



City of Oregon City

625 Center Street
Oregon City, OR 97045
503-657-0891

Meeting Minutes - Draft City Commission

Dan Holladay, Mayor
Carol Pauli, Commission President
Brian Shaw, Rocky Smith, Jr., Daphne Wuest

Wednesday, January 21, 2015

7:00 PM

Commission Chambers

1. Convene Regular Meeting and take Roll Call

Mayor Holladay called the meeting to order at 7:00 PM.

Present: 5 - Commissioner Brian Shaw, Commissioner Rocky Smith, Commissioner Carol Pauli, Commissioner Daphne Wuest and Mayor Dan Holladay

Staffers: 12 - City Manager David Frasher, Attorney Carrie Richter, Police Chief and Public Safety Director James Band, Public Works Director John Lewis, Community Development Director Tony Konkol, Community Services Director Scott Archer, City Recorder Nancy Ide, Human Resources Director Jim Loeffler, Finance Director Wyatt Parno, Library Director Maureen Cole, Economic Development Manager Eric Underwood and Administrative Assistant Kattie Riggs

2. Flag Salute

3. Ceremonies, Proclamations

4. Citizen Comments

Tim Delano, resident of Oregon City, passed on a compliment to Public Works for their help with a broken water line in Canemah.

5. Adoption of the Agenda

The agenda was adopted as presented.

6. Public Hearings

6a. Two Appeals of Planning File SP 14-01- Beaver Creek Road Live/Work Apartments (Planning Files: AP 14-01 and AP 14-02).

Mayor Holladay opened the public hearing.

Tony Konkol, Community Development Director, said these two decisions were Community Development Director Type 2 decisions. The Planning Commission had not reviewed them; this was the first hearing on these applications.

Carrie Richter, City Attorney, read the public hearing statement. She asked if any Commissioner had ex parte contacts, conflicts of interest, bias, or statements to declare including a visit to the site. There were none.

Mr. Konkol presented the staff report. Appeal 14-01 was brought forward by the applicant, Beaver Creek Road LLC, and Appeal 14-02 was brought forward by Ms. Graser-Lindsey. He discussed the project site. The site was included in the Beaver Creek Road Concept Plan, although the property was not required to go through Metro Title 11 concept planning because it was brought into the UGB in 1979. Many of the arguments made by Ms. Graser-Lindsey had to do with the Beaver Creek Concept Plan requirements for concept planning, but those were not required for this piece of property. It was also not identified on the 2040 map as Title 4 industrial land as it was identified as outer neighborhood. The property was annexed into the City in 2008. The Zone Change was approved to Mixed Use Corridor 1 in 2010. He explained the issues raised in Appeal 14-02 and how he thought all of the requirements had been met.

John Lewis, Public Works Director, discussed the issues raised in Appeal 14-01 and how they had been addressed. The City proposed the developer pay \$545,000 which was their fair share of replacing one segment of the sewer line in Highway 213 should it need to be upgraded in the future. The developer asked if the City did not spend the money, that they could have the money back in the future, but he was reluctant to commit to a refund at this time. The other issue was staff proposed they connect to a pipeline in Meyers Road, and the applicant wanted to utilize a small pedestrian pathway instead.

Mr. Konkol said staff recommended denial of the appeals and upholding the Community Development Director's approval with conditions.

Elizabeth Graser-Lindsey, appellant, did not think the application could be approved because the concept plan must proceed urbanization and development. She had appealed the annexation in 2007, and LUBA said the annexation could go ahead before the concept plan was approved, however it was a close decision and required specific interpretation of Oregon City law to allow it to happen. She discussed the annexation law that was considered by LUBA, LUBA's interpretation, and other laws requiring a concept plan prior to development. Approving this application would get in the way of the concept plan being applied across the area. The time was not right as the concept plan was not adopted. Public services and facilities were not planned properly for the development. She thought there would be adverse impacts on the existing residents and there was no plan for funding. She gave examples of transportation and sewer issues in the area.

Andrew Brand, applicant, gave a background on the project. He knew the design would need to meet the intent of the unadopted Beaver Creek Road Concept Plan. He also relied on prior planning documents and decisions for the site which did show a sewer connection to the Glenn Oak basin. He explained all of the things that they had considered in the design, especially not creating increased trip generation. When talking with Public Works, it became apparent that additional study of cross basin sewer impacts was needed to show that this development would not overwhelm the Glen Oak system, and if there were impacts he would pay his share through quantifiable fees. He requested the cross basin impact fee be assessed in a manner that would allow for a future refund if the Beaver Creek Basin sewer network was improved and connected to his site before the City had the need to utilize the funds for the identified projects in the Glenn Oak basin that would be necessary due to this project. He also requested if a sewer connection to the end of Emmerson Court met City standards and did not cost additional funds, that it be considered by the Director as the sewer connection point. The currently mandated connection to Meyers Road would cause more disruption to the community during construction yet brought no additional service to the City.

