City of Lake Oswego
Oregon

2011 Annual Report

Fiscal Year July 1, 2010 to June 30, 2011

A comprehensive look at the goals, accomplishments and activities of the City of Lake Oswego.

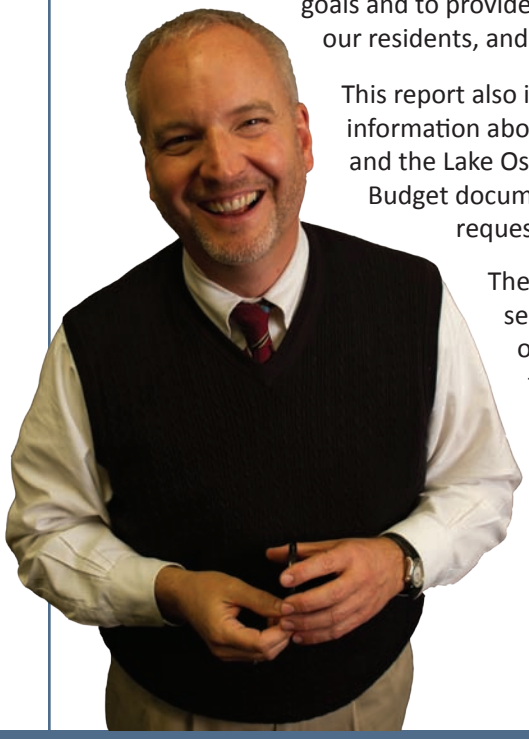
Welcome

A message from the City Manager

Dear Residents and Business Owners:

On behalf of the staff and elected officials of the City of Lake Oswego, I would like to thank you for taking the time to review this Annual Report. We strive to make Lake Oswego a city of which you can be proud – one of high-quality services and fiscal responsibility; one of beautiful neighborhoods and thriving businesses; one of family-friendly parks and plentiful community events; and one of strong leadership and open communication.

In the pages of the Annual Report, you'll learn more about the characteristics that make Lake Oswego such a wonderful community, whether you live here, work here or both. You'll learn about our efforts and activities to accomplish City Council goals and to provide an unparalleled quality of City services. I am proud of our staff and the commitment of our residents, and am pleased to share our accomplishments for the past fiscal year.



This report also includes a budget summary. Within this budget-in-brief, you will find high-level information about City revenues and expenditures, departmental budget information, capital finance, and the Lake Oswego Redevelopment Agency budget. Greater detail can be found in the 2011-12 Budget document, adopted June 21, 2011. The full budget document can be viewed online or you can request to pick up a hard copy by contacting our Finance Department.

The Lake Oswego City Council and staff are committed to providing the highest quality services, in the most efficient manner. We strive to make wise decisions that will maintain our infrastructure, parks and community assets for current and future generations to enjoy and cherish. I encourage you to get involved in your government by staying informed, letting us know what you think about our services, or by serving on one of the many City Boards or Commissions. Lake Oswego's future continues to look bright and the City Council and I greatly appreciate your support and participation.

Sincerely,

Alex D. McIntyre
City Manager

Inside

Your Community

One of the finest residential areas in Oregon

Lake Oswego is considered one of the finest residential areas in Oregon. The City offers full-service police and fire protection, a celebrated library, and extensive parks system. It also provides planning and zoning regulation, building inspection and regulation, street maintenance and improvement, water, wastewater and surface water services. The schools in the city rate among the best in the state.

There is a City-owned sports center on the Willamette River; two public swimming facilities on Oswego Lake; an 18-hole golf course; indoor tennis center; and outdoor amphitheater right along the river. These amenities help promote Lake Oswego as a place to live where you play.

Demographics & City Statistics

Incorporation	1910
Government	Council/Manager
Population	36,845
Registered voters	24,463
Households	16,528
Neighborhood associations	22
Citizen advisory boards	11
Community volunteers	600 plus
Area in square miles	11.2
Oswego Lake	405 acres
Median Resident Age	45.8
Culture & Recreation	
Libraries	1
Developed Parks	22
Natural Area Parks	14
Parks/open space acreage	628
Historic Iron Furnaces	1
Public Golf Courses	1
Public Indoor Tennis Facilities	1
Adult Community Center	1
Public Safety	
Number of sworn officers	42
Number of patrol units	14
911 calls	23,297
Fire responses	115
Emergency medical calls	2,436
Other service calls	966
Fire Stations	4
Number of fire personnel	52
City General obligation bond ratings	
Standard & Poor's	AAA
Moody's	Aaa
General obligation debt (not including Line-of-Credit)	$18.6 million
General obligation debt limit	$242 million

Economic Indicators

Largest employers:	
Lake Oswego School District	570 FTE *
Micro Systems Engineering/Biotronik	373
City of Lake Oswego	353
Waggener Edstrom	312
Median household income	$83,486
Homeownership (2009)	69.9%
Average wage (2010)	$54,914
Employment (2010)	17,787
Average annual unemployment rate (2010)	7.5%
Educational attainment	
Associate Degree	5.8%
Four-year degree or more	64.1%
Licensed businesses	2,434
New business licenses issued	273
Real market value of property	$8.1 billion
Assessed value of property	$5.7 billion

* *Full-Time Employee*

Your Local Government

Envisioning continual improvement.

The Lake Oswego City Charter establishes a council-manager form of government, which vests policy authority in a volunteer city council, and administrative authority for day-to-day operations in an appointed, professional city manager. The Lake Oswego City Council consists of a mayor and six councilors who serve four-year terms. At least three council positions are up for election every two years. The Council meets regularly on Tuesday nights at City Hall.

Meet Your City Council

Jack Hoffman
Mayor

Jeff Gudman
City Councilor

Donna Jordan
City Councilor

Mike Kehoe
City Councilor

Sally Moncrieff
City Councilor

Mary Olson
City Councilor

Bill Tierney
City Councilor

2011 City Council Goals

The Council defines goals and objectives every year and establishes guidelines for their achievement. In January 2011, they adopted the following goals:

- Consider the City's overall public facilities needs and explore the Community's willingness to approve a refinancing program coupled with a use plan for the West End Building property.
- Recognizing the importance of a strong public school system to a healthy and thriving community, continue to find means to support the Lake Oswego School District while maintaining appropriate broad-based and sustainable community services.
- Support the development of safe, reliable and efficient transportation options for current and future generations between Lake Oswego and Portland.
- Adopt a budget that invests in the City's baseline services at a performance level expected by our citizens and ensures the City's long-term financial stability.
- Invest in the continued implementation of the Lake Grove Village Plan.
- Plan for the Community's present needs while envisioning a future that sustains the high quality of life for future generations for Lake Oswego through the three-year update to the City's Comprehensive Plan.
- Consider, refine, and implement new or existing policies, programs, and volunteer efforts that support the balanced stewardship of public and private natural resources.

Lake Oswego Redevelopment Agency Goals

- Invest in implementation of the 2004 East End Redevelopment Plan.
- Consider establishment of a Lake Oswego Redevelopment Agency (LORA) advisory committee.

Boards & Commissions

The City recognizes the hard work and dedication of a number of Advisory Boards and Commissions.

- Planning Commission
- Development Review Commission
- Library Advisory Board
- Budget Committee
- Parks & Recreation Advisory Board
- Transportation Advisory Board
- Historic Resources Advisory Board
- Natural Resources Advisory Board
- Community Forestry Commission
- 50+ Advisory Board
- Sustainability Advisory Board

Complete City Council and LORA Goals, including detailed Action Items, can be found online at: www.ci.oswego.or.us/council/goals.htm.

Budget in Brief

Fiscal responsibility.

2011-12 Budget Summary

The City of Lake Oswego is a full-service city providing a wide-range of programs and services to the 43,000 residents in the community's urban services boundary. The Budget is the City's annual financial plan that details how those programs and services will be funded based on estimates of revenues and expenditures.

How is the Budget Prepared?

The State of Oregon's budget law requires citizen involvement in the preparation of the budget. This requirement is achieved through a Budget Committee that consists of the City Council plus an equal number of appointed citizens with equal voting rights. The Budget Committee reviews the City Manager's Proposed Budget during public meetings, receives public testimony, and forwards a budget to the City Council for a public hearing and adoption.

