

## FY2026 Budget Committee Q&A

### ST 4.2.25

1. Has the City explored with the County taking over police services for St. Helens?

*A. No prior Chief to my knowledge has ever explored this concept. It may have been discussed by City Council in the past but this has never made it to the table to my knowledge.*

2. What does a contract look like with the County taking over 90% of police services for St. Helens?

*A. This would of course require significant negotiations between both county commissioners, City Council, and Sheriff Pixley. In some cities, the sheriff's office contracts with the city to absorb the police department personnel. The officers become deputies (or supervisors within the sheriff's office) and the city and county agree on a contract where the city pays for their portion of police services (whatever is negotiated). Some cities in Oregon where the sheriff's office contracts with the city for police services are Cornelius, Wilsonville, and Clatskanie. Deputies who respond to these cities for calls or those stationed in these cities for patrol ultimately answer to the Sheriff. Typically, the sheriff's office would not enforce city municipal codes in their normal contractual duties.*

3. Can the County provide 24hr. coverage to St. Helens less expensively than the City doing the hiring?

*A. This would require input from Sheriff Pixley. CCSO would ultimately need funding from the city to hire enough deputies for the City of St. Helens to have 24-hour coverage, or the city would have to continue paying for the officers to become CCSO deputies and the contract would stipulate how many deputies would be needed, along with the associated costs. It certainly could be less expensive, but at what cost to services for the citizens, and retention of the officers? Both citizens and council may miss having the relationship with their own officers.*

4. What would be the effect if St. Helens decided to cut police services in half?

*A. The three areas that would immediately stand out are 24-hour coverage, retention of officers, and the ability to fully investigate crimes.*

*SHPD could not keep 24-hour coverage if the department was reduced in half. "Services" are not specified in the question but I'll make an assumption you mean personnel.*

*If the department was reduced by half many of the officers would depart for other agencies, leaving SHPD less attractive to applicants to fill positions.*

*SHPD detectives serve a vital role in the community for criminal investigations that cannot always be done at the patrol level. A recent example is the school sex abuse investigations that impacted our community last fall. Our detectives worked on this case for months, with some assistance from patrol officers as well. A scandal like that could have never been worked properly without detectives or a police force that had been reduced by 50%.*

5. How can we reduce the cost of police officer pensions?

*A. There is no way to reduce PERS costs for any employee group. Police & Fire rates are higher than General Service rates and are set by the PERS Board.*

6. What is the continuing obligation, if any, toward officer pensions if St. Helens for example eliminates its police force?

*A. The City only pays PERS on the current payroll. We would not pay PERS on officers if they were not employed by the city.*

ST 4.2.25

7. Regarding Urban Renewal:

a) Please provide the spreadsheet and whatever documentation there is concerning expenses incurred from July 1, 2024 to the present;

*A. Here is a link to the UR FY 24-25 Budget.*

*[https://www.sthelensoregon.gov/sites/default/files/fileattachments/urban\\_renewal\\_agency/page/20201/ur-009\\_adopting\\_fy\\_24-25\\_budget.pdf](https://www.sthelensoregon.gov/sites/default/files/fileattachments/urban_renewal_agency/page/20201/ur-009_adopting_fy_24-25_budget.pdf)*

*In April 2025, Resolution UR-10 was approved which amended the adopted FY24-25 Budget.*

*[https://www.sthelensoregon.gov/sites/default/files/fileattachments/urban\\_renewal\\_agency/page/57893/ur-010\\_fy\\_24-25\\_budget\\_amendment.pdf](https://www.sthelensoregon.gov/sites/default/files/fileattachments/urban_renewal_agency/page/57893/ur-010_fy_24-25_budget_amendment.pdf)*

b) Please provide an explanation of the exact scope of the current contracted work for all Urban Renewal projects, and provide documentation supporting this contracted scope of work;

*A. Please see the Budget Message for FY-24-25 for the scope of UR-funded projects linked above.*

- c) Please provide an explanation concerning the scope of work, the expense, and the delays of the project at First and St. Helens Streets. This project was supposed to be completed more than a year ago. What is the scope of the project? How much has been spent? What are the projections?

A. *For the overall Streets & Utilities Project scope, please see our Project Website:*

<https://www.sthelensoregon.gov/waterfront/page/streets-and-utilities-extension-project>

*November 2022 was the original project kickoff, with construction beginning December 2022. It was originally scheduled for completion September 2024. Completion is now anticipated by June 30, 2025. The largest component of the construction delay was related to undergrounding aerial utility infrastructure which was added to the project after contracting with MEI. Franchise utilities were not cooperative with the City's initial construction timelines which delayed overall construction.*

*The project is within the adopted budgeted amounts and is anticipated to be completed within the adopted budgeted amounts.*

- d) Please produce all documentation used to support whatever debt was incurred to finance the current Urban Renewal expenditures. By way of specific example, last year the Urban Renewal Agency Budget Committee approved \$17.5 million in expenditures to occur in 2024-2025 fiscal year. How was this financed? Provide the documentation to support the application of the debt and the documentation concerning the debt. What is the debt service on the debt?

