2014-2015 fiscal year a new accounting requirement went into effect called Government Accounting Standards Board Statement 68 - Accounting and Financial Reporting for Pensions as well as the provisions of GASB Statement No. 71, Pensions Transition for Contributions Made Subsequent to the Measurement Date. Every government in the United States was required to comply with these new accounting rules. In the past, governments have not recorded a liability for the amount of money owed to current and former employees for future retirement benefit payments that have already been earned by the employees. This new requirement made financial reports for governments more transparent and accurate by quantifying a debt that has always existed but not reported.

The new accounting standard created a method for calculating the entire amount of money owed to all current and former employees in the future, which will need to be included as a liability in the June 30, 2015, financial report. As a result, it was possible that some governments would have a lower, and possibly negative, financial position, or net worth as of the beginning of the fiscal year than what was reported in the prior year under old standards, as well as at the end of the current fiscal year. Some governments in an attempt to reduce rates paid to PERS elected to "fund" their future debt to PERS by borrowing money using "Pension Obligation Bonds" which

Pauly, Rogers and Co., P.C.

was used by the state's actuaries, Milliman, to calculate the City's proportionate share of the overall state unfunded liability or asset. Due to the results of the valuation as of June 30, 2015 there was a state-wide asset that was proportionately allocated to each employer based on the actuarial study. This study did not take into account the results of the *Moro v. State of Oregon* decision by the Oregon Supreme Court in April of 2015.

The Statement of Net Position now has new accounts listed. The Net pension asset represents the City's proportionate share of the state-wide actuarially determined asset as of the measurement date. The Net pension related deferrals include a combination of calculations made by the actuaries based on potential changes in assumptions and the difference between actual and expected returns on investments, as well as contributions made to PERS by the City subsequent to the date of the actuarial valuation which were not accounted for in the state-wide asset.

These new requirements do not change anything related to the budgets of the governments, do not require additional spending and have no bearing on the amount of money available to spend. Governments make payments to PERS each month based on a rate already calculated by an actuary, and this will not change as a result of the new pronouncements.

Other Matters – Future Accounting and Auditing Issues

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accounts and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

GASB 72

GASB issued Statement No. 72, Fair Value Measurement and Application, which prescribes how state and local governments should define and measure fair value. It also prescribes which assets and liabilities should be measured at fair value, and expands disclosures related to fair value measurements. This standard is required to be implemented in fiscal year 2015-16.

SINGLE AUDIT

On December 26, 2013, the Office of Management and Budget ("OMB") issued the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, for state and local governments, non-profit entities, institutions of higher education and tribal governments. This guidance (also referred to as the "Supercircular") supersedes the requirements from eight OMB Circulars down into one. As a result of this circular, there will be changes to the single audit requirements previously specified under OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Beyond making changes to auditor requirements the new standards required that non federal entities follow the new Cost Principles in 2 CFR 200 for any grants that were awarded after December 26, 2014.

In these standards there are also significant purchasing changes to federal grants that apply July 1, 2016. The purchasing department should be familiar with these new standards, because these standards are detailed and complex.

IMPLICIT RATE SUBSIDY FOR OPEBs

In Oregon, an implicit rate subsidy is required for almost all entities, due to the fact that Oregon law requires that any retiree be allowed to buy-back into their former employer's health insurance plan. In the past, relatively small employers participating in a large, pooled health plan were sometimes exempt from having to account for an implicit rate subsidy due to a "community-rating" exception. In general, this exception applied when the claims experience of an individual employer would have virtually no impact on the premium being charged to that employer. The accounting standards that apply to OPEBs refer to the Actuarial Standards of Practice (ASOPs) in determining whether a community-rated situation applied. However, the newly revised ASOP 6 virtually eliminated the concept of the community-rating exception. As a result, agencies participating in community-rated plans that had previously been exempt from reporting liabilities due to an implicit rate subsidy may now be required to do so. We recommend that Management contact an actuary to determine if an actuarial study is required.

Best Practices – Not Significant Deficiencies

1. Governing Council Monitoring

An integral part of internal controls is the monitoring of financial activities by those charged with the governance. This can be accomplished by asking specifically designed questions to senior staff, by reviewing financial statements and projections and by comparing financial results to pre-established benchmarks. While the Council participates in the budget adoption process and receives staff prepared financial statements, these only partially fulfill the monitoring function.