2011 Budget Committee	
City Council	Citizen members
Jack D. Hoffman, Mayor	Ron Smith, Chair
Bill Tierney, Council President	Dan Williams, Vice Chair
Jeff Gudman	Frank Bearden
Donna Jordan	David Berg
Mike Kehoe	Chris Ramey
Sally Moncrieff	Kent Studebaker
Mary Olson	Joe Vricella

Budget Overview

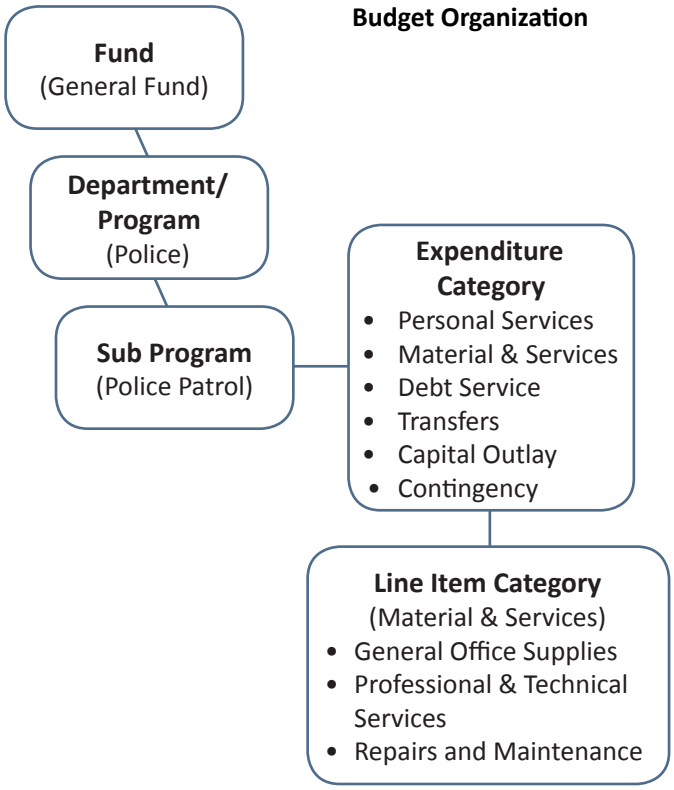
In total for all City Funds, the 2011-12 Lake Oswego Budget is **$169,270,377**. The City's operating budget, which does not include the expense categories of Capital Outlay and Contingency or unappropriated fund balance, provides a better summary of the cost to operate the City on a year-to-year basis. The 2011-12 Operating Budget is **$102,368,000**. The 2011-12 Budget can be accessed at www.ci.oswego.or.us/finance/budg.html or a hard copy obtained through the Finance Department.

2011-12 Adopted Budget	
Total Appropriations	$152,044,243
Total Unappropriated Reserves	17,226,134
Total Budget	$169,270,377

How is the Budget Organized?

The Budget is structured on the basis of Funds, or account groups, and each Fund is considered a separate accounting entity that must self balance. In total, there are 17 separate Funds within six categories. Within each Fund are Departments and Program budgets which provide greater control and transparency in how public expenditures are managed. In large departments, sub-programs are budgeted based on the level of management necessary to effectively manage programs and services. Within each program or department, there are six expenditure categories, which in many cases is the lowest level in which the Fund is appropriated. Finally, for administrative purposes only, the City will budget by line item within each expenditure category. By law, the Budget Committee and City Council adopt a budget by the Fund or expenditure category level of appropriation.

Budget Organization



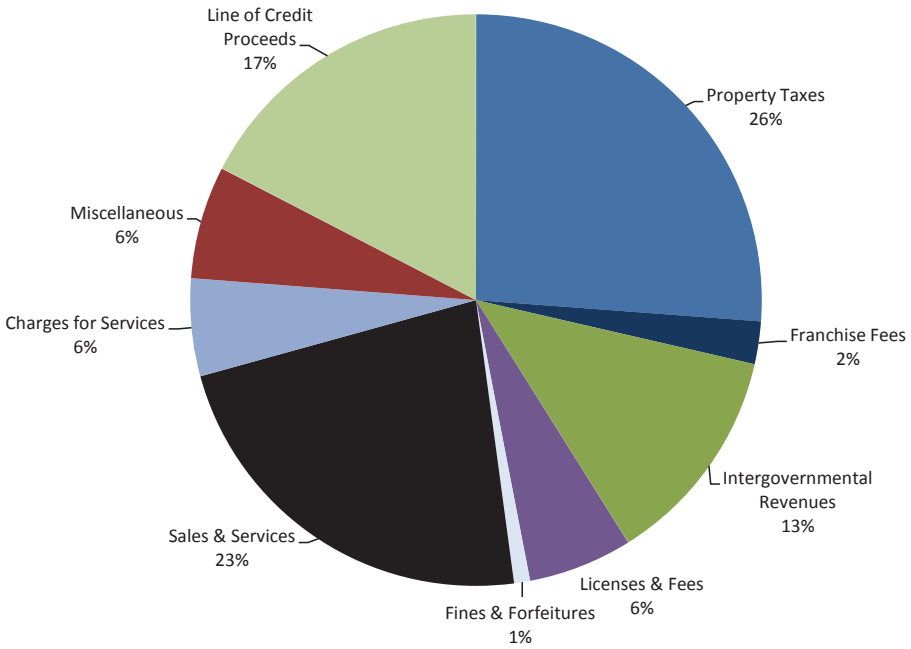
How are City Services Funded?

The City funds public programs and services through a variety of different types and sources of revenue. The majority of City revenues are restricted or designated for specific operations or programs. For example, fees collected for treating and providing clean water to Lake Oswego residents, must be used to fund the water utility. Resources also include amounts that are set aside from the previous year as a cash carryover.

FY11-12 City-Wide Resources & Revenues	
Beginning Fund Balances	$ 53,125,377
Property Taxes	30,416,000
Franchise Fees	2,810,000
Intergovernmental Revenues	14,470,000
Licenses & Fees	6,841,000
Fines & Forfeitures	1,061,000
Sales & Services	26,514,000
Charges for Services	6,416,000
Miscellaneous	7,417,000
Line of Credit Proceeds	20,200,000
Total Resources	**$169,270,377**

Sales and Services are payments to the City for utility services (water, wastewater, surface water), fire service contracts, parks and recreation programs, and golf and tennis programs.

Franchise Fees are fees collected from private utility providers such as electricity, cable, telephone, and garbage companies. These fees are charged to the utility company for operating in the City's public right-of-way.



Intergovernmental Revenues include federal, state, and local grants, library district taxes, and state taxes that are shared revenues allocated to cities based on population. It includes state motor vehicle fees, state gas tax, and state cigarette and liquor taxes.

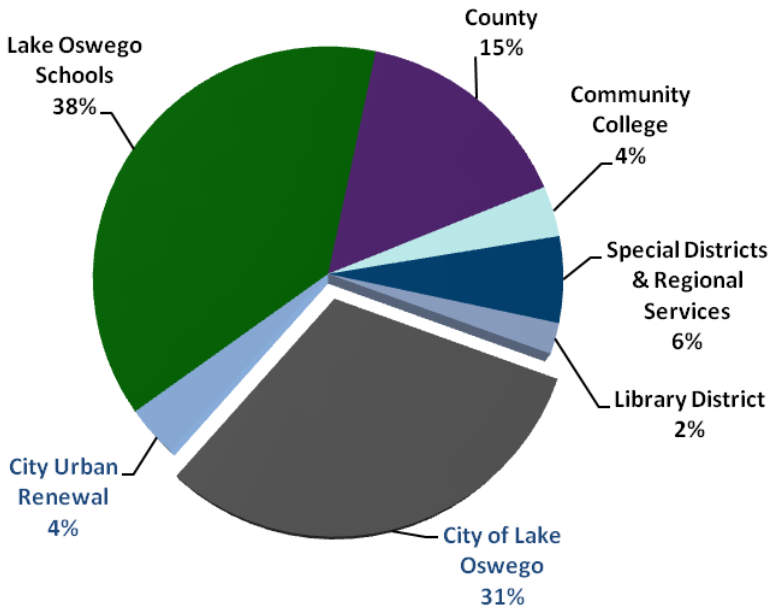
Licenses and Fees are revenues from business licenses, building permits and fees, and planning review and development fees.

