

City of St. Helens
RESOLUTION NO. 1815

A RESOLUTION ESTABLISHING A POLICE OFFICER CAREER
COMMITMENT, RESIDENCY & LONGEVITY REWARD PROGRAM

WHEREAS, the St. Helens Police Department has struggled to attract qualified applicants to our open police officer positions. Where it once was not uncommon to receive 75 applications for one open position, today we are fortunate if we receive just 25. Finding candidates that possess the character traits that we have come to expect has become increasingly difficult; and

WHEREAS, as the economy continues to add new jobs and the employment rate remains low, the labor market is full of career choices. While the salary and benefits offered by the City are very generous, other professions may be more lucrative and, for many, more attractive. We have fewer applicants to choose from and much greater competition from other police employers; and

WHEREAS, according to a recent survey conducted by the Oregon Department of Public Safety Standards and Training (DPSST), 1,000 police officers are expected to retire over the next three years. Over the past five years, DPSST has increased the number of Basic Police courses from four classes each year to twelve. This means that in the next calendar year, 480 new police officers will receive their basic training from DPSST; and

WHEREAS, while St. Helens aspires to hire the very best candidates, simple mathematics suggest that there are not enough interested and qualified applicants to fill the positions available. As police departments around the state share in our struggle, several cities have adopted a recruiting and retention program in an effort to attract applicants and keep officers. These lucrative offers have hindered our ability to draw interest from candidates who are looking for their very best opportunity to enter the profession; and

WHEREAS, in order to remain competitive, it is important that the City take the necessary steps to immediately implement a recruiting and retention program that will be uniquely attractive to the sort of person we want in our community.


NOW, THEREFORE, THE CITY OF ST. HELENS RESOLVES AS FOLLOWS:

Section 1. Effective retroactively to January 1, 2018, the *Police Officer Career Commitment, Residency and Longevity Reward Program* for the City of St. Helens is hereby adopted as set forth in **Exhibit A**, attached hereto and made a part hereof by this reference.

Approved and adopted by the City Council on June 6, 2018, by the following vote:

Ayes: Locke, Carlson, Conn, Morten, Scholl

Nays: None



Rick Scholl, Mayor

ATTEST:



Kathy Payne, City Recorder

CITY OF ST. HELENS
POLICE OFFICER CAREER COMMITMENT, RESIDENCY & LONGEVITY REWARD PROGRAM

Any sworn member of the St. Helens Police Department hired after January 1, 2018 who remains continuously employed by the City of St. Helens ("City") as a police officer, and any sworn member of the police department hired prior to January 1, 2018 and remains continuously employed by the City as a police officer and who as of January 1, 2018 resides outside of Columbia County are eligible to participate in the police officer **Career Commitment, Residency & Longevity Reward Program** in accordance with the requirements of each and are referred to as "Eligible Employees."

Eligible Employees hired before January 1, 2018 may elect to participate in the **Career Commitment, Residency & Longevity Reward Program**.

Eligible Employees must elect to participate in the programs in writing and deliver the election notification to the City Finance Director or the City Administrator no later than the 12th month of Eligible Employee's employment or December 15, 2018, whichever is last to occur. The failure to elect as described is a waiver of participation and will result in ineligibility to participate.

CAREER COMMITMENT, RESIDENCY & LONGEVITY REWARD PROGRAM

If an Eligible Employee elects to participate in the Career Commitment, Residency & Longevity Reward Program the following will occur:

- A. The Eligible Employee and the City must sign a contractual Commitment and Residential Reward Agreement. The terms of this Agreement shall address the following elements of the Career Commitment, Residency & Longevity Reward Program in addition to others the City or lenders find appropriate:
1. The City's obligations under this reward program are limited to the purchase of a personal residence for the occupancy of employee and his family, which real estate must be located within the boundaries of the St. Helens School District (hereinafter referred to as "Qualified Residential Property").
 2. An Eligible Employee who elects to participate in the Career Commitment, Residency & Longevity Reward Program may purchase Qualified Residential Property at any time during City employment as a police officer after the employee delivers his/her written election to the Finance Director or City Administrator within the time required. In other words, the purchase decision may be made at an Eligible Employee's discretion at a future time during the term of continuous City employment.
 3. The City assumes no obligation(s) or responsibility relating to the employee's qualification to receive a residential home loan, or relating to any condition imposed by a seller, lender, title insurance company, governmental body, or any other person or entity with any interest whatsoever in the real estate. Any and all such requirements, obligations and responsibilities shall be and remain the sole responsibility of the Eligible Employee and/or others as specified in the earnest money agreement, sales agreement, financing agreements, and loan instruments and/or escrow instructions.
 4. At such time as the City is notified of the existence of a home purchase earnest money or other agreement to purchase a Qualified Residence by an Eligible Employee and the opening of a residential escrow account at a title company, pursuant to the terms of escrow instructions approved by the seller, Eligible Employee and the City, the City will deposit \$25,000 in the escrow account to be applied to the Eligible Employee's costs associated with the purchase of the Qualified Residence at the time of closing and title conveyance. City payment into escrow and the disbursement of City funds by the escrow agent

shall be contingent upon continuous City employment and eligibility. The City payment of funds into the title company escrow shall occur prior to the time designated for closing and after the escrow officer affirms that all other conditions for closing have been met by the parties to the sale and Eligible Employee's lender if any.