A. *Here is a link to the URA packet when the IGA between the City Council and the URA was approved which includes the Loan Contract with the IFA as an attachment.*

<https://mccmeetings.blob.core.usgovcloudapi.net/sthelensor-pubu/MEET-Packet-21ffa61f6c0f477aa2f8dbf111a76e5f.pdf>

*This Loan Contract with the IFA has been amended twice since its original approval. Here is a link to the most recent amendment to the Loan Contract approved by City Council on 5/7/25:*

<https://mccmeetings.blob.core.usgovcloudapi.net/sthelensor-pubu/MEET-Packet-f80ce7cbde6745ce86a537db0e8bcf54.pdf>

- e) A consideration is to stop all new construction projects except re the waterfront current roads project and the 1<sup>st</sup> and St. Helens project. This means that all work will stop once Phase 1 is complete on the waterfront project and the roads project at 1<sup>st</sup> and St. Helens will be done. What exactly is the scope of the Phase 1 roads project? How much have we spent? What is the projected of date of completion of the Phase 1 work? What is the plan for restoring at least a stage for the stage that was torn out?

*A. For the overall Streets & Utilities Project scope, please see our Project Website: <https://www.sthelensoregon.gov/waterfront/page/streets-and-utilities-extension-project>*

*For a description of all revenues which have been spent on both the Streets & Utilities Project and the Riverwalk Project, please review the Council packet item Number 6 linked here:*

*<https://mccmeetings.blob.core.usgovcloudapi.net/sthelensor-pubu/MEET-Packet-f80ce7cbde6745ce86a537db0e8bcf54.pdf>*

*The projected completion date is June 30, 2025.*

- f) Regarding INCOME from Urban Renewal: Explain exactly if we allow building a 200'x200' residential project with a building improvements totaling \$40,000,000, how much in annual taxes will St. Helens get from one such building?

*A. If in the Urban Renewal plan area it would be approximately \$500,000.*

- g) Provide documentation and a presentation regarding WHEN income will occur in Urban Renewal and HOW it will occur? With specifics re what exactly is the PLAN?

*A. The URA receives incremental property tax revenue. It has been assessing property taxes since FY2019. The Urban Renewal property taxes are pledged as collateral for payment of the loan.*

- h) Why is there no parking plan being worked on for the downtown?

*A. This is outside of the scope of the Budget Committee and has no relevance to the upcoming budget adoption. City Council dictates strategic planning priorities based on staff capacity.*

- i) Is there contemplation regarding any new loans for Urban Renewal? If so, these need to be itemized and the reasons stated. Consideration to not taking on any further debt.

A. *There are no loans being contemplated for the URA in the short term. Revenues are to be allocated towards servicing the debt of the existing IFA infrastructure loan.*

j) Why exactly is construction of the police station not moving forward in the Houlton? What exactly is the intended scope for the police station? What has been done to recoup the \$2 million spent on plans before land use approval? Has there been a claim made for malfeasance by our architects? What exactly is the intended scope of the police station? Please provide the legal documentation supporting the approval to build a police station. Was there approval to expand the police station into a “City Center?” How and when was there a legal adoption of such an expansion of this project? Provide all documentation to support that the police station project has been legally expanded beyond simply a police station. What is being done to get this project completed in the Houlton for the amount currently still in the bank?

A. *The City is in negotiations with the property owner of 1771 Columbia Blvd. Should the City move forward on this site the plan would be to tear down the existing buildings and reuse the Kaster Road Police Station architectural plans. The new site will require a new Civil design at additional expense. The architects and engineers have performed the work they were contracted to perform and paid for their services. Other than attempting to find a suitable site to utilize the existing plans there has been no attempt to recoup funds for design changes initiated by the City. Approvals for all work related to the new facility, including building downsizing and location changes, have been approved by the City Council. If the goal is to complete the project with the remaining funds available there will likely need to be additional revisions, perhaps phasing to work within the budget.*

k) How does the Urban Renewal Agency respond to the perception that the current Urban Renewal projects are unduly delayed, without any clearly defined scope, without a budget, and without public oversight?

A. *The Urban Renewal Agency Plan was based on years of strategic planning and includes a detailed list of projects including scope and budget. The agency funding has taken longer than anticipated to generate tax increment due to various setbacks. In 2017, just after the Agency was formed, Armstrong closed rather than making an anticipated \$40M investment in the site which would have kick started the Agency. The \$10M Legacy Clinic was also deemed tax exempt as was the Broadleaf Arbor public housing project not coming on*

*the tax roles. Despite these setbacks the Agency is now performing well enough to cover the Phase 1 Riverwalk and Streets and Utilities debt and with taxable investments forthcoming in the Riverfront District, the Agency will provide the funding for additional projects the URA plan.*

ST 4.2.25

8. Budget Committee Questions, TOURISM:

- a) What is the amount of money in the shared account between Treadway and the City, currently? (can we please see the balance from the actual bank statement?)

*A. The redacted statement will be included at the meeting. As of April 30, 2025 the bank balance was \$236,265.26 (Attachment 1)*

- b) Please provide Treadway's estimate of money that needs to remain in the account for the City to successfully implement its tourism program through 2025. Examples: Costs for 13 Nights on the River, Costs for 4<sup>th</sup> of July, Costs for Sand Castle Competition, Costs for Halloweentown 2025, Costs for Christmas Ships 2025? Considering there will be some collected hotel tax, and sales of Halloweentown tickets, how much do we need to keep in reserve for next year's events?

*A. There is currently \$236,265.26 as of April 30, 2025 in the City's Wauna Tourism account, which in consultation with Treadway, should be sufficient to make it to Halloweentown. The revenues from Halloweentown cover much of the other City sponsored events throughout the year.*

- c) What is the projected gross income for next year's HT? What factors will bring increased/decreased revenues for 2025?