Charges for Services represent payments between departments for administrative, maintenance, and operational services. They are reflected in the Budget as a transfer.

Miscellaneous revenues include special transfers between funds for operation and capital purposes and interest proceeds from the City's endowment accounts.

Property Taxes

Property taxes are split among several different taxing districts. The City of Lake Oswego receives approximately 35% of a homeowner's total property tax bill. As the table to the right and the chart below indicates, the remaining property tax bill is dedicated to the Lake Oswego School District, County and special districts such as Metro and TriMet, and Portland Community College.



For a typical Lake Oswego home with a total tax bill of $5,389, the City's General Fund will receive $1,486 for Police, Fire, Parks & Recreation, Planning, and general government services. That translates to less than $125 a month for 24-hour police patrol, fire protection and medical emergency response, access to 628 acres of parks, natural areas, open spaces, and community farms, over 1,500 recreation programs, quality and timely land use planning and zoning regulation, and a AAA bond rated municipal operation.

Although the City does not specifically allocate property tax money within the General Fund, based upon Department budgets, a Lake Oswego household's property taxes paid to the City would be theoretically distributed accordingly:

Property Tax Statement for a Typical Lake Oswego Home Assessed Valued at $310,000

District	Tax
Portland Community College	$ 84.69
Clackamas Education Service District	108.10
Lake Oswego School District	1,336.32
Lake Oswego School District Local Option	415.49
Total Education	1,944.60
City of Lake Oswego	1,485.64
Clackamas County	718.52
County Extension and 4-H	14.76
County Library District	116.59
County Public Safety Local Option	74.12
County Soil Conservation District	11.78
Lake Grove Swim Park	13.02
Port of Portland	20.65
Metro – Oregon Zoo	28.27
Urban Renewal County – Special Rate	36.70
Urban Renewal County	7.56
Urban Renewal Lake Oswego	190.28
Vector Control	1.92
Vector Control Local Option	7.50
General Government Total	2,727.31
City of Lake Oswego Bond	182.37
Portland Community College Bond	53.91
Portland Community College Bond 2009	51.83
Lake Oswego School District Bond	310.59
Metro Bond	44.83
Metro Bond 2006	47.62
TriMet Bond	25.67
Excluded from Limit Total	716.82
Total Property Tax	**$ 5,388.73**

Where Does the Money Go?

The City's total spending or budgeted requirements, not including contingencies and ending fund balances, is $126.5 million. Budgeted requirements include the expense categories of personal services (employee salaries and benefits), materials and services, capital outlay, transfers, and debt service.

2011-12 City-Wide Requirements	
Personal Services	$ 38,963,000
Materials & Services	19,303,000
LOSD Financial Assistance	2,000,000
Debt Service	8,554,000
WEB Full Amortization	1,100,000
WEB Refinancing	20,200,000
Transfers	6,873,000
Water Fund to LO-Tigard Project	5,375,000
Capital Outlay	24,130,000
Contingencies	25,546,243
Unappropriated Ending Fund Balance	17,226,134
Total Budget	$169,270,377

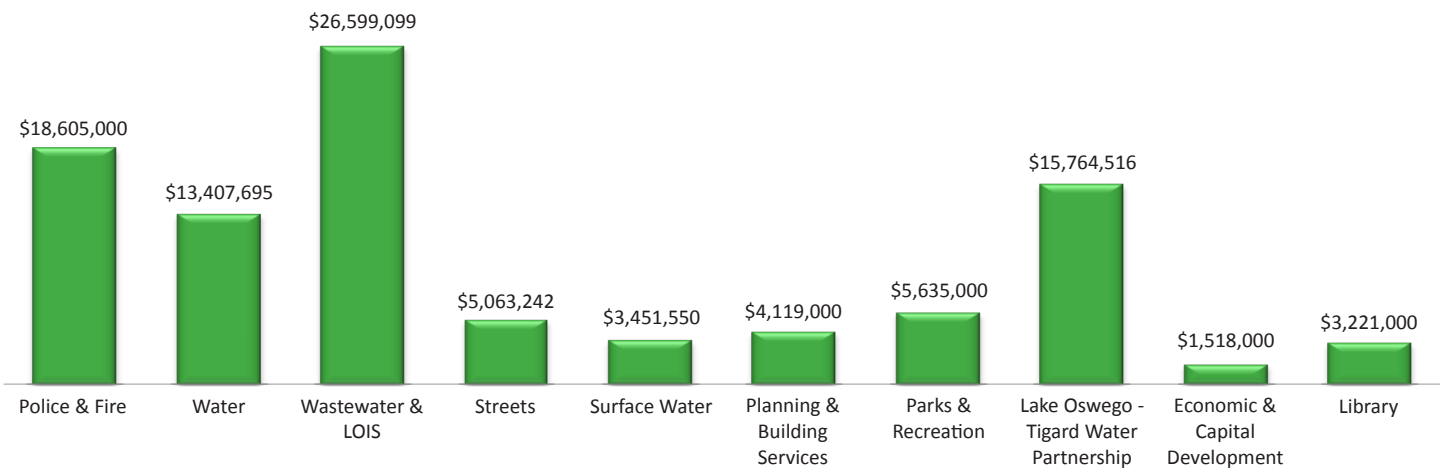
In 2012, the City will use public funds to:

- Maintain 628 acres of parks and open spaces
- Complete the Parks, Recreation, and Natural Areas System Plan
- Provide $2 million in financial assistance to the Lake Oswego School District
- Process 965 tree removal permits
- Issue 3,235 building permits
- Conduct 12,500 building inspections
- Respond to 24,000 calls to 911
- Operate an Indoor Tennis Center, Public Golf Course, and Adult Community Center
- Process 5,500 Municipal Court violations
- Process 158,000 utility bills
- Respond to 4,000 fire and medical emergencies
- Update the City's 8-year old website
- Maintain 178 miles of streets
- Produce 2 billion gallons of drinking water
- Circulate 1.4 million library materials
- Maintain 205 miles of wastewater lines
- Invest $24,130,000 in capital infrastructure improvements
- Respond to over 2,500 requests for utility maintenance services
- Offer over 23 concerts in City parks

The Organizational Chart on page 9 displays City expenditures by Department.