Steve Hultberg, attorney representing the applicant, said the concern was they didn't know whether or when the improvements to the Glenn Oak basin would be made. They did not want to pay for improvements that were never made, yet charged again for an LID and SDCs for the Beavercreek basin. They would like the opportunity to continue the discussion with staff to reach a development agreement for how to deal with the costs in the future. He explained why the applicant preferred the connection to Emmerson Court rather than Meyers Road. To connect to Meyers would mean an additional 450 feet of line and the road would have to be torn up. They wanted to be able to continue to explore options with staff. He proposed some conditions of approval and distributed them to the Commission. Ultimately the City would make the decision in how this would go forward.

Christine Kosinski, resident of unincorporated Clackamas County, was speaking on behalf of the Board of the hamlet of Beavercreek. They had not had a meeting due to the holidays. She asked that the hearing be left open so it could go before the Board.

Mayor Holladay thought they should wait for the hamlet to make a decision and submit their testimony in the public record rather than have Ms. Kosinski give testimony on their behalf.

There was consensus to have Ms. Kosinski only give her personal testimony.

Ms. Kosinski said the lack of necessary infrastructure for development was concerning. She did not think the property should have been annexed or zone changed knowing that the needed infrastructure was not in place. She discussed the lack of water and sewer capacity and transportation issues in this area. She thought the hamlet felt like they were held hostage by irresponsible development. This was why master planning was extremely important. Spot development should not be approved without a master plan.

Mary Johnson lived on Beavercreek Road and was concerned about the sewer line. Many houses nearby were on septic tanks, not sewer lines. The developers would have to run nearly a mile of sewer line down Beavercreek. She thought connecting to Meyers Road would be a disaster while it was under construction due the traffic from the high school and she did not think they should tear up the new road. There were a lot of sensitive areas and if the sewer ever overflowed, she would want to move. There was no infrastructure for this kind of development.

William Gifford, resident of Oregon City, was speaking for the Oregon City Business Alliance. He thought the applicant's concerns were black and white, but the appellant's arguments were more obscure. The Business Alliance was in support of the development with the existing conditions recommended by staff. He thought the appeals should be denied. They should work to find ways to make it happen rather than work to find ways to make it not happen.

Ms. Graser-Lindsey gave a rebuttal. She said in regard to water, the City needed more water and water pressure to serve this area. She gave scenarios for how using water from the rural water district could lead to water shortages for the development. It would also leave the concept area without a solution. There was no discussion regarding police and fire service for the area. This development would hamper, block, and pre-empt the needed concept planning. Also the City did not send notice to the Caufield Neighborhood Association.

Mr. Hultberg said instead of giving a rebuttal, they would submit their comments in writing. He recommended leaving the hearing open until February 4 and he could extend the 120 day rule for the findings adoption at the next Commission meeting of

February 18.

There was discussion regarding traffic impacts on Beaver Creek Road and alternative routes, sewer capacity and future extension lines, bolting down manholes to prevent surcharging, confirming there was sufficient water supply, status of the Beaver Creek Concept Plan which would go to the Planning Commission in the spring, impact of the construction on Meyers Road on the high school, and charging both SDCs and an LID.

David Frasher, City Manager, said an LID was not typical or likely to occur.

A motion was made by Commissioner Pauli, seconded by Commissioner Smith, to continue two appeals of Planning File SP 14-01- Beaver Creek Road Live/Work Apartments (Planning Files: AP 14-01 and AP 14-02) to February 4, 2015 with the record remaining open. The motion carried by the following vote:

Aye: 5 - Commissioner Brian Shaw, Commissioner Rocky Smith, Commissioner Carol Pauli, Commissioner Daphne Wuest and Mayor Dan Holladay

7. General Business

7a. Request to Move into Design Development Phase and Public Review Process of Library Project

Maureen Cole, Library Director, said staff presented schematic designs of the library addition at the last Commission Work Session. This was a request to move out of the schematic design phase to design development and continue with the public review process. The Library Board recommended approval of moving forward in the process.

Doug Neeley, resident of Oregon City, was impressed with the public process so far and that all of the groups had agreed with the concept of what the addition should look like. He thanked the Library Director and Library Board for their work.

Commissioner Wuest wanted to make sure they would be able to afford the designs that were going forward.

Sid Scott, architect for the project, explained there was an established budget for this project and they would be keeping on track with it as they moved forward with the details. The Construction Manager/General Contractor for the project would come up with a guaranteed maximum price. The details and materials would be decided in the next phase.