*A. The Proposed Budget anticipates \$1.2M in event revenue for FY 2025-26. The completion of the downtown streets and riverwalk projects along with restoring access to the Veneer property for parking opportunities there will result in more physical space for visitors to enjoy the events and reduced operational expenses related to operating the shuttle service.*

- d) How much is in the E2C Wauna Account currently held by E2C? (Note "E2C Wauna Account" is used merely as a descriptive term, to distinguish it from the joint Treadway/City account, and should not be construed as an admission.)

- A. *The dispute with E2C is a matter of pending litigation not appropriate for budget committee discussions.*
- e) Are there any claims that EC2 made contracts that the City did not pay or were breached? If so, what is the amount of the alleged breach of contract claims? What is the anticipated litigation budget to resolve those claims?
- A. *The dispute with E2C is a matter of pending litigation not appropriate for a budget committee discussion.*
- f) What is the expected litigation expense to the City to pursue whether the City owns the money in the E2C Wauna account, through trial?
- A. *This is not a budget-related question.*
- g) What is the value of property in dispute re: E2C's termination by the City? Art, Props, boat?
- A. *This is not a budget-related question.*
- h) What is the exposure to the City for E2C claims of defamation, rigged RFP, emotional distress? Are any of these insured claims? Which ones?
- A. *The dispute with E2C is a matter of pending litigation not appropriate for a budget committee discussion.*
- i) What is the exposure to the city if Tina Curry and Chris Cannard should bring 6 years of wage and hour claims against the City? Is that an insured claim?
- A. *This is not a budget-related question.*
- j) Which City fund does the City propose the Budget Committee should use for the anticipated 2025-2026 litigation expenses re E2C?
- A. *Litigation expenses in connection with E2C are accounted for in the Visitor Tourism Fund. This is determined by the City, not the budget committee.*

#### ST 4.16.25

9. First: The Jim Band Report that establishes that the St. Helens police department is being paid one of the highest salaries in the state and that we do not have any deficiency compared to other cities in the state needs to be published to the budget committee.
- A. *Here is the relevant information from the Band Report on this remark.*  
*"A look at the City budget showed that the support of the police department has grown over recent years. In 2018, the Police Department budget was 34% of the general fund budget. In 2024, the Police Department budget was 40% of the general fund budget, a significant increase. The police department has*

*also increased their number of officers in that time. The police department funded 17 sworn officers in 2018, and they have funded 24 sworn officer positions for 2025. That is a current officer per thousand ratio of 1.67. This ratio does not tell a complete story of the needs of a community, but anecdotally it is on the high side of agencies in Oregon. Here is a random comparison of officer per thousand ratios of a few random cities in Oregon:*

*Albany Police Department: 1.14*  
*Grants Pass Police Department: 1.41*  
*Oregon City Police Department: 1.22*  
*Tigard Police Department: 1.38*  
*St. Helens Police Department: 1.67”*

10. Second: the findings of the band report that the X police chief Greenway was implicated by officers of sabotaging the hiring process in order to falsely give the appearance of needs to be provided to the budget committee.

*A. This is not a budget-related question.*

11. Third: I would like the opinion of chief Hogue regarding whether the St. Helens Police Department can safely have 24 hour coverage With the current resources and whether we can reduce the size of the police department and maintain 24 hour coverage. I don't think any opinion from any New police chief allegedly hired here at the last minute, can possibly answer this question accurately.

*A. SHPD currently has six vacancies. We can safely have 24-hour coverage, with minimal overtime, when these positions are filled. This allows SHPD to keep their detectives and even provide a school resource officer. No, we cannot reduce the size of the department and maintain 24-hour coverage as overtime is currently being used to cover the patrol hours as we are awaiting the hiring and training process for new officers.*

12. Fourth: Jennifer Massey should not participate in the discussion concerning Police budget whatsoever. It violates our ethics code and it violates the state Ethics code as well.

*Not a question.*

13. Fifth: the budget committee, and not the administration shall have the final say concerning all budgetary matters coming out of the committee. The administration is subservient to the will of the budget committee.



*Not a question. However - The administration and staff are not subservient to the Budget Committee. The Committee is appointed by the City Council and serves in an advisory capacity; they have no authority over management or staff.*

14. Sixth: Evidence that chief Hogue was harassed in a conspiratorial manner by Jennifer Massey and Adam St. Pierre On Facebook attempting to discredit chief Hogue's ability to reestablish 24 hour Police coverage needs to be presented in a cogent manner to the budget committee such as the budget committee understands that the Police, the Police union, Jennifer Massey, and others have been conspiring for years to give the appearance of a shortage of budget and a shortage of police officers in St. Helens when the Opposite Appears to be true. These at the very least need to be discussion points.

*Not a question & not relevant to the Budget Committee*

15. We definitely need to be looking at reduction of the Police budget, not increase of the police budget as a consideration for the budget committee. There is considerable evidence that I presented last year at the budget committee meeting that our police force is the best paid or one of the best paid in the state and now we have that evidence from our own investigation.

*This is not a question and is a management discussion and not for budget committee consideration.*

16. Seventh: has to see the city receive funds for the sale of the Millard Road property?

*A. Only the \$100K earnest money deposit has been received. The Developer is working through some unanticipated wetland easements that should result in a higher lot yield and increased funding to the City.*

ST 4.16.25

17. Are the people paying for the attorney that is appearing at the City Council meetings to travel to and from St. Helens? If so, what is the hourly rate for the travel and how much has been paid so far this year or build so far this year to the city just for travel time by the attorney.