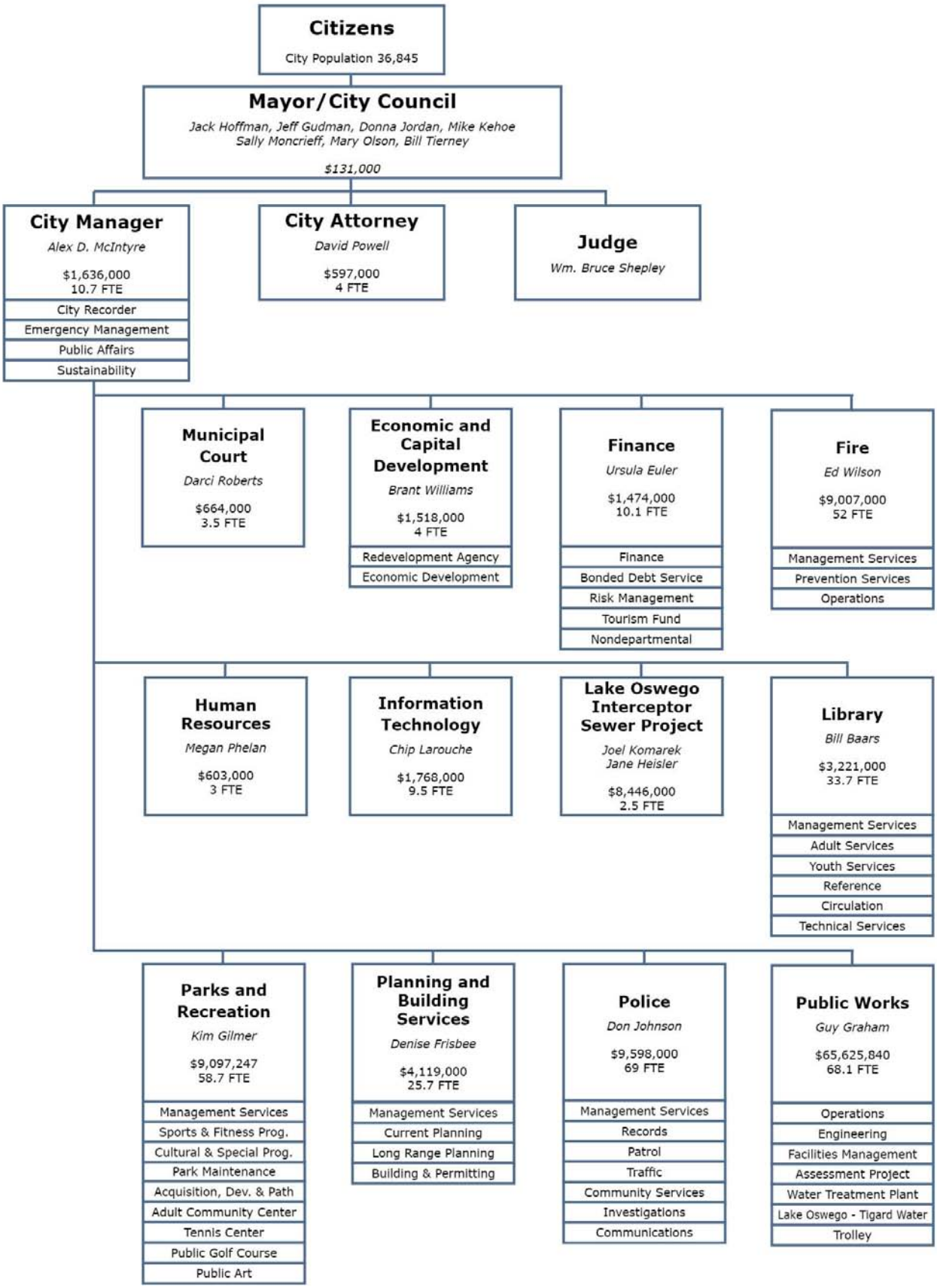
Major expenses budgeted for fiscal year 2011-12 include engineering design for the Lake Oswego – Tigard Water Partnership Project, completing the Foothills Framework Plan, the expansion of the Rosemont Trail in the Stafford area, wrapping up the Lake Oswego Interceptor Sewer project, and providing $2 million in financial assistance to the Lake Oswego School District.

Money for Select Services and Projects



Organization

Working together.



What do we do?

Provide exceptional customer service.

City Manager's Office

The City Manager is appointed by the City Council to carry out Council policies and to serve as chief administrative officer of the City. The City Manager's Office manages the City's business and implements the Council's plans and orders by:

- Coordinating the work of all City departments and employees.
- Enforcing City laws and applying Council policies.
- Spending within the adopted budget.
- Making recommendations to the Council on legislation, financial programs, capital improvements, policies, services, and other matters as requested.
- Keeping the Council informed of the City's business and financial condition; appointing, suspending, or removing City employees under his jurisdiction.
- Investigating and acting on complaints.

The City Manager's Office houses the Public Affairs Office, City Recorder's Office, the Office of the Assistant City Manager of Operations, and programs for the City's Sustainability, Emergency Planning & Management, and Organizational & Policy Analysis programs. The City Manager also serves as the Executive Director of the Lake Oswego Redevelopment Agency.

Quick Statistics	07-08	08-09	09-10	10-11
Hello LOs published	12	12	13	13
Hello LO inserts	8	9	12	12
Electronic newsletters published (LO Down)	n/a	8	24	24
Council Digests published	n/a	25	50	50
Press releases issued	31	33	62	45
City Council meetings	46	68	61	60
Mediation inquiries & referrals	15	29	35	27

Video Wins Award of Excellence

The City's Centennial Retrospective Video won the Award of Excellence in the National 3CMA 2010 Savvy Awards competition in the TV and Video - Promotional Video category. Produced by local film-maker and Lake Oswego resident Kevin D'Haeze of Firefly Studios LLC, the Centennial Retrospective Video is a 26-minute mini-documentary of the founding of Lake Oswego and its evolution to the 21st century. The video can be seen on YouTube at www.youtube.com/lakeOswegoOR100.

For over 22 years, 3CMA (City-County Communications & Marketing Association) Savvy Awards competition has recognized outstanding local government achievements in communications, public-sector marketing and citizen-government relationships.

Clean-Up Collects 30 Tons

The City held its first Community Clean-Up Day on June 4, 2011. The focus of the free event was reuse and recycling. The event was a huge success drawing over 1,000 vehicles and collecting more than 60,000 pounds of material - 80 percent of which was diverted from the landfill. In addition, the City partnered with the Community Warehouse, a Portland non-profit, to collect household items to be given to families in need. The Community Warehouse collected five large truck loads of reusable items.

The City recognized that some seniors and disabled citizens were not able to bring their items to the collection site but thanks to the assistance of the Oregon National Guard's 82nd Brigade, more than 30 homes received curb side collection!

Economic & Capital Development

The Economic and Capital Development Department manages economic development programs and capital development projects that support the attraction, retention, and expansion of business, facilitate delivery of City services, and promote the overall economic vitality of Lake Oswego.

Say Hello to LO!

Working with the Chamber of Commerce and other community partners and sponsors, the City completed a Strategic Marketing Plan and led the public-private implementation of summer and holiday campaigns, including radio, TV and print advertising, street banners and retail promotions. A new marketing website, www.sayhellotolo.com, includes a business directory and information about Lake Oswego activities and events. To date, every dollar of City investment in marketing has leveraged eight dollars of campaign value. Clackamas County Tourism and private sponsors have contributed a total of $80,000 to support this effort to attract customers, residents, businesses and visitors to the community.

Defining a Vision for Foothills

Williams/Dame & White (WDW) proceeded with development of a framework plan for redevelopment of the 107-acre Foothills District. A Predevelopment Agreement among the City, WDW and industrial property owners within the District defines a vision, planning principles, work plan and budget for this effort. With continued input from public outreach and citizen advisory and oversight committees, the planning team is scheduled to submit a framework plan for City Council consideration in the fall of 2011.

Transit Project Reaches Milestone

The Lake Oswego to Portland Transit Project reached a significant milestone when the Draft Environmental Impact Statement (DEIS) was completed in December of 2010. With the completion of the DEIS, the project and its partners moved to select the Locally Preferred Alternative (LPA) for improved transportation options in the Highway 43 corridor. Of the three alternatives, the cities of Lake Oswego and Portland both selected the Streetcar as the Preferred Alternative for further study. In the process of deciding on the Streetcar, the cities also raised a number of important issues regarding overall costs, funding and impacts that were not specifically addressed in the DEIS. The next phase of the project will focus on answers to these questions by January 2012, after which time METRO will adopt an LPA for continuance of the federal process.

Providing Business Incentives

The Department continued its outreach to new and existing Lake Oswego businesses and implemented two new programs. The City joined the Clackamas County Strategic Investment Zone, an incentive program to attract business investment, and in partnership with the Oregon Micro-Enterprise Network, has implemented a pilot Economic Gardening Program. The Program provides market research services to help eligible manufacturing businesses identify opportunities for growth.

Lake Oswego Redevelopment Agency

The Economic and Capital Development Department also manages the urban renewal activities of the Lake Oswego Redevelopment Agency (LORA), to enhance downtown as a vibrant and thriving commercial core.

Millennium Plaza Park Expanded

The final phase of Millennium Plaza Park was completed in 2010 providing a European-style bosque and connecting the upper and lower levels of the park with an accessible ramp. The project includes expanded space for the popular Farmers' Market, artwork along the ramp, a water feature, a holiday tree for decorations during the holiday season, and expanded views of Lakewood Bay.

