



# CITY COUNCIL MEETING

Monday, May 19, 2025 at 6:00 PM  
Sandy City Hall and via Zoom

## MINUTES

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### WORK SESSION – 6:00 PM

#### 1. Sandy Housing Production Strategy (HPS)

The City Manager and Development Services Director provided introductory remarks. Tim Wood with FCS Group delivered the presentation; slides were included in the meeting packet. Initial discussion related to the projected need for 2,424 new housing units over the next 20 years and whether that accounts for the realities of the current development moratorium. It was noted that cities often diverge from their projected housing need figures, and that the target is chiefly intended to ensure adequate land supply. The State's Housing Acceleration Program was discussed as a potential factor in the future. Further discussion related to the following topics:

- Importance of clearly emphasizing the City's development limitations in the HPS document
- Opportunities to leverage the HCA to make the case for grant assistance for wastewater projects
- Overview of the City's past accomplishments related to housing production
- Recognition that potential strategies can fall into multiple categories
- Overview of the proposed wastewater project-related strategies
- Discussion related to a potential construction excise tax
  - Details on required payments to the State
  - Relative flexibility regarding commercial versus residential construction
  - Discussion of the school excise tax
  - Discussion regarding the total cost of permitting
  - Discussion regarding return on investment and the expected timeline for accruing funds
  - Discussion regarding flexibility of structuring such a tax, and implementation options
- Discussion related to development code changes
  - Discussion related to requirements to promote housing choice
  - Discussion related to cottage clusters as a middle housing option; concern about allowing them in Sandy; discussion regarding whether other options exist to provide required housing choice; direction to staff to discuss possibilities with DLCD
- Recognition that strategies identified in the HPS would still have to go through a vetting and adoption process

- Discussion related to timing of adoption further short-term rental regulations; discussion related to the impact of short-term rentals on the housing market
- Discussion regarding the possibility of reducing permit fees if pre-approved plans are used
- Overview of strategies related to manufactured home parks; discussion related to home insurance
- Suggestion to reference additional community partner organizations other than AntFarm
- Clarification on the implementation timeline for the HPS, including the mid-term check in process

## **REGULAR MEETING – 7:00 PM**

### **PLEDGE OF ALLEGIANCE**

### **ROLL CALL**

#### **PRESENT**

Mayor Kathleen Walker  
Council President Don Hokanson  
Councilor Chris Mayton  
Councilor Laurie Smallwood  
Councilor Rich Sheldon  
Councilor Kristina Ramseyer  
Councilor Lindy Hanley

### **CHANGES TO THE AGENDA**

The police award presentation was moved so it could take place before the Consent Agenda

### **PUBLIC COMMENT (3-minute limit)**

Cory and Sara Knight: read aloud comments that were also provided in written form, related to their request for a land use approval extension. Their written materials are attached to these minutes.

Austin Ernesti: returned to the Council to ask for a contribution of \$15,000 in City funds for the Sandy Invitational Chainsaw Carving (SICC) event (he had previously requested funds during a February 2025 Council meeting). He discussed apparent misunderstandings regarding whether further discussion with the Council would be necessary. He stated the requested funds would be used for advertising purposes, specifically billboards, and/or activities for families such as bounce houses and shuttle runs. Another possibility suggested for use of the funds was low-cost food for attendees such as hot dogs, chips, and drinks. Mr. Ernesti provided an overview of the origins and mission of the event including promoting timber and forestry-related trades, and emphasized its rapid growth and success over the past several years.

### **RESPONSE TO PREVIOUS COMMENTS**

(none)

## **PRESENTATIONS**

2. Outstanding Service Awards: Officer Quentin Carter and Officer Michael Boyes

Police Chief Huskey presented Outstanding Service Awards to Officer Quentin Carter and Officer Michael Boyes for their outstanding investigatory work related to a recent case involving DUUI, reckless endangerment, and child neglect, which was recognized by Deputy District Attorney Tiffany Escover. Photos were taken following the award presentation.