*A. The Attorney attending Council meetings bills \$350 per hour and does not charge for travel.*

ST 4.17.25

18. How much have we paid the main street alliance this fiscal year and are there any more schedule payments this fiscal year?

*A. Nothing has been paid to the main street alliance this fiscal year.*

ST 4.20.25

19. Is the Hogue v City suit insured for defense for the City? For Massey? What about Judgment? If the City should defense the case, and Massey should be held liable, is that an insured loss re the City? Does the City need to indemnify Massey in the event she has a judgment entered against her? If the City is held liable is that an insured loss? How does this type of suit effect St. Helens rates, if at all?

*A. The City is insured through CIS which is an insurance pool of nearly every city in the State. This claim is covered for both the City and Mayor Massey in her capacity as Mayor. We cannot comment on the potential claim outcomes but insurance losses do impact the City's future rate premiums.*

20. Do Massey and the City have separate counsel? Again, are these attorneys being paid by insurance?

*A. CIS has assigned the City legal Counsel and Mayor Massey separate counsel in her capacity as Mayor for the City. The claim is covered by insurance.*

21. What are the projected fees and costs of the litigation for each party?

*A. CIS has assigned the City legal Counsel and Mayor Massey separate counsel in her capacity as Mayor for the City. The claim is covered by insurance.*

ST 4.25.25

22. General Fund and Community Development Fund Revenues: Sale of Surplus property: Is this money collected? From which property sales? Last I looked, Millard Road property had not closed.

*A. We have not closed on these properties.*

23. Services Support Revenue in General Fund proposed for 25/26: Where is the source of that money?

*A. As I explained in the meeting, that is the "plugged" amount needed to balance the budget as proposed. The options were discussed during the meeting.*

24. Long term outlook for Revenues: What's the plan?

*A. Attached is a revenue forecast. The forecast is dependent on what is approved by the budget committee.*

25. Revisit Discussion Points for Revenue:

- a) Business tax increase for rental properties.
- b) re: parking plan for Riverfront district;
- c) Pushing for 225 waterfront condominiums to be developed;
- d) Discuss height increase for waterfront from 45 feet to 55 feet.

*A. The business tax increase for rentals is included in the revised proposed budget.*

*The other items are not budget committee related discussions or decisions.*

ST 5.3.25

26. Also, can we please have Brandon Treadway there? Basically, my questions for him are going to center upon his company being able to make the City of St. Helens \$300,000 per year, at minimum.

*A. Contract discussions are not a role of the budget committee.*

27. Also, here is a question: I went through the SDC funds expected as revenues. I'd like to discuss elimination of SDC fund requirements for building homes. I see that Portland is having a budget shortfall, but still is waiving SDC funds for 5,000 building permits, probably under certain terms and conditions. We should do that and prioritize permits in Urban Renewal, and to builders who would otherwise have to pay for SDC's (meaning that non-profits are excluded). We do not have a need for more lower income housing. Our needs are to get middle income and up housing built, and soon.

*A. While SDCs are an important source of funding for infrastructure & improvements related to new development – the City Council have the ability to eliminate or waive them for certain projects or during specific periods. This can be a tool for promoting affordable housing, stimulating economic growth, and streamlining the development process. However, cities must carefully consider the potential impacts on infrastructure funding and ensure that SDC exemptions or waivers are applied fairly and equitably.*

***How The City Can Eliminate or Waive SDCs:***

***SDC Exemption Programs:***

*Some cities have programs that provide exemptions from SDCs for specific types of projects that meet certain criteria, such as affordability requirements.*

***Deferrals:***

*Instead of paying SDCs up front, developers can sometimes defer payment until a later date, which can reduce their upfront costs.*

**Temporary Waivers:**

*Some cities may implement temporary waivers of SDCs to address specific needs, such as stimulating housing production or promoting economic development.*

**Reducing SDC Rates:**

*Cities can also choose to lower the amount of SDCs assessed for new development, potentially reducing the overall cost of development.*

**Factors to Consider When Eliminating or Waiving SDCs:**

**Impact on Infrastructure:**

*The city needs to carefully consider the impact of SDC exemptions or waivers on their ability to fund and maintain infrastructure.*

**Revenue Shortfalls:**

*Waivers can lead to revenue shortfalls for the city, which may need to be addressed through other funding sources or budget adjustments.*

**Fairness and Equity:**

*The city needs to ensure that SDC exemptions or waivers are applied fairly and equitably to all developers.*

28. What is the cost of a grant writer position, and should we offer this position internally?

A. *We currently have a couple of staff that are great grant writers; we have no need for a grant writer. We really need a grants manager/reporter, but that is not contemplated in the FY2026 budget.*

29. What would be the expected revenues of a grant writer.

A. *It depends on the grants available and the projects that need funding. Grant opportunities vary significantly depending on the political and economic environment. Due to those factors, expected revenue cannot be quantified.*

ST 5.2.25

30. I'd like to see the contracts between PGE and the City guaranteeing payment of the note by PGE, and if the attorney is there, hear from her that this will stick.

A. *The City Attorneys are working on the contracts between the City and PGE which are currently under development to ensure the City is adequately protected.*

31. I'd like to see the banking documents regarding how much money is actually left in the account re the police station (this was requested by the Budget Committee last year and was not produced).