Downtown Looks North

Working with a stakeholder advisory group, LORA completed a feasibility study for a mixed-use project at 1st Street and B Avenue that could include a much needed larger public library, public parking, and private development to add vitality to the downtown retail core. Based on the feasibility study findings, LORA initiated next steps for the project, including property acquisition and concept plan refinement.

Grants Help Improve Storefronts

LORA awarded façade grants to six downtown businesses this year. Façade grants help fund storefront improvements that enhance the appearance of downtown, maximize business exposure and contribute to livability and economic vitality.

Future Parking Needs Studied

To respond to community concerns about downtown parking availability and code requirements, and plan for future needs, LORA completed a study to better understand downtown parking dynamics. Next steps include discussion of study findings with neighborhood groups and the downtown business community, and development of potential parking management programs and code revisions.

Sundeleaf Plaza Opens

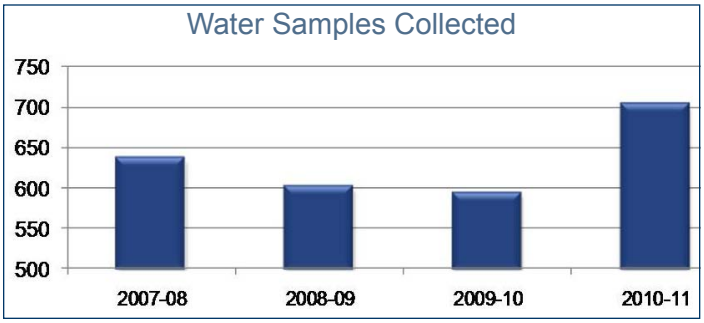
LORA completed the first major phase of Sundeleaf Plaza between Lakewood Bay and State Street. This furthers the City's long range plan for providing top-quality public parks connecting downtown Lake Oswego to the Bay. A unique feature of the Plaza is a raised-terrace and outdoor fireplace that will provide a dining and seating area adjacent to a remodeled Lake Twin Theatre. The project also includes a walking esplanade along the Bay, vegetated rain swales, restrooms, and improved sidewalks along State Street.

Public Works

The Public Works Department is responsible for providing efficient and sound infrastructure, facilities, and services regarding the City's water, wastewater, surface water, transportation, building and property management. These services are required year round and are fundamental in supporting the quality of life enjoyed by residents, businesses and visitors.

The Public Works Department is comprised of four divisions: Engineering, Operations, Facilities Management, and the Water Treatment Plant.

Quick Statistics	07-08	08-09	09-10	10-11
Service requests for Water Program	1,011	959	1,002	964
Service requests for Street Program	n/a	n/a	1,344	1,350
Service requests for Surface Water Division	n/a	n/a	186	220
Service requests for Wastewater Division	156	151	148	146
Water meters replaced	285	718	890	757
Water lines maintained (miles)	230	230	235	235
Surface water catch basins cleaned	943	1,523	1,493	1,582
Storm drains maintained (miles)	169	169	169	169
Wastewater lines inspected (miles)	21	30	27	17
Streets swept (miles)	6,057	6,551	6,424	6,934
Fuel supplied to City vehicles (gallons)	105,218	104,781	96,000	95,121
Shop performed DEQ tests on City Vehicles	34	69	35	72
Drinking water produced at Water Treatment Plant (million gallons)	2,106	2,098	1,992	1,787
Water Samples Collected	636	601	594	702
Light bulbs changed in City facilities	n/a	830	783	923



52 Streets Paved

During FY 2010-11, the City slurry sealed 52 street sections for a total of 5.32 centerline miles and paved four street sections for a total of one centerline mile. As part of the Pavement Preservation Program (PPP), the City routinely conducts slurry seal and paving projects. Slurry sealing is a preventative maintenance measure and is applied to streets in good condition to keep them good. The cost to keep a good street good is considerably lower (approximately $4 per square yard) than the cost to make even satisfactory streets good.

Also as part of the PPP, the City conducts overlay/paving projects that strive to make satisfactory to fair streets better. Typically, an overlay will involve removing some of the existing asphalt then repaving it. The cost on these projects is much higher (approximately $25 per square yard) but still less expensive than a major rehabilitation.

Providing Excellent Service

Last year, the Operations Division implemented a customer feedback initiative in order to generate targeted feedback from customers. For this initiative, the City sends out surveys to citizens after a service has been delivered by a staff member within the water, wastewater, streets, and surface water programs. These responses are then used to improve the way the City operates. In general, the Operations Division has received an average rating of "excellent" from citizens that submit responses to the surveys.

Capital Projects

The City of Lake Oswego Capital Improvement Plan (CIP) is a 5-year forecast that identifies major projects requiring the expenditure of public funds over and above routine annual operating expenses. The CIP lists each proposed capital project, the timeframe in which the project needs to be undertaken, the financial requirements of the project, and proposed methods of financing. A comprehensive listing of all capital projects and their descriptions from the respective departments of the City is available in a separate document titled "City of Lake Oswego - Capital Improvement Plan (CIP)," which may be requested from the Finance or Engineering departments or viewed on the City's Engineering website at www.ci.oswego.or.us/engineer.

The capital budget for fiscal year 2011-12 is $24,130,000. Major capital expenses include $13.9 million for the Lake Oswego-Tigard Water Partnership and the final $4 million to complete the Lake Oswego Interceptor Sewer project which came in on time and under budget.

One of Oregon's Oldest Landmarks Preserved

In July 2010, the City completed preservation work on one of Oregon's oldest landmarks, the stone blast furnace built by the Oregon Iron Company in 1866. The Oswego Iron Furnace, located in George Rogers Park and listed on the National Register of Historic Places, was the first iron furnace on the Pacific Coast and is the only surviving historic furnace west of the Rocky Mountains. Between 1867 and 1885, it supplied pig iron to foundries from Portland to San Francisco.

The garden surrounding the furnace was dedicated to the memory of former Lake Oswego mayor and noted nurseryman Bill Gerber, who died in 2005. An interpretive kiosk beside the furnace explains the role of the furnace in Oswego's early iron industry.

Slope Stabilized

In late 2010, a washout occurred on the hillside at the back of the Lake Oswego Adult Community Center property. The hillside had become saturated from old leaky pipes that carry runoff from the building and parking lot. This caused an erosional washout about 80 feet wide, 70 to 80 feet deep and 100 feet long. Tens of thousands of cubic yards of soil and vegetation were displaced into the Tryon Creek State Natural Area, leaving the steep slope unstable and prone to additional failure. Upon discovery of the slide, the City had a geotechnical firm provide a slope analysis and recommendations for stabilization and repairs.

The Engineering Division completed Phase 1 improvements – the installation of temporary slope stabilization measures to pipe the runoff to the bottom of the slope.

The permanent slope stabilization and mitigation project is expected to take place in September to October 2011.

Planning & Building

Planning and Building Services oversees a variety of municipal functions that directly affect the day-to-day quality of life of Lake Oswego residents including planning, building, permitting, neighborhood planning, and land use.

The Department includes Long Range and Current Planning divisions and the Building and Permitting operations. The Department was created in 2008 as a result of a reorganization of the Community Development Department.

Planning

The Planning Division, including Long Range Planning and Development Review, ensures that all new developments meet code requirements, makes certain that tree cutting and sign ordinances are followed, and coordinates neighborhood and community planning.

Quick Statistics	07-08	08-09	09-10	10-11
Land use applications reviewed (including ministerial, minor, and major developments)	n/a	53	51	50
Administrative land use applications reviewed (staff decision)	n/a	42	36	38
Pre-application conferences conducted for land use applications	n/a	48	88	63
Tree removal permits issued	n/a	974	921	965
Tree protection permits issued	n/a	84	114	117
Building permits reviewed	n/a	545	474	450
Annexation applications processed	n/a	3	3	5
Sign permits issued	n/a	84	62	62
Historic resource site or century tree decisions made	n/a	4	5	7
Business Licenses reviewed	n/a	75	90	83
Code Enforcement Complaints received	n/a	47	77	95
Tree Protection Fencing permits received	n/a	84	114	117

Looking to the Future

The Planning Department launched a three year process to update the City's Comprehensive Plan and meet our Periodic Review obligations. With the hard work of staff and a 15-member Comprehensive Plan Citizen Advisory Committee (CAC) appointed by the City Council, this year saw the completion of the first phase of public outreach, in which more than 1,600 citizens have been engaged in the discussion of a community vision at over 85 meetings, open houses and community events. Additional outreach efforts included a "We Love LO" video and website, news releases, Hello LO articles, Facebook, Twitter, and numerous stories in local and neighborhood publications. Results included development of a community vision and land use scenario that will preserve the community's quality of life and shape how and where the community develops over the next 25 years.