We recommend that the Council articulate their monitoring practices and record in the minutes when those activities occur.

Since monitoring activities, including benchmarking, are unique to each entity we are available to assist the Council in establishing checklists, questions and benchmarks that are customized for your use.

2. Fidelity Insurance Coverage

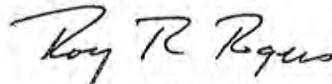
In reviewing fidelity insurance (employee honesty) coverage we noticed that the City carries cash and investment balances in excess of the insurance coverage amount. We recommend that the Council examine this exposure risk and make a determination as to the amount of insurance coverage they feel is prudent in regard to their oversight.

3. Minimum Number of Appropriated Funds

We noted that the City has more than the legally required number of funds. According to NCGA Statement 1, Paragraph 4, "Governmental units should establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established, however, since unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration." We recommend that the City consider closing funds that are not required to be in a separate fund. Both GFOA (Government Finance Officers Association) and GASB (Governmental Accounting Standards Board) encourage governments to use the minimum number of funds.

Pauly, Rogers and Co., P.C.

This information is intended solely for the use of the Council and management and is not intended to be and should not be used by anyone other than these specified parties.

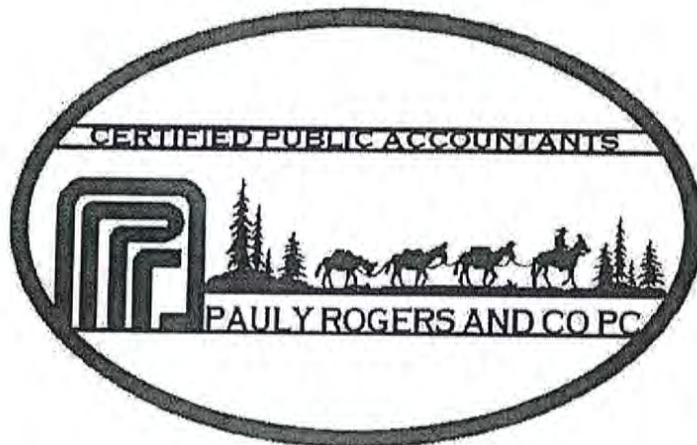
A handwritten signature in cursive script that reads "Roy R. Rogers".

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

**CITY OF ASTORIA
URBAN RENEWAL AGENCY
CLATSOP COUNTY, OREGON**

COMMUNICATION TO THE GOVERNING BODY

FOR THE YEAR ENDED JUNE 30, 2015



12700 SW 72nd Ave.
Tigard, OR 97223



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www.paulyrogersandcocpas.com

January 25, 2016

To the Commission Council
Astoria Development Commission
Clatsop County, Oregon

We have audited the basic financial statements of the governmental activities and each major fund of the City of Astoria Urban Renewal Agency for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the basic financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the basic financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide assurance on the internal control over financial reporting.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; therefore, our audit involved judgment about the number of transactions examined and the areas to be tested.

Our audit included obtaining an understanding of the Agency and its environment, including internal control, sufficient to assess the risks of material misstatement of the basic financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Agency or to acts by management or employees acting on behalf of the Agency. We also communicated any internal control related matters that are required to be communicated under professional standards.

Pauly, Rogers and Co., P.C.

Results of Audit

1. Audit opinion letter – an unmodified opinion on the basic financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment, except as noted on page 22 of the report.
3. Management letter – We did not issue a separate Management Letter.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2015 except for the implementation of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 71—Pensions Transition for Contributions Made Subsequent to the Measurement Date. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimate was the Agency’s estimate of capital asset depreciation which is related to the individual assets’ estimated useful lives. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were immaterial uncorrected misstatements noted during the audit which were discussed with management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditors’ report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Pauly, Rogers and Co., P.C.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the basic financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Supplementary Information

With respect to the supplementary information accompanying the basic financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Other Information

With respect to the other information accompanying the basic financial statements, we read the information to identify if any material inconsistencies or misstatement of facts existed with the audited financial statements. Our results noted no material inconsistencies or misstatement of facts.