A. *The banking documents will not tell you how much is left of the bond proceeds for the police station. The Local Government Investment Pool (LGIP) is where the funds are held. The LGIP and the Wells Fargo bank accounts are "pooled" and allocated across all city funds. All information relevant to the police station bond proceeds were provided last year. The attached spreadsheet and pooled cash report are as of April 30, 2025. Attached is the LGIP account statement and Pooled Cash Report for April 30, 2025. (Attachments 2 and 3) Also attached is the spreadsheet we are using to track the bond proceeds and amount spent on the project. (Attachment 5)*

32. Along Councilor Hubbard's discussion regarding getting out of the development business, let's get some opinions regarding amount of money it would garner to sell all or part of the industrial land.

A. *Getting the Industrial lands back on the tax roles and into productive use was the primary purpose the City acquired the former Boise White Paper Mill site. The City's master planning of the 204 acre property to create the St. Helens Industrial Business Park aimed to create smaller parcels and attract a more diversified mix of industrial users. Arcadia Paper Mills purchase of 35 acres including the paper machines was only made possible by the City maintenance of the machines to keep them from deteriorating into a salvage value condition. The remaining 160 acres in the Industrial Business Park are available for development subject to wetlands, riparian buffers and infrastructure availability. In the interim, the City retains control of the popular ball fields, use of the former FARA Rec. Building, onsite warehouses for City storage needs, and access for trail development along Milton Creek and through the site to the adjacent Port property.*

33. I'd like to hear from Chief Hogue regarding how many officers are actually needed to staff 24 hr. coverage in our City.

- A. *SHPD would need at least 20 sworn officers to sustain 24-hour coverage in the city. This does not include School Resource Officers.*

34. Please send out the draft plan if the \$3,000,000 is not approved.

- A. *We will review staff revisions with the committee during the meeting.*

35. What would be the mechanism to submit some choices to the voters in November re General Services Charges on the utility bill.

- A. A referral, also known as a legislative referendum, is a method for city councils to propose a local law to voters. The proposed text of the local law and its effects must be clear and complete.  
A city's governing body may adopt a referendum that refers a measure for voters to decide. The choice for voters is either yes or no.

Once a city adopts this resolution, the city has two options. First, the city may file the text of the referral measure with the city's elections official. The city elections official then sends the referral to the city's attorney, who has five business days to prepare a ballot title. Second, and alternatively, the city's governing body can prepare the ballot title in advance and file it with the city election's official.

Generally, a measure referred to voters by a city's governing body can be voted on at any election date permitted under state law: (1) the second Tuesday in March, (2) the third Tuesday in May, (3) the fourth Tuesday in August, or (4) the first Tuesday after the first Monday in November. The deadline for a city to submit their referral to the county (along with all other city measures) is the 61st day before the election.

#### SEPARATE TOPIC TO BE INCLUDED IF THERE IS A QUESTION ON VOTERS:

A referendum, also known as a popular referendum, is a method that enables voters to adopt or reject a local ordinance or other legislative enactment that has been enacted by the voters' governing body. Like initiatives, the process of putting a referendum on the ballot begins with a prospective petition. Unlike initiatives, a referendum petition happens quickly; a petition must be submitted with signatures no later than 30 days after an ordinance is adopted.

36. General budget question. When did the trend in budget deficit start and are there certain areas either decline in revenue in one category or increase in expenses in another, that are primary causes?

A. *Attached is a summary. (Attachment 4)*

ST 5.6.25

37. Please show how the City can continue to operate using furlough days if the General Fund is reduced to 5% contingency;

A. *A 5% reserve/contingency would be greatly irresponsible. Staff have provided reductions and options that would allow for continued services, that combined with a \$16 service fee would leave a 10% reserve.*

38. Please identify the amount of GF services that can be returned to the funds to support the GF? I see that Public Works and Community Development have increasingly been taxed to support the GF. If those funds are returned, then please calculate the furlough days needed. In other words, no water fees, and return funds to Public Works and Community development.

A. *The GFSS (General Fund Support Services) charge is not a tax. The GFSS is an internal service charge to the funds that use general services. For instance, utility billing is performed by finance division staff, so there is an allocation to the utility funds for the cost of providing that service. The only departments that do not provide internal services are the police, library and recreation, and there are no internal charges for those services. Police and Public Works services for events are charged directly. It is not meant to be refunded.*

39. Let's discuss eliminating the recreation department and having it absorbed by the library.

A. *This is an item for management, not a budget committee decision. However, the library and recreation are two entirely different functions / programs and combining the two is not a feasible option.*

40. What other departments can be reduced? Eliminated.

A. *Staff have made some revisions that will be reviewed with the budget committee during the meeting.*

41. Please examine the large pay increases that occurred in 2021 time frame. What if we roll back salaries to that level? At least for some positions?

A. *The City conducted a Compensation Survey in 2021 for AFSCME and Unrepresented Staff which demonstrated some positions substantially below the average of comparable cities. In an effort to become an employer of*

*choice and pay competitive wages and retain talented staff, Council authorized wage adjustments at or above market averages.*

*Considerations of “roll back” is a function of management and not the roll of the budget committee.*

42. What property does the City current have for sale? Milard? Anything else?

*A. The City has the Millard Road and 5 acre bluff property off N 10<sup>th</sup> Street actively listed on the RLMS and being marketed. The remaining 160 Mill Site acres, much of which is wetlands and riparian areas are Industrial lands potentially for sale but not actively on the market. The former Veneer riverfront has a prospective developer interested in the site and you will see more information soon.*

ST 5.7.25

43. What are the attorney’s fees incurred so far pursuing our past contractor E2C?

*A. \$60,947 as of April 30, 2025*

LM 5.7.25

44. What is the total dollar amount of our grants? What is the source make-up of our grants? What percentage is Federal grant money?