## **CONSENT AGENDA**

3. City Council Minutes: April 21, 2025
4. IGA Approval: City of Lake Oswego (LOCOM)
5. Noise Exception Approval: Sandy Invitational Chainsaw Carving (SICC)
6. Noise Exception Approval: 4th of July Block Party with Amplified Music

### **MOTION: Adopt the Consent Agenda**

Motion made by Councilor Sheldon, Seconded by Council President Hokanson.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

Voting Abstaining: Councilor Smallwood

### **MOTION CARRIED: 6-0-1**

## **NEW BUSINESS**

7. Discussion: Economic Development Priorities

Jon Legarza with Healthy Sustainable Communities presented to the Council; slides were included in the meeting packet. Mr. Legarza was retained by the City to provide economic development consulting services. Members of the Economic Development Advisory Board (EDAB) were also present to participate in the conversation. Major themes discussed included the importance of proactive communication with the business community regarding the development moratorium, addressing vacant storefronts, downtown wayfinding, urban renewal analysis, and industrial land development opportunities. Discussion ensued on the following topics:

- Leveraging property tax data and projections to make prudent investment decisions
- Opportunities to drive job creation
- Prioritization of business development in the 362<sup>nd</sup> / Bell area
- Discussion related to industrial zone uses
- Development potential related to the proposed alternative wastewater treatment program
- Urgency of addressing vacant storefronts

- Need to address the loss of Next Adventure
- Concern related to the timeline for future DEQ approvals
- Recognition that the industrial land on the west end of town is the first impression people have of the community
- Suggestion to be more purposeful about pursuing the kind of development the City wants, and to be willing to invest where prudent
- Discussion related to the Chamber of Commerce's efforts to address vacancies, including by assisting with business plan development
- Importance of ensuring Sandy is not just a drive through community
- Discussion about wayfinding in relation to historic preservation opportunities
- Overview of the importance of wayfinding
- Emphasis on the importance of ensuring alignment between the Council and the City's Boards and Commissions
- Importance of addressing derelict buildings
- Emphasis on the importance of assisting businesses such as Rogue Fabrication and creating quality jobs in the community
- Emphasis on the importance of focusing the work of the EDAB and achieving results
- Discussion of economic development opportunities related to Cedar Park, including food carts, and board/bike rentals
- Opportunities related to promoting walkability and pedestrian safety
- Discussion related to the lack of momentum for the Pleasant Street Master Plan concept
- Discussion related to undergrounding power lines
- Suggestion to promote branding for the Old Barn District, integrating interpretive displays along 362<sup>nd</sup> / Bell
- Discussion of the importance of ensuring staff operate under a culture of trying to find ways to say yes to economic development projects
- Emphasis on promoting SandyNet as an amenity to attract economic development

8. Contract Approval: Sandy to Portland Transmission Main Contract for the Bull Run Supply Pump Station

The Public Works Director summarized the staff report in the meeting packet and noted the language that would allow the City to cancel the contract should that become necessary, though he also noted the long lead time to secure pipe materials and the likelihood of knowing the result of land use decisions before construction begins. Council discussion ensued on the following topics:

- Note that Portland does not have a 'plan b' to meet federal water filtration requirements
- Suggestion to ensure adequate outreach to adjacent neighbors
- Discussion related to the surety language in Section 6.3 of the contract

After City Attorney input, it was recognized that Section 6.3 of the contract should be amended to insert the word "not" and should therefore read as follows: *"Consent of Surety: Owner will not make final payment, or return or release retainage at Final Completion or any other time, unless Contractor submits written consent of the surety to such payment, return, or release."*

**MOTION: Authorize the City Manager to execute the construction contract with N8 Holmlund Inc, DBA N8 Excavation for the Transmission Main portion of the Portland to Sandy Water Filtration System project, in an amount not to exceed \$2,687,000, as amended**

Motion made by Councilor Smallwood, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

**MOTION CARRIED: 7-0**

9. Contract Approval: Transit Operations Services 2025-2027

The Transit Director summarized the staff report in the meeting packet, provided details on the bids received and the scoring thereof, and clarified the changes regarding administration of the contract for Mount Hood Express services. Council discussion ensued on the following topics:

