



# CITY COUNCIL MEETING

Monday, April 07, 2025 at 6:00 PM  
Sandy City Hall and via Zoom

## MINUTES

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### 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

(none)

### PUBLIC COMMENT (3-minute limit)

(none)

### RESPONSE TO PREVIOUS COMMENTS

(none)

### PRESENTATIONS

1. Police Officer Oath of Office: Officer Jordan Ferguson

The Mayor administered the oath to Officer Ferguson, after which photos were taken.

### PROCLAMATIONS

2. Arbor Month 2025

The Mayor read the Arbor Month proclamation aloud.

## CONSENT AGENDA

3. City Council Minutes: March 17, 2025

### **MOTION: Adopt the consent agenda**

Motion made by Councilor Sheldon, Seconded by Councilor Mayton.

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

### **MOTION CARRIED: 7-0**

## RESOLUTIONS

3. PUBLIC HEARING: Resolution 2025-13 – Adopting Revised Water and Wastewater System Development Charge Rates

### Abstentions

(none)

### Conflicts of Interest

(none)

### Staff Report

The City Manager summarized the staff report in the meeting packet, providing an overview and rationale for increasing system development charges to account for increased project costs. He also noted the years in which comparison city SDCs were last adjusted.

### Public Testimony

Nolan Wagner: is a homebuilder; rising costs of permitting are unbearable; builders will not build homes in Sandy if fees are too high and he wonders whether the City has considered that; Sandy has had lower fees in the past but home values have been relatively low.

Tom Orth: has divided his 9 lots into 18 for middle housing; 10 lots are not developed; base charges for water and wastewater outstrip consumption costs; needs tax reassessment of his lots; has recently applied for extension of his ERU allocations; is concerned about SDC rates being too high, thus preventing him from building; is concerned that he will run out of ERU allocation extensions before being able to build; is concerned about the budget impact on the City if building does not occur.

Spencer McCoy: has searched for a home in Sandy to buy; increased SDCs will make homes unaffordable along with mortgage costs, utilities, and taxes; high costs will prevent locals with deep Sandy ties from being able to afford a home.

Jason Schuler: is an experienced real estate professional; interest rates and economic factors are making his industry difficult; increased SDC rates will make the situation worse; property

owners are sitting on properties; is concerned that the City may be trying to slow growth; stated he cannot pass along fees to purchasers because of the slow market; suggested that the City sell bonds or pursue other options other than SDC increases

**MOTION: Close the public hearing**

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

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

**MOTION CARRIED: 7-0**

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Council Discussion

- Summary of the anticipated revenue from the proposed SDC rates over the next 20 years, which was cited in the staff report
- Acknowledgement of the concerns raised by those offering public testimony
- Note that SDC revenue must be used for growth, and that if funds to accommodate growth are not collected from SDCs, ratepayers will have to bear the cost
- Note that the City cannot stop growth per state law, and that the development moratorium exists due to wastewater system challenges
- Acknowledgement that utility rates assume a certain amount of growth, and that if growth ceases rates will need to grow higher, thus balance is needed
- Suggestion that rates could be lowered if the City receives outside funding assistance
- Discussion regarding unfunded mandates from the state
- Acknowledgement that the community is paying for past inaction of City leaders
- Suggestion that without raising SDC rates, the cost burden will remain with ratepayers
- Reflections on SDC methodologies and master planning processes, and increases in infrastructure costs in recent years
- Summary of current efforts to receive state and federal funding assistance
- Acknowledgement of the effect of SDCs on new housing costs
- Note that many other cities have also had to raise SDCs recently
- Discussion on the tax assessment and valuation process
- Suggestion that the City can revisit and potentially lower SDC rates in the future
- Suggestion that the City needs growth and affordable housing, but that the infrastructure deficiencies must be addressed after years of deferral
- Suggestion that SDC waivers may be appropriate in certain circumstances
- Suggestion that the cost of infrastructure cannot only be borne by residents anymore; they cannot continue to afford it
- Suggestion that some kind of SDC equity is needed, and that perhaps the Parks and Transportation SDCs should be lowered to compensate
- Note from Councilor Smallwood that her vote in opposition was the result of the fact that all SDC rates were not being evaluated and adjusted in their entirety

## **MOTION: Adopt Resolution 2025-13**

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

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

Voting Nay: Councilor Smallwood

**MOTION CARRIED: 6-1**

## **NEW BUSINESS**

4. PUBLIC HEARING: Ordinance 2025-12: Amending Sandy Municipal Code Chapter 3.28 – Hotel/Motel Tax

### Abstentions

(none)

### Conflicts of Interest

(none)

### Staff Report

The Finance Director summarized the staff report in the agenda packet.