*A. For FY2025 (as of 4/30/2025) the city has received:  
\$1,071,663 from OR State Parks & Rec.  
\$4,486 from Dept of Justice (Federal)  
\$94,585 from OR Community Renewable Energy  
\$3,249 OR Teen (Library) Internship  
\$6,680 Columbia County Transitional Housing  
\$30,728 FEMA (Federal)  
\$558,600 OR Business Development Department (Federal)  
\$1,769,991 Total  
34% is Federal*

45. What are the terms of the bonds we have issued for the waterfront development project – balance, interest rate and term? Is the interest rate fixed?

*A. The loan balance at closeout will be \$14,677,678. The interest rate is 3.14% for 20 years. Payments begin 3 years following close of loan.*

46. What exactly are the capital improvements or projects currently being considered or are they in progress? Police station, downtown, sewer, lagoon, what else? The



budget committee will need to discuss stopping all these projects. What can be stopped or deferred? What can't?

*A. The Capital Improvement Plan is detailed in pages 93 – 114 of the Proposed Budget document.*

PROJECT	DESCRIPTION	PROPOSED BUDGET	STATUS	POTENTIAL FOR DEFERMENT
Street Improvements & Overlays	Project is for the annual pavement patching and striping of City streets	\$150K (STBG)	Preparing bid documents	No
Reservoir Siting Study	Siting study is the first phase in City's 5MG Reservoir project to address critical infrastructure needs within the City's aging water system	\$150K (SDC) \$50k (Water)	In Progress	No
Reservoir Land Acquisition	Land purchase is the second phase in City's 5MG Reservoir project to address critical infrastructure needs within the City's aging water system	\$300k (SDC)	Not Started	No
Sewer Capacity Design	Design of engineered plans, secure permits, and produce construction documents for Sewer Basins 4, 5, & 6	\$1.25M (CDBG) \$140K (SDC)	In Progress	No
Basin 6 Pipeline Upsize	Project is for the construction of wastewater collection system capacity improvements in Sewer Basin 6	\$3.5M (SRF) \$500 (SDC)	Not Started	No
Capital Outlay Storm Drain	Annual CIP project covers the costs of any extension of storm drain that may come up unexpectedly	\$50K (SDC)	Not Started	Yes, but not recommended
Annual Maintenance Well #2 Flow Meter/Booster Pump Replacement	Replacement of the flow meter at Ranney Well No . 2 and Booster Pump	\$100K (Water)	Not Started	No. Meter does provide correct data. This is a critical replacement.
Water Meters	Replacement of outdated water meters	\$70K(Water)	Not Started	No. Budget has already been reduced by 60%
Annual Maintenance Water Filtration	Annual CIP project covers the costs of pumps, motors, controllers, and other critical repairs	\$100K (Water)	Not Started	No

Railroad Ave Watermain Replacement	Project is to replace the failing 2-inch water main off Railroad Ave	\$450K (Water)	Surveying Has begun	Yes, but not recommended because the water main is in failure.
WFF Rack Replacement	Replacement of filter module rack as the facility	\$250K (Water)	Not Started	No.
Annual Maintenance – Engineering – Sewer	Annual CIP project covers the costs of any small sewer repair/replacement project	\$50K (Sewer)	Not Started	Yes, but not recommended

PROJECT	DESCRIPTION	PROPOSED BUDGET	STATUS	POTENTIAL FOR DEFERMENT
	that may come up unexpectedly			
Annual Maintenance - PW OPS – Sewer	Annual CIP project covers the costs of any sewer repairs and replacement costs that may come up unexpectedly	\$50K (Sewer)	Not Started	No
Annual Maintenance - PW WQ – Sewer	Annual CIP project covers the costs of any WWTP repairs replacement costs that may come up unexpectedly	\$75K (Sewer)	Not Started	No
Basin 4 Pipeline Upsize & Reroute	Project is for the construction of wastewater collection system capacity improvements in Sewer Basin 5	\$7.25M (SRF)	Not Started	No
Sewer Pump Station No 7 Upsize	Continued design for the upsizing of PS#7 in Sewer Basin 6	\$500K (SRF)	In progress	No
WWTP SCADA Upgrade	Update of SCADA at WWTP	\$40K (Sewer)	In progress	No
WWTP Aerator Replacement	Replacement of aerator with a new diffused air mixer/aerator.	\$125K (Sewer)	Not Started	No
Annual Maintenance - PW OPS – Storm	Annual CIP project covers the costs of any storm drain repairs and replacement costs that may come up unexpectedly	\$50K (Storm)	Not Started	No
Annual Maintenance Storm (Cleaning & CCTV)	Storm drain cleaning and CCTV inspection project to reduce flooding risk, maintain and protect City infrastructure	\$200K (Storm)	In progress	No

Equipment purchases	CIP to replace critical PW equipment	\$140K	Not Started	No
Public Safety Facilities	Project is for the construction of a new police station	\$10.3M (PS Fund)	In Progress	No

47. Millard Road property: Where are we in the sales process? Expected date of closing? Do we have non-refundable deposit? What will be the net proceeds?