The Department has also been developing the baseline data and technical information essential for updating goals and policies related to housing and economic development and implementation strategies.

Neighborhoods Enhanced

The 2010-2011 Neighborhood Enhancement Program (NEP) funded projects in nine neighborhoods and included ten new and refurbished wooden neighborhood signs; historic wayfinding signage in the Old Town neighborhood; a bronze plaque, brochure and web site about the trees of Glenmorrie; and an online neighborhood directory and picnic in the Westridge neighborhood. This year was the eighth NEP grant cycle, implementing neighborhood-initiated projects to help enhance areas throughout the community.

Maintaining Character

The Lake Grove Neighborhood Association created an overlay zone for their neighborhood which includes two new development standards that will help to maintain the character of the neighborhood over time.

Improvements Envisioned

The past year has been dedicated to furthering implementation of the Boones Ferry Road Refinement Plan. A project advisory committee worked throughout the year to refine roadway design and alignment concepts for the segment of Boones Ferry Road between Kruse Way and Madrona Street. Recommendations were presented to Council in July 2011.

Promoting High Quality Designs

This year saw the development of the Residential Infill Handbook, a set of guidelines for residents, homebuilders, designer, planners and neighborhood groups to promote the development of high quality and innovative designs to assist infill development in achieving compatibility with existing residential neighborhoods.

Progress is additionally underway on the Lake Grove Village Center Handbook, intended to illustrate Lake Grove Village Center Plan character and to coordinate appropriate private and public development.

Building

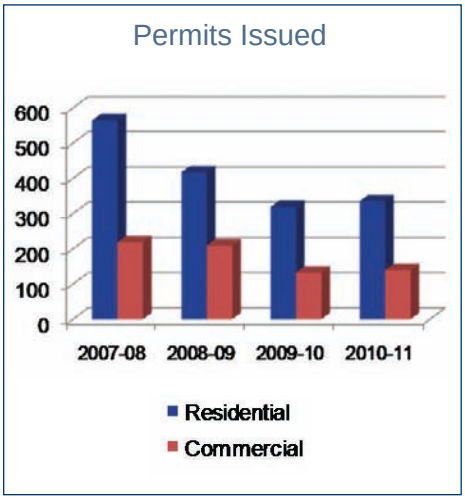
The Building and Permit Center provides services to those interested in construction activities within the City. This Division is responsible for the review of all building construction plans within the City, as well as for the inspection of those projects.

The Building Division assures that new or remodeled buildings meet standards for public safety by enforcing State building regulations and City codes. The Division reviews and issues building, mechanical, plumbing, electrical, and demolition permits for projects ranging from simple residential remodels to large development projects.

Quick Statistics	07-08	08-09	09-10	10-11
Total permits issued (includes residential, commercial, electrical, mechanical, and plumbing)	3,275	3,470	3,081	3,235
Residential permits issued	565	417	319	335
Residential permit valuation ($)	45,760,614	26,198,835	29,238,484	30,700,408
Residential permit revenue ($)	1,212,340	636,763	947,438	994,810
Commercial permits issued	219	210	133	140
Commercial permit valuation ($)	8,059,097	10,796,025	16,158,468	16,966,391
Commercial permit revenue ($)	129,278	154,098	461,044	484,096
Total number of inspections	13,820	12,400	11,581	12,500

Permitting Enhanced

The Building Division initiated its transition to the State's new Building Department software program. The implementation of enhanced electronic permitting options for use by homeowners, builders, contractors and staff should be operational by 2012.



Police

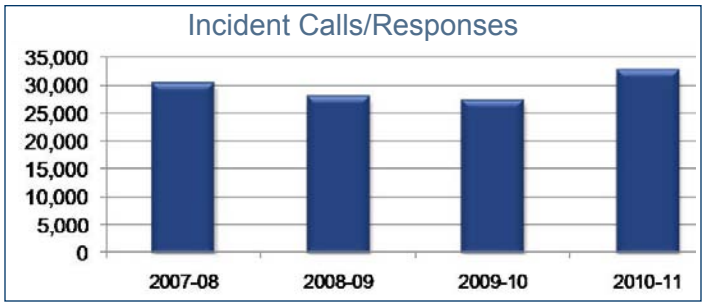
The Lake Oswego Police Department (LOPD) is a full-service police force whose mission is to be committed to an open and honest partnership with the community and with its members in order to create an atmosphere of trust, promote a higher quality of public service, and enhance the quality of life.

The Police Department carries out its mission through six divisions with activities that range from criminal investigations and traffic law enforcement to animal control, education programs, and neighborhood watch services. The Department also fields two K-9 teams, provides a school resource officer, and operates a 911 emergency dispatch center.

The Police Department's Communications Division (LOCOM) provides 24 hour-a-day emergency and non-emergency call answering and dispatching of services for police, fire, and medical emergencies in Lake Oswego, West Linn, and Milwaukie.

Quick Statistics	07-08	08-09	09-10	10-11
Sworn officers	43	43	42	42
Non-sworn personnel	27	27	27	27
Total incident calls/responses	30,122	27,842	27,072	29,344
911 Calls answered	25,614	25,700	23,297	22,583
Non-Emergency Calls Answered	114,315	112,352	105,477	108,000*
Traffic crash responses	248	214	201	162
Traffic citations issued	1,318	1,852	1,933	2,495
Parking citations issued	1,479	1,630	1,489	668
Part I crimes (aggressive assault, robbery, rape, burglary, larceny, vehicle theft, arson)	680	560	532	556
Part II crimes (simple assault, forgery/counterfeiting, fraud, embezzlement, stolen property, vandalism, drugs)	1,483	1,652	1,494	1,350
Arrests	1,059	901	1,060	1,378
Child safety seat installs	207	172	107	177
School Resource Officer classes	350	450	601	637

* *Estimate due to new hardware installation.*



LOPD Wins K9 Competition

On August 7, 2010, Lake Oswego Police Officers Josh Day and Bryan McMahon and their K9s, Charger and Kai, competed in the Washington County's sixth annual K9 Trials Competition at Century High School. For the second consecutive year, a Lake Oswego Police Department Team won the competition.

Lake Oswego Officer Josh Day and Charger (pictured above) took first place out of a field of eight handlers and their dogs - winning the coveted Top Dog Competition for overall best handler and dog. Officer Day and Charger had also won the Top Dog award in 2009. In addition, Lake Oswego Officer Bryan McMahon and his K9, Kia, won third place overall. This was Officer McMahon's and Kia's first K9 competition.

The K9 Trials allow area police dogs and their handlers to complete against one another in a number of events including: Area Searches for Suspects and Evidence, Fastest Dog, Suspect Apprehension, Extraction of Suspect from Vehicle, and Handler (Officer) Protection.

Fire

The Lake Oswego Fire Department (LOFD) is a full service fire department that provides comprehensive fire suppression, paramedic emergency medical, dive team and water rescue, emergency and disaster preparedness, fire prevention, and life safety education services.

Four fire stations are strategically located to provide rapid emergency service to about 50,000 citizens in Lake Oswego, Lake Grove Rural Fire District, Riverdale/Dunthorpe Fire District, and Alto Park Water District.

Quick Statistics	07-08	08-09	09-10	10-11
Rescue and emergency medical responses	2,235	2,338	2,216	2,300
Fire responses	130	127	115	93
Other response (hazardous condition - no fire, service call, good intent call, special incident type)	962	1,007	882	889
False alarm and false call	278	293	276	225
Severe weather and natural disaster	10	70	28	13
Citizens assisted by Trauma Intervention Program	430	460	410	385
Mutual aid given	523	469	432	409
Code enforcement inspections	1,045	550	335	635
Site and building plans reviewed	284	159	233	260
Public education programs delivered	89	98	79	99
CERT citizens trained	22	40	35	36
Persons trained in CPR and AED	158	70	126	119

Lower Insurance Rates Maintained

In 2010, the LOFD underwent reclassification from the Insurance Services Office, Inc. (ISO). In February 2011, LOFD was notified that they were successful in maintaining a Publication Protection Classification Rating of 3.