### Public Testimony

(none)

## **MOTION: Close the public hearing**

Motion made by Councilor Sheldon, Seconded by Councilor Hanley.

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

**MOTION CARRIED: 7-0**

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### Council Discussion

- Clarification on the meaning of the phrase ‘jointly and severally liable’
- Note that the word ‘tax’ needs to be added to the title of section 3.28.050; the Council agreed, and the ordinance adoption motions included this amendment
- Clarification that revenue from this tax goes to the General Fund, and is used for tourism and economic development uses only
- Note that Sandy’s tax predates state legislation that requires certain revenue splits
- Clarification on the reasoning for the timeline in section 3.28.060(F)
- Discussion of the City’s authority to examine tax records
- Clarification of tax collection related to booking fees

**MOTION: Approve the first reading of Ordinance 2025-12**

Motion made by Councilor Sheldon, Seconded by Councilor Smallwood.

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

**MOTION CARRIED: 7-0**

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**MOTION: Approve the second reading of Ordinance 2025-12**

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**

- Congratulations to Officer Ferguson
- Update on the final stages of construction at Cedar Park
- Congratulations to AJ Thorne on his promotion; note that the question of how to refill his previous position will be examined in coming weeks and will involve a review of department operations and needs
- Note of the upcoming bond sale for drinking water projects
- Reminder of Arbor Day planting on April 24<sup>th</sup>
- Reminder of the SOLVE event on April 26<sup>th</sup>
- Note that a background check is proceeding related to the Community Service Officer recruitment
- Reflections on the recent ICMA leadership training conference
- Government relations update: Nellie deVries noted the City's recent meetings with legislators and efforts to gather support in advance of upcoming Ways and Means Committee hearings. She also expressed some concern about the ultimate amount of revenue that will be shown in the state's May forecast. She noted that reception to the City's funding request has been positive.

**COMMITTEE / COUNCIL REPORTS**

Council President Hokanson

- Concern about the sufficiency of advertisement in advance of the SDC hearing
- Updates on the SandyNet Master Plan, particularly with regard to revenue targets, and where and when to expand the system
- (Councilor Sheldon left the meeting at this point)

#### Councilor Hanley

- Chamber of Commerce meeting recap
- Note that the VFW is looking for a new ADA-accessible home
- Reminder of the Library stakeholders meeting on April 16<sup>th</sup>
- Note of the upcoming Mt. Festival meeting

#### Councilor Ramseyer

- Transit Advisory Board meeting recap; update on electric buses
- Concern about moving picnic tables at Cedar Park; discussion about the merits of securing tables to the ground

#### Councilor Smallwood

- Note that she is unavailable for upcoming Budget Committee meetings
- Suggestion that changed times for regular Council meetings need to be better advertised

#### Councilor Mayton

- Overview of the Mt. Hood Economic Alliance small lending program
- Water / wastewater oversight committee meeting recap
- Acknowledgement of the concerns raised by developers during the SDC hearing
- Reminder of the Sportsman's Breakfast on April 26th

#### Mayor Walker

- Clackamas County Business Alliance meeting recap
- Questions about HB 2138 and its applicability to the City
- Thoughts about building a coalition of support for the City's wastewater funding request
- Updates related to contracting for communications and economic development services
- Suggestion to host an upcoming CCA dinner at Cedar Park
- Notes on the scope of the new Community Livability Task Force
- Reminders of the upcoming Kiwanis Easter egg hunt and the Sportsman's Breakfast

#### **STAFF UPDATES**

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

#### **ADJOURN**