*A. Developer has provided a \$100K non-refundable deposit and is working on the preliminary plat for City consideration. The City will receive \$35K per lot once the preliminary plat is approved. The net proceeds will depend upon the number of lots approved.*

48. Who determines value and who negotiates a sale of City property?

*A. The City relies on independent appraisals to determine the value of property. Negotiations are directed by the Council and typically involve the City Administrator and City Attorney's.*

49. Paper mill property: same questions as above.

*A. The City relied on an independent appraisal to determine the value of the Arcadia Paper Mill property. Negotiations are directed by the Council and have involved involve the City Administrator and City Attorney's with regular updates to the City Council.*

50. Is the city going to lease or sell parcels in the waterfront development?

*A. The City will consider all options to lease, sell or other forms of public-private partnerships to attract desired development on the waterfront.*

51. It is widely rumored that we are close to a buyer committing to a lion share of the waterfront. Where are we in that process?

*A. The former Veneer riverfront has a prospective developer interested in the site and more information will be available as the proposal progresses. The next steps will be a presentation to the Council and subsequent negotiations.*

52. What is the status of the city's Wauna Credit Union account.

See answer to question #8

JG 5.7.25

53. At the last meeting, it was stated John Walsh "knew from the beginning" the police station would be \$2.2 million short. Why was this not disclosed during the prior budget cycle, and where, if anywhere, was this funding gap documented at the time? Can you please provide the documented reference to this known shortfall prior to this year? Was Council and Budget Committee intentionally excluded from this information?

Was the shortfall disclosed to bond and rating agencies?

- A. *There is a misunderstanding here on a specific known short fall. What John was referring to was City Council's Resolution No. 1930 which authorized \$22M in full faithed credit-backed financing for construction of the initial facility design which was an amount deemed sufficient to complete the construction. The plan was to make an initial debt issuance to advance work on the project and any additional funds required would come through a second issuance totaling at or under the \$22M limit. The City proceeded with issuing a \$15M debt obligation to advance the project planning, design and permitting, civil and ground work and construction. Through this process the 22K sf public safety facility "Taj Mahal", which included police operations, courts, IT, and public meeting room costs were higher than anticipated and the scope was reduced to only police station within a much smaller and efficient 11K sf footprint. Of the initial \$15M debt there remains approximately \$12.6M after initial design, re-designs, engineering, civil, site studies and debt obligation. The total cost of the new station will depend upon a variety of factors including the cost of the land, timing related to inflationary construction costs, whether the existing plan can be repurposed to another location, the time delays from additional design changes, civil improvements and land use considerations.*

*Police Station project Manager David Lintz shared in the Public Forum on May 7 an evaluation of several sites in the City that included projected construction costs. 1771 Columbia Blvd. was determined the least cost alternative at \$15.848M. The City Council and Planning Commission and previous site selection efforts also ranked 1771 as the most preferred site for the Station.*

54. How much ARPA or one time funding remains, and how is the city ensuring it is spent in alignment with the original community priorities rather than patching ongoing structural gaps?

- A. *All ARPA Funds have been expended, reported and closed out.*

55. Given ongoing legal concerns and past personnel related claims, does the city maintain a risk management reserve? If not, how are unexpected legal liabilities being planned for in the budget?

*A. Unbudgeted and unforeseen expenses are the primary reason for a healthy contingency (reserve).*

56. What additional steps are being taken to enhance transparency and encourage public participation in our budgeting process? How is the feedback from residents being incorporated into budget decisions?

*A. The public is welcome to attend budget meetings, provide comments and make recommendations on the budget. The committee can review information from all sources to ensure the fiscal health of the City.*

57. What are the projected economic benefits of the capital projects (waterfront and substation at the mill) and how will they contribute to our city's revenue base? How is the city ensuring these projects stay within budget and on schedule?

*A. Commercial and Industrial businesses generally contribute more tax and revenue than the services received. The substation will add capacity for new industrial users and bring employment and revenue to the City through property tax, construction and utility use.  
The Waterfront development will likely be a mix of higher end residential and commercial investments including hotel potential.*

#### ST 5.8.25

58. Russ stated that there was a law where SDC's can be delayed. Some information regarding this may help. I think spurring development and getting housing for working families will help the long term financial prospects on many levels. Seattle puts the cost of SDC's on the buyer of the property. How is that working out for them?

*A. The St. Helens Municipal Code, System Development Charges are set by resolution. Staff is required to impose System Development Charges on "all development within the city, and upon all development outside the boundary of the city that connects to or otherwise uses the sewer facilities, storm sewers, or water facilities of the city. " except as may be exempted the provisions of chapter 13.24 or other local or state law.*

- *There is no current City ordinance that allows for the deferment or the elimination of System Development Charges. The only SDC exemptions allowed by City Code are located in Chapter 13.24.120, are (1) structures and uses established and existing on or before June 19, 1991, are exempt from a system development*

*charge, except for water and sewer SDCs; (2) additions to single-family dwellings that do not constitute the addition of a dwelling unit; (3) alterations, additions, replacements, or changes in use that do not increase the parcel or structure's use of the public improvement facility; and (4) projects financed by city revenues is exempt from all portions of the system development charge.*