5. As a condition of the City payment of funds in the Career Commitment, Residency & Longevity Reward Program, Eligible Employee must commit contractually, in a form of agreement satisfactory to the City, to remain employed as a City police officer for at least sixty (60) months from the date the funds are deposited into escrow.
6. If a participating employee is deemed disabled and unable to return to employment as a police officer due to a line-of-duty event (by competent authority, such as SAIF acceptance of a claim and related medical determinations, or PERS or Social Security determination of disability and benefit eligibility) before the 60th month of employment, or in the event of Employee's line-of-duty death, the lien will be deemed satisfied and released.¹
7. The City escrow instructions will specify conditions which must be satisfied before the escrow agent is authorized to release and apply funds deposited by the City. These conditions may include, but are not necessarily limited to:
 - a. City approval of the preliminary title report.
 - b. Agreement of the employee's and other buyer's ownership interest in the real property to repay the \$25,000 to the City in the event employee leaves City employment for any reason prior to the 60th month following the close of escrow and conveyance of title to employee (except for reason of line of duty death or service connected disability as stated above).
 - c. Filing a lien and encumbrance on the property in favor of the City for \$25,000 which shall expire sixty (60) months from the date of closing if employee has been and remains continuously employed by the City as a police officer during this period; and which shall specify that in the event the employee leaves employment with the City for any reason prior to the 60th month and prior to the satisfaction of the lien, if the employee fails at the time of the termination of employment to repay in full the \$25,000, then the lien shall remain continuously effective as an encumbrance until satisfied.
 - d. Employee and any other buyer with a joint interest of any kind in the property shall commit to repay the \$25,000 amount in the event Employee does not remain employed for at least sixty (60) months.

¹ The Eligible Employee does not receive an unencumbered right to the money or to the real property and remains obligated to repay the \$25,000 incentive amount if the Eligible Employee does not satisfy the obligation to remain employed for 60 months as agreed when accepting the incentive. The \$25,000 amount is not taxable and does not constitute remuneration for services to the City until the Eligible Employee has completed the 60 months of obligated service, the conditions are satisfied and the lien has been removed.

At the time the lien is removed, the \$25,000 sum must be reported as taxable income to the employee. At that time, this amount will be subject to PERS reporting and contribution requirements. The City will report the income by 1099, and the Employee must determine in conjunction with the Employee's tax advisors whether in the particular instance estimated tax reporting and payment is due to the IRS.

When and if the \$25,000 lien amount is forgiven, such amount is deemed a gift and reward for service and City residency, unrelated to hours worked, productivity or efficiency, and as such appropriately excluded from subject wages for FLSA, overtime and tax withholding purposes.

- e. Following the 60th month of employee's City employment after escrow funding and closing, or upon repayment of the \$25,000 by employee at any time, the City shall release the lien by executing and delivering to the escrow agent appropriate documents which shall be drawn and presented to City by the escrow agent at Employee's expense.
 - f. Agreement of the primary mortgage or trust deed lender to subordinate its security interest to the City's \$25,000 lien shall be obtained as a condition of closing and the City's funding.
 - g. When the Employee completes sixty (60) months of employment after the closing date, the lien will be released by returning appropriate, executed documents which the Escrow Agent prepared and presented to the City, and Employee's obligations under the Career Commitment, Residency & Longevity Reward Program shall be deemed fully satisfied and discharged, upon filing by Escrow Agent of appropriate documents.
 - h. All escrow and escrow agent fees, and all filing fees and other expenses related to the Career Commitment, Residency & Longevity Reward Program and the lien shall be paid by the Employee.
- B. The City and the Eligible Employee will cooperate to insure that the escrow agent receives escrow instructions from each consistent with their expectations as described in the Career Commitment, Residency & Longevity Reward Program.
- C. In order to streamline loan approval and prevent misunderstandings, to facilitate this Career Commitment, Residency & Longevity Reward Program, and to avoid error and facilitate consistent legal documents and administration by the lender and escrow agent, the City has identified a Preferred Lender and a Preferred Escrow Agent/Title Company and encourages Eligible Employees to select them.
1. Several lenders offer preferred lender services in support of this incentive program, and will offer services and options advantageous to borrowers through its preferred programs. Officers are encouraged to compare products, rates and fees to determine the lender best able to meet individual needs.

Blake Rice, Sr. Mortgage Banker
Pacific Residential Mortgage, LLC
 4949 Meadows Road, Suite 150
 Lake Oswego, OR 97035
 (503) 905-4949 Direct
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Blake Rice and Pacific Residential Mortgage offer to provide consultation and advice related to all lending options and programs. Loans are pre-approved by its affiliated, in-house mortgage bank at no cost to the Eligible Employee.

Katie Woodall, Vice President of Lending
St. Helens Community Credit Union
 (503) 366-6423 | (800) 275-6434
kwoodall@shcu.org | www.shcu.org

Monica Lauber, Vice President of Mortgages
Wauna Credit Union
(503) 366-4750 | (800) 773-3236
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2. The City and Preferred Lender will coordinate periodically to insure that the optimal preferred title company and escrow agent in Columbia County is selected and used.