A motion was made by Commissioner Wuest, seconded by Commissioner Shaw, to authorize staff to move into the design development phase and public review process of the library project. The motion carried by the following vote:

Aye: 5 - Commissioner Brian Shaw, Commissioner Rocky Smith, Commissioner Carol Pauli, Commissioner Daphne Wuest and Mayor Dan Holladay

7b. Ordinance for Introduction, No. 14-1019, Approving the Election Results for Planning File AN 14-01 and Annexing Certain Property to the City of Oregon City

Mr. Konkol said the ordinance would approve the election results for AN 14-01, which was approval of annexing into the City 5.5 acres located at 19588 S McCord Rd.

A motion was made by Commissioner Wuest, seconded by Commissioner Smith, to approve the first reading of Ordinance No. 14-1019, approving the election results for Planning File AN 14-01 and annexing certain property to the City of Oregon City. The motion carried by the following vote:

Aye: 5 - Commissioner Brian Shaw, Commissioner Rocky Smith, Commissioner Carol Pauli, Commissioner Daphne Wuest and Mayor Dan Holladay

A motion was made by Commissioner Wuest, seconded by Commissioner Shaw, to approve the second reading and final adoption of Ordinance No. 14-1019, approving the election results for Planning File AN 14-01 and annexing certain property to the City of Oregon City. The motion carried by the following vote:

Aye: 5 - Commissioner Brian Shaw, Commissioner Rocky Smith, Commissioner Carol Pauli, Commissioner Daphne Wuest and Mayor Dan Holladay

8. Consent Agenda

Commissioner Wuest wanted to have a discussion regarding what was put on the consent agenda, especially for those items that were over \$100,000.

David Frasher, City Manager, explained staff's spending limits and that the amounts on the consent agenda were within the department heads' budget authority.

A motion was made by Commissioner Wuest, seconded by Commissioner Smith, to approve the consent agenda. The motion carried by the following vote:

Aye: 5 - Commissioner Brian Shaw, Commissioner Rocky Smith, Commissioner Carol Pauli, Commissioner Daphne Wuest and Mayor Dan Holladay

- 8a.** Resolution No. 15-02, Adjusting Alarm System User Permit Fees and Establishing an Annual Inflationary Adjustment
- 8b.** Selection of On-call Consultants for Professional Engineering Services
- 8c.** Contract Modification #3, 2014 Pavement Improvements Project
- 8d.** Settler's Point Sewage Pump Station Improvements Project Contract Award
- 8e.** Personal Services Agreement for Transportation Engineering Services Related to the Meyers Road Extension Alternatives Analysis
- 8f.** Meyers Road Concept Plan Cost Sharing Agreement
- 8g.** Resolution No. 15-01, Amending Resolution No. 09-31, Establishing and Authorizing the Use of the General Records Retention Schedule for the Cities of Oregon, Adopted as OAR Chapter 166, Division 200
- 8h.** RegJIN Participant - Intergovernmental Agreement between the City of Portland and the City of Oregon City.

8i. OLCC: Liquor License Application - Full On-Premises Sales, New Outlet, Applying as a Corporation; MLB, Inc., DBA McAnulty & Barry's, 820 Main Street, Oregon City, OR 97045

8j. Minutes of the January 7, 2015 Regular Meeting

9. Communications

a. City Manager

Mr. Frasher distributed the comprehensive annual financial reports for the fiscal year that ended in June 2014. The City received another clean audit opinion for its financial statements and there were no significant findings by the auditor. The reports had been submitted to the Secretary of State as required by State law and submitted to the Government Finance Officers Association Awards Program. He thanked Wyatt Parno, Finance Director, for his work. He passed out contact information for the State representatives. He announced Nancy Ide, City Recorder, was retiring and there would be a retirement celebration on January 29.

b. Mayor

Mayor Holladay reported on the South Fork Water Board meeting where he was made the representative to the Regional Water Providers Consortium. He also attended the Regional Mayors Meeting.

c. Commission

Commissioner Wuest announced the Oregon Heritage Commission would be meeting on February 2 to vote for the first State heritage area in Oregon.

Commissioner Smith attended the Main Street visioning meeting. He thanked Ms. Ide for her service to the City.

Commissioner Pauli reported on the Main Street visioning meeting. Main Street was working on an alternate EID scenario.

Commissioner Shaw attended the Library Building Committee meeting, South Fork Water Board meeting, and Traffic Advisory Committee meeting.

10. Adjournment

Mayor Holladay adjourned the meeting at 9:06 PM.

Respectfully submitted,

Kattie Riggs, City Recorder