- *Oregon Revised Statutes (ORS) 223.304 authorizes municipalities to adopt ordinances that may allow for the deferral of SDCs for certain type of development – specifically affordable housing and low-income housing. This would have to be drafted and amended to the St. Helens Municipal Code by the City Council. Specifically, the policy would have to be tied to affordable housing and the Finance Department will have to keep track of interest, lines, and repayment terms for each deferment. A housing project in Oregon qualifies as affordable or low-income only if it serves households whose incomes fall within the specified percentages as defined by Area Median Income (AMI), as defined by the U.S. Department of Housing and Urban Development (HUD).*
- *The statement that “Seattle puts the cost of SDC’s on the buyer of the property” is incorrect. In Seattle, like most cities, the developer is directly responsible for paying the SDCs. The developer then typically passes this cost on to the buyer when the developer factors these fees into the overall cost of the project, and ultimately the final sale price of the properties.*
- *Finally, it is not a good policy to delay or defer System Development Charges, except as already provided in our city Code. SDCs are a major funding source for infrastructure like roads, water, sewer, and parks (includes projects such as installing traffic safety devices, improving the capacity of existing pump stations to handle increased water demand, increasing the capacity of undersized sewer pipes; building new water storage tanks to ensure adequate water supply during peak demand; etc.) With a growing city like St. Helens, delays can create cash flow problems and limit our ability to build or expand infrastructure when it's most needed—before new development comes in. When SDCs are deferred, the City will still need to finance infrastructure projects and this will mean shifting the burden from the development, where it belongs, to the taxpayer, by borrowing funds, by using general revenue, or by increasing utility rates.*

#### ST 5.8.25

59. Can an issue be phrased to the voters such as:

At the recommendation of the Budget Committee, the City Council adopted a budget that called for 2 years of salary freeze and no COLA increases for all City employees, [other terms], [other terms], and a General Services Fee to be collected through the municipal utility in the amount of \$\_\_\_\_\_ per

month, which was first collected in the August 2025 billing. Do the people reject this decision? Y or N. A “yes” vote would require some sort of super majority.

A. *Not likely. Measures referred to the voters by the City must be legislative, which means they are a generally applicable law, not an administrative action. In general, a legislative action is one that “makes policy of general applicability and is more than temporary in duration.” The adoption of a General Services Fee is a legislative action. The adoption of a budget is an administrative action. Freezes on salaries and COLA increases are likely administrative actions. See League of Oregon Cities, Oregon Municipal Handbook, Chapter 4, Page 21.*

60. I reviewed the statute concerning the public safety fee. It still appears to be tied to water service, specifically stating that if a property does not have water service, the fee is not owed. I think if we adopt something like a General Services Fee to be placed upon a municipal utility, it probably needs to be phrased this way. Please check with finance counsel. If we adopt a “property tax” verses a utility fee, that may pose greater risk of legal challenges. Please be ready with a legal analysis by the end of May if possible.

A. *Legal research ongoing. A public safety fee placed on utility bills must not be allowed to become a lien on real property if delinquent. This attachment undermines the fees status as a fee and not a tax.*

61. The Budget Committee should resolve to request that the Council form a resolution to amend Measure 5 such that when property changes hands, the property can appraise for tax purposes at the new purchase price (new appraised value). This is similar to California’s “Proposition 13,” which limits property tax increases except when properties change hands or are sold.

*This is a statement, not a question. Any amendment to Measure 5 must be referred to the Oregon State legislature to be voted on statewide ballot.*

62. I think you are going to need to be prepared to discuss elimination of the recreation department to be absorbed by the library which will become the library and recreation department, how the police can cut down their budget for two years, savings through reduced hours at the library, operating with 5% reserve.

*This a repeat of item #39 and not within the budget committee scope for discussion.*

63. I've gone through the Treadway numbers, we have no money going into the General Fund. We need to get our tourism contractor to get us a return of at least 20% of the gross, including parking, beginning this year.

*This is not a question. Discussion of the contract with the Events Contractor is not a budget committee role.*

64. Defer SDC's. I'd like to discuss getting at least 150 waterfront condominiums built within three years.

*A. This is not relevant to the budget committee.*

65. When the Millard Road property sells, we need to discuss where the funds will go.

*A. This is not a budget committee decision.*

66. What are the capital improvement projects?

*A. The CIP (Capital Improvement Program) is included in the budget document beginning on page 93 through page 115, and shows how the projects will be paid for.*

67. What are our charitable donations (clubs, non-profits, etc.)

*A. The Council has budgeted \$5,000 for Community Support*

RH 5.8.25

68. Has a percentage cut across all departments been considered?

*A. No. Different departments have different operational needs. Cuts have been made where possible.*

69. Has a local transient tax ever been considered? Are local short-term rentals regulated by the city?

*A. Yes, and now with recently revised legislation, Council may want to pursue this.*

*We do currently collect lodging taxes from hotels, motels and other short-term rentals.*

70. Have freezes on hiring, new software and travel been considered?

*A. Yes – in the revised proposed budget, staff have made reductions in Professional Development and hiring. The only new software is for improved efficiency to delay the eventual need to hire an additional accountant.*



71. Police fuel/oil costs dropped from \$85,000 in 24/25 to \$8,000 in 25/26?

*A. This was a Scribner error, which has been corrected in the revised proposed budget.*

72. How much was spent on the tourism boat?

*A. The purchase price for the Fisheagle Osprey water taxi was \$230K.*