As a continuing program to keep insurance classifications up-to-date, ISO periodically evaluates all communities and areas which have public fire protection. The last ISO survey for Lake Oswego was done in 1997 at which time the community was assigned a Public Fire Protection Classification of 3. ISO assigns a Public Fire Protection Classification from 1 to 10. Data provided by ISO listed our Classification Number 3 as being in the top 3% of all communities rated by ISO. As a result, Lake Oswego residents and businesses qualify for lower insurance rates.

Taking advantage of the lake down for mud rescue training.

Assistance In Time of Crisis

The Trauma Intervention Program (TIP) consists of trained "crisis intervention" volunteers who assist family members following natural or unexpected deaths, victims of crime, disoriented or lonely elderly persons, victims of vehicle accidents, family members of suicide, and anyone emotionally traumatized by a crisis event. TIP responded to 77 calls for assistance, with a total number of 385 citizens assisted.

Helping Ensure Business Safety

All fire personnel received Oregon State Fire Marshal Certified Training as "Company Inspector" in preparation for the kickoff of the "Company Inspection Program" implemented January 2011. The program utilizes on-duty fire crews to conduct fire and life safety inspections in local businesses.

The benefits of the program include State Fire Code enforcement, building familiarization, update pre-fire plans, locate fire protection systems, check the location of quick entry key boxes, check the location of emergency shut off valves, and note access routes.

Through this program, business owners are notified when to expect an inspection and sent informaton describing the most common violations in hopes that owners correct any code violations in advance of the fire company inspection.

LO-Tigard Water Supply Partnership

Lake Oswego's water supply system is worn out and undersized and key facilities need expansion and upgrades. Tigard residents need a secure, dependable water source. Lake Oswego and Tigard City Councils formally endorsed a partnership for sharing drinking water resources and costs in 2008 to address these issues. Sharing the cost of upgrades to serve both communities is a good business decision, saving ratepayers millions of dollars compared to other options.

Council Adopts Water Supply Facility Plan

Lake Oswego and Tigard City Councils adopted the Water Supply Facilities Capital Improvement Plan (SFCIP) in December, 2010. The SFCIP describes the type, size, location and cost of key Partnership facilities. The Partnership also determined that the water treatment method will be conventional filtration with ozone to provide the highest water quality.

Project Definition Completed

The project team completed a project definition phase and also began the land use and environmental permitting process in 2010. Environmental permitting is needed for the river intake pump station on the Clackamas River and the raw water pipeline that will cross the Willamette River. The Project team contracted with facility designers for pipelines, the water treatment plant and the telemetry system that will control all water facilities. The City also received the Final Order from the Oregon Water Resources Department granting an extension of time to develop up to 38 million gallons of water from the Clackamas River, a critical component in implementing the Partnership's efforts.

Lake Oswego Interceptor Sewer

The Lake Oswego Interceptor Sewer (LOIS) Project replaces the existing wastewater interceptor under the surface of Oswego Lake. In addition, the LOIS Project addresses wastewater capacity and seismic vulnerability issues. In 2010, the Lake Full phase of the project was completed and the Lake Down and Near Shore Sewer rehabilitation phases began.

Completed Ahead of Schedule, Under Budget

The Lake Oswego Interceptor Sewer (LOIS) project was a three-year project to replace the backbone of the City's wastewater system that travels through Oswego Lake, and was undersized and structurally at risk. Successful project management and a favorable bidding climate combined forces to deliver the LOIS project on time and more than $25 million under early budget estimates of $125 million. Working closely with residents and neighborhoods before and throughout the three year project kept neighbors informed and minimized community impacts.

The LOIS system is unique from other wastewater conveyance systems. Its use of corrosion resistant materials, "jointless" pipe and innovative "S" shaped alignment, and application to a gravity system is the first of its kind. These innovations have garnered recognition internationally and locally, from professional organizations like the American Society of Civil Engineers, American Water Works Association, Water Environment Federation and the Association of General Contractors. The project's completion ensures that the 75% of the community's residents who rely on the interceptor will have reliable wastewater services for the next 75-100 years.

Parks & Recreation

The Parks and Recreation Department provides parks, recreation programs, services and facilities that enrich the lives of the community's residents. The Department operates one of the most active programs of its size in the Portland metro area.

The Department oversees the planning, development, management, and maintenance of over 601 acres of parks, natural areas, and open spaces, operates six recreational facilities, and provides recreational and social services at the Adult Community Center. The Department focuses on constant improvement to the City's parks and recreation system while providing recreational choices tailored to meet residents' needs.

The Department also manages the Lake Oswego Public Golf Course and the Indoor Tennis Center.

Quick Statistics	07-08	08-09	09-10	10-11
Recreation programs conducted	1,360	1,462	1,542	1,550
Participants in recreation activities, programs and events	219,171	254,862	271,300	269,434
Participant hours in recreation activities, programs and events	1,121,713	1,241,381	1,239,146	1,285,726
Volunteer service hours	29,073	31,055	33,218	39,609
9 hole golf rounds played	37,768	43,761	39,600	40,000
Percent of indoor tennis court usage	84%	84%	84%	86%
Developed parks and recreational facility acres maintained	229	241	241	241
Natural area, open space, and undeveloped park acres maintained	371	359	359	359
School athletic fields acres maintained	27	27	27	27
Acres of invasive species removed	10	13	24	10.5
City beautification sites managed	124	126	126	126
Playground Inspections	144	156	156	156
Hazard trees removed	19	26	22	24
Human services and programs provided	43	39	42	44
Meals served and delivered	18,098	18,481	18,940	18,800
Home visits conducted	102	99	102	100

Happy 100th Birthday!

The Parks & Recreation Department was instrumental in coordinating the City's 100th Birthday last year, culminating in three events in July, August, and October. The community honored the past, celebrated the present, and imagined the future of our fine city at the Centennial Festival and the Grow and Gather Dinner, both held at Luscher Farm in July and August. The year-long celebration ended in October with the burial of a time capsule in Millennium Plaza.

ACC Nationally Accredited

In May, the Lake Oswego Adult Community Center (LOACC) became the third Senior Center in Oregon to become Nationally Accredited, and the first Metro-Area Center. This accreditation is only offered by the National Council on Aging's unit of the National Institute of Senior Centers. Out of about 11,000 centers throughout the US, the LOACC is the 199th Senior Center to achieve this milestone. This means that the LOACC has undergone rigorous internal and external processes to assure that it meets nine specific Standards of Senior Center operations. In addition, the LOACC was given special commendation for its committed and professional staff, incredible number of volunteers and volunteer hours, numerous community connections, energetic Assessment Committee and nonprofit board participation for Meals on Wheels.

Providing Long Term Park Vision

The Department is currently in the process of developing a plan - the Parks, Recreation and Natural Areas System Plan (Parks Plan 2025) - that will provide the long term vision, priorities, and goals for the City's park system and services for the next 15 to 20 years. This planning effort began in August 2010 and will be finished in late 2012.

Library

The Lake Oswego Public Library is dedicated to providing current, high-demand materials, both fiction and non-fiction, in a variety of formats and media for persons of all ages, to meet the informational, cultural and recreational needs of the community.

The Library places an emphasis on providing reference and readers' advisory services and on creating an environment which inspires reading and learning for all ages. The Library also strives to provide a collection of and access to local history resources and to expand its resources beyond those available locally through regional cooperation with other libraries.