Other Matters – Future Accounting and Auditing Issues

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accounts and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

GASB 72

GASB issued Statement No. 72, Fair Value Measurement and Application, which prescribes how state and local governments should define and measure fair value. It also prescribes which assets and liabilities should be measured at fair value, and expands disclosures related to fair value measurements. This standard is required to be implemented in fiscal year 2015-16.

SINGLE AUDIT

On December 26, 2013, the Office of Management and Budget ("OMB") issued the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, for state and local governments, non-profit entities, institutions of higher education and tribal governments. This guidance (also referred to as the "Supercircular") supersedes the requirements from eight OMB Circulars down into one. As a result of this circular, there will be changes to the single audit requirements previously specified under OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Beyond making changes to auditor requirements the new standards required that non federal entities follow the new Cost Principles in 2 CFR 200 for any grants that were awarded after December 26, 2014.

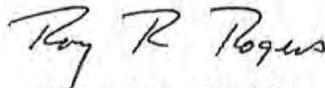
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In these standards there are also significant purchasing changes to federal grants that apply July 1, 2016. The purchasing department should be familiar with these new standards, because these standards are detailed and complex.

IMPLICIT RATE SUBSIDY FOR OPEBs

In Oregon, an implicit rate subsidy is required for almost all entities, due to the fact that Oregon law requires that any retiree be allowed to buy-back into their former employer's health insurance plan. In the past, relatively small employers participating in a large, pooled health plan were sometimes exempt from having to account for an implicit rate subsidy due to a "community-rating" exception. In general, this exception applied when the claims experience of an individual employer would have virtually no impact on the premium being charged to that employer. The accounting standards that apply to OPEBs refer to the Actuarial Standards of Practice (ASOPs) in determining whether a community-rated situation applied. However, the newly revised ASOP 6 virtually eliminated the concept of the community-rating exception. As a result, agencies participating in community-rated plans that had previously been exempt from reporting liabilities due to an implicit rate subsidy may now be required to do so. We recommend that Management contact an actuary to determine if an actuarial study is required.

This information is intended solely for the use of the Agency Board and management and is not intended to be and should not be used by anyone other than these specified parties.



ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

\$200,000 for sewer monitors with offset of transfer in from the Public Works Fund and by \$794,480 with an offset of a loan for the landfill closure project.

B. Deficit Fund Equity

The City has eight (8) instances of funds that had a deficit in fund equity as of June 30, 2015. The Parks and Recreation Fund was over expended in Materials and Service by \$125,534, the Parks Operation Fund was over expended by \$35,361 in Administration, the Promote Astoria Fund was over expended by \$5 in Principal payments, the Urban Renewal Agency East Fund was over expended \$151 in Interest payments, the Public Works Fund was over expended \$671 in, the Public Works Improvement Fund was over expended \$2,253 in Personal Services, the Combined Sewer Overflow Debt Service Fund was over expended by \$53 in Materials and Service, and the Public Works Fund was over expended in Streets by \$671.

(3) Cash and Cash Equivalents

At June 30, 2015 investments included in cash and cash equivalents consist of the following:

	Weighted Average Maturity (Years)	Fair Value
Demand Deposits	0.00	\$ 2,874,346
Investments in the State Treasurer's Local Government Investment Pool	0.00	11,369,690
Certificates of deposit	1.00	1,910,719
 Total cash equivalents		 \$ 16,154,755

A. Interest rate risk

The City does not have a formal investment policy designed to limit investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

B. Credit risk

State statutes authorize the City to invest in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, and the State Treasurer's Oregon Local Government Investment Pool, among others. The City has no investment policy that would further limit its investment choices. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations, but is not regulated by other laws, organizations or regulations. The reported value of the Pool is the same as the fair value of Pool shares. Investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The State Treasurer's Oregon Local Government Investment Pool is not registered with the SEC as an investment company and is unrated.

C. Concentration of credit risk

The City does not currently have an investment policy for concentration of credit risk.

D. Custodial credit risk – deposits

This is the risk that in the event of a bank failure, the City's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the City's deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are considered fully collateralized. As of June 30, 2015, none of the City's bank balances were exposed to credit risk.