- Overview of the protest received from MV, and the City's response thereto
- Discussion of the history of SAM operations contracts
- Discussion of the difficulties experienced by contractor employees who have to change employers at a time that is not consistent with insurance deductible cycles; suggestion to better accommodate those timetables in the future
- Note of the typographical error in the suggested motion language in the staff report
- Discussion related to the indemnification clause in the contract
- Clarification of the monthly bonus amounts included in the contract

**MOTION: Authorize the City Manager to sign the personal services contract between the Sandy Transit Department and RTW Management LLC as included in the meeting packet**

Motion made by Councilor Sheldon, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

**MOTION CARRIED: 7-0**

## **REPORT FROM THE CITY MANAGER**

- Recognition of the officers receiving the Outstanding Service Awards, and of the outstanding work of the Police Department generally
- Note of the upcoming meeting with PGE's CEO
- Thanks for everyone's participation and effort during the budget process
- Reminder of the Memorial Day closure
- Recap of recent bids received for Deer Pointe Park and the wastewater effluent pump station
- Sharing of his son's park concept illustration

## **COMMITTEE / COUNCIL REPORTS**

### Council President Hokanson

- Made the motion below in response to the request during Public Comment for the City to contribute funds for the Sandy Invitational Chainsaw Carving (SICC) event. Prior to the motion, Council discussion ensued on the following points:
  - Suggestion that the Special Service Contract Program (SSCP) would have been a more appropriate process to request funds
  - Discussion of the requestor's prior confusion regarding which meeting to attend to request funding, as well as his good intentions
  - Concern about the lack of process and the prospect of spending money outside of normal procedures
  - History of the SSCP; history of past exceptions made during the COVID-19 pandemic
  - Concern about excessive bureaucracy
  - Concern about the lack of clarity on how donated funds would be spent
  - Concern about setting poor precedent
  - City Attorney advice on how to contribute funds legally, if the Council desires to make a contribution
  - Suggestion to pay for a particular function, such as a food vendor
  - Praise for Mr. Ernesti's work in the community

**MOTION: Allocate \$5,000 from the City Council's contingency funds to sponsor the Sandy Invitational Chainsaw Carving event, given the previous miscommunications and misunderstandings that have occurred, and in light of the event's economic development benefits**

Motion made by Council President Hokanson, Seconded by Councilor Hanley.

Voting Yea: Council President Hokanson, Councilor Smallwood, Councilor Hanley

Voting Nay: Mayor Walker, Councilor Mayton, Councilor Sheldon, Councilor Ramseyer

**MOTION DEFEATED: 3-4**

### Councilor Hanley

- Recap of recent Chamber of Commerce meeting

### Councilor Ramseyer

- Recap of recent AntFarm event and recognition provided for Nunpa's service to the community
- Note of upcoming Planning Commission meeting

### Councilor Sheldon

- Suggestion to amend the code to allow noise exemptions to be handled administratively
- Reflections on the vote regarding the SICC funding request

### Councilor Smallwood

- Suggestion to conduct proactive outreach to non-profits ahead of the next SSCP process

- Recap of recent C-4 meeting
- Note that she has joined the board of Voluntary Organizations Active in Disaster (VOAD)

#### Councilor Mayton

- Recap of recent Parks and Trails Advisory Board meeting
- Recap of Yappy Hour
- Reflections on the vote regarding the SICC funding request

#### Mayor Walker

- Recap of recent public hearing testimony before the Capital Construction Subcommittee of the Joint Ways and Means Committee
- Recap of recent meeting with Senator Merkley staff
- Recap of recent Chamber of Commerce Reach event
- Recap of Yappy Hour
- Reminder of upcoming CCA dinner in West Linn
- Note of upcoming meeting with PGE's CEO
- Reflections on the vote regarding the SICC funding request; suggestions to improve the SSCP process going forward

#### **STAFF UPDATES**

Monthly Reports: <https://reports.cityofsandy.com/>

#### **ADJOURN**