Quick Statistics	07-08	08-09	09-10	10-11
Registered borrowers	32,495	33,123	35,769	36,000
Library visits	374,446	366,827	367,848	368,000
Total library materials	206,697	208,242	229,316	230,000
Total circulation	1,453,509	1,431,123	1,377,737	1,450,000
Children programs	355	361	325	330
Adult programs	194	210	249	255
Program attendance	24,264	24,742	21,911	23,000
Volunteers	453	495	518	535

Keeping Up With Technology

The Library provides access to all types of materials in all types of formats: hard copy books, microfilm, internet, cds, dvds, ebooks, and audio books. As part of the LO Reads program, the Library developed a pilot program which provided ereaders for general circulation. In order to circulate these readers, packaging had to be created, instructions sheets written, check out procedures established and operated. This pilot project was popular among patrons and staff and paved the way for more general circulation of e-readers and MP3 players.

Preserving History

In honor of the City's Centennial, the Library re-published In Their Own Words - *a transcript of a sampling of many oral histories collected by the Library in celebration of the 1976 U.S. Centennial Celebration. Volunteers, local historians and local history librarians were involved with the re-publication. Corrections were made, a full index included, and additional photographs were added to the book. Grant money from the Friends of the Library was used to publish the work.*

Library Ranks #1 in State

For the seventh year in a row, the Lake Oswego Public Library earned the highest HAPLR (Hennen's American Public Library Ratings) score of all the libraries in Oregon – showing once again that our Library provides the exceptional service the community expects. The Library's excellent programs, services and collections brings in an average of 115 visitors per hour and over 1,000 per day. Lake Oswego Public Library's circulation per capita is an astounding 33.2, over four times the national average.

Citizens Enjoy LO Reads

The Lake Oswego Public Library brought the community together during February with over 9,000 residents reading the same book, Cutting for Stone *by Abraham Verghese and participating in over 30 community events including speaker presentations, art exhibits, an African market to Indian dance performances, Ethiopian food tastings and book discussions. Lake Oswego Reads, a community reading program in its fifth year, was a tremendous success!*

Finance

Quick Statistics	07-08	08-09	09-10	10-11
Passport applications	3,407	2,702	2,527	2,400
Business licenses renewed/ issued	2,898	2,991	2,690	2,750
Property taxes levied (million $)	30.1	31.5	32.9	33.6
CIP projects	44	37	44	43
Budgeted capital spending (million $)	20.7	15.8	45.9	56.3
Utility billings per year ($)	138,000	147,000	155,000	158,000
Utility accounts	15,724	12,503	13,355	14,000

The Finance Department provides professional financial services and information to the City Manager, Council, and City departments in order to promote fiscal stability and integrity.

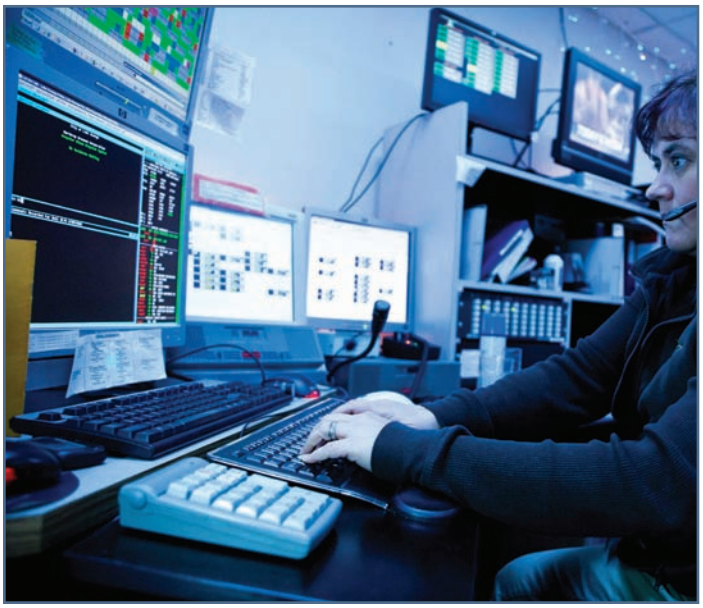
In addition to providing financial services relating to accounting and payroll, the Finance Department prepares the annual budget for the City Manager, works with the City's auditors to prepare the annual audit and Comprehensive Annual Financial Report, performs utility billing and fee analysis, prepares fund projections to support future bond needs, manages the City's investments and debts, and explores alternative sources of funding. It serves the public through issuance and renewal of business and dog licenses, and passports.

City Receives Highest Financial Rating!

The City's general obligation bond ratings have been affirmed by Moody's Investors Service at "Aaa" and by Standard & Poor's at "AAA" - the highest ratings a government can receive from Moody's and Standard & Poor's In addition, the rating agencies affirmed the existing "Aa1" and "AAA" ratings on the City's full faith and credit obligations, a new series of which were sold on September 21 to pay for the remainder of the LOIS project. The City is proud that it once again has achieved this strong affirmation of its financial standing and that it can continue to borrow money for infrastructure investments with the lowest possible interest rates.

The high ratings allow the bonds to have lower interest rates. This translates into lower taxes and fees for Lake Oswego residents than those in other cities who are borrowing to make similar investments in their vital infrastructure. In the case of the City's 2010 bonds sold to fund the balance of the LOIS project, 10 bids were received from investment banks across the country that were aggressively competing to purchase the City's bonds. The winning bid had a total rate of 3.37% and the City will pay the bonds off over the next 25 years.

Information Technology



The Information Technology Department provides computer, network and communications support, and copy and mail center services to all City departments. Additionally, the Department supports mobile and fixed computers that are part of the 911 Center that services the cities of Lake Oswego, West Linn and Milwaukie.

Quick Statistics	07-08	08-09	09-10	10-11
Computer workstations supported	402	419	450	441
Telephones supported	395	420	450	437
City facilities networked	14	15	17	16
Emergency services mobile and fixed computers supported	157	177	177	177
Website visitors *(calendar year)*	94,080	101,234	100,000	85,000

City Attorney's Office

The City Attorney's Office provides legal advice and representation to the City Council, the City Manager, City staff and the various City boards and commissions in all areas, including constitutional law, municipal law, land use, public contracting, public records, public meetings, code enforcement, tort liability, civil rights, taxation and municipal finance. The Office provides advice at public meetings, including legislative and quasi-judicial hearings of the City Council, Planning Commission, and Development Review Commission.

The City Attorney's Office prepares legal opinions, contracts, intergovernmental agreements, ordinances and resolutions, and handles real property transactions. In addition, the Office prosecutes criminal misdemeanors, traffic cases, and City Code violations in the Lake Oswego Municipal Court.

Quick Statistics	07-08	08-09	09-10	10-11
City Council Meetings	46	68	61	60
City Ordinances reviewed and adopted	21	24	23	20
City Resolutions reviewed and adopted	79	94	52	60
City Contracts reviewed	159	233	199	175
Development Review Meetings	24	24	21	20
Planning Commission Meetings	24	24	23	23
Criminal Misdemeanors Processed	454	517	445	550

Human Resources

Quick Statistics	07-08	08-09	09-10	10-11
Trainings Provided by City Staff	n/a	13	18	15
Recruitments Handled	26	28	30	25
Employment Applications Received	2,911	2,147	2,945	2,500
Number of Regular Status (FT/PT) Employees Hired	25	26	25	20
Number of Regular Status (FT/PT) Employees Separated from Employment	n/a	n/a	n/a	14

The Human Resources Department is responsible for a full range of comprehensive human resource services and programs to enhance the efficiency and effectiveness of the organization. Among the Department's responsibilities are recruitment and selection, benefits administration, classification and compensation, labor relations, training, safety and workers' compensation, risk management, performance management, and conflict resolution.

Municipal Court

The Municipal Court adjudicates City code violations, Oregon motor vehicle law violations, and misdemeanor criminal code violations in Lake Oswego. The Municipal Judge is appointed by the City Council and oversees the Municipal Court.

Quick Statistics	07-08	08-09	09-10	10-11
Violations Filed	5,601	5,339	5,966	5,500
Misdemeanors Filed	454	517	445	550
Parking Citations Filed	1,786	1,561	869	1,000
Jury Trials	5	5	3	5
DUII cases filed	n/a	n/a	168	150
Court trials set	n/a	n/a	444	450
Minor in Possession cases filed	n/a	n/a	96	100

City of Lake Oswego
380 A Avenue
PO Box 369
Lake Oswego, Oregon 97034