



# City of Oregon City

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

## Meeting Minutes - Draft

### City Commission

*Dan Holladay, Mayor*

*Brian Shaw, Commission President*

*Nancy Ide, Frank O'Donnell, Renate Mengelberg*

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Wednesday, April 5, 2017

7:00 PM

Commission Chambers

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#### 1. Convene Regular Meeting and Roll Call

*Mayor Holladay called the meeting to order at 7:07 PM.*

**Present:** 4 - Commissioner Brian Shaw, Mayor Dan Holladay, Commissioner Nancy Ide and Commissioner Renate Mengelberg

**Absent:** 1 - Commissioner Frank O'Donnell

**Staffers:** 10 - City Manager Tony Konkol, City Attorney William Kabeiseman, City Recorder Kattie Riggs, Police Chief and Public Safety Director James Band, Library Director Maureen Cole, Human Resources Director Jim Loeffler, Community Development Director Laura Terway, Finance Director Wyatt Parno, Economic Development Manager Eric Underwood and Community Services Director Phil Lewis

#### 2. Flag Salute

#### 3. Ceremonies, Proclamations, and Presentations

##### 3a. Proclamation for Oregon City Arbor Day 2017

*Laura Terway, Community Development Director, said Oregon City had been a Tree City USA for five years. There was going to be a combined Earth Day and Arbor Day event on April 29, 2017 at Wesley Lynn Park.*

*Mayor Holladay read the proclamation declaring April 29, 2017 as Oregon City Arbor Day.*

##### 3b. Present Citizen of the Year Awarded to Charles Kidwell

*Tony Konkol, City Manager, gave a background on Charles Kidwell and his service on the Planning Commission.*

*Mayor Holladay presented the 2016 Citizen of the Year award to Charles Kidwell.*

*Mr. Kidwell thanked everyone for the award.*

##### 3c. Mayoral Appointments to City Boards and Commissions

*The Mayor appointed Verne Johnson to the Planning Commission for a term ending December 31, 2020 and appointed Joyce Gifford as the primary representative and Roy Harris as the alternate of the Hillendale Neighborhood Association to serve on*

*the Citizen Involvement Committee for terms ending December 31, 2017.*

**3d. Acknowledgement of Paige Olson for Receiving the Prudential Spirit of Community Award and Volunteering in the Oregon City Community**

*Mayor Holladay acknowledged Paige Olson for receiving the Prudential Spirit of Community Award for volunteering in the Oregon City community.*

*Ms. Olson described the volunteer work that she had done as well as her work on her Girl Scout Gold Award. She encouraged everyone to volunteer in the community.*

**4. Citizen Comments**

*Jay Cross, resident of Eagle Creek, announced he was running for the Clackamas Fire District #1 Board. He was a member of the Boring Fire District Board and was one of the driving forces for the contract agreement with Clackamas Fire and the annexation of the Boring Fire District into the Clackamas Fire District. He had over 30 years experience in the public safety and emergency services arena. He wanted to work on good policy making and service delivery.*

*Michael Morrow, resident of Happy Valley, announced he was also running for the Clackamas Fire District #1 Board. He promised to represent the whole district. He had been active in the community for many years and had experience in emergency medical services. He planned to promote the district to the legislators and listen to the needs and concerns of the cities.*

*William Gifford, resident of Oregon City, gave kudos to City staff for presentations they made at the Hillendale Neighborhood Association and Tower Vista Neighborhood Association meeting. A representative from Clackamas Workforce Partnership would be at the next OCBA (Oregon City Business Alliance) meeting on April 25, 2017.*

**5. Adoption of the Agenda**

*The agenda was adopted as presented.*

**6. Public Hearings**

**6a. AN-16-0004 / ZC-16-0001: Annexation and Zone Change of 35.65 Acres North of Holcomb Boulevard**

*Mayor Holladay opened the public hearing.*

*Bill Kabeiseman, City Attorney, read the public hearing statement. He asked if any Commissioner had a conflict of interest, ex parte contact, bias, or other statement to declare. There was none. Commissioners Shaw and Mengelberg visited the site.*

*Ms. Terway presented the staff report. This was an annexation and zone change request for 35 acres north of Holcomb Boulevard. The zone change was from existing County zoning of FU-10 to the City zoning of R-10. The Planning Commission recommended approval of the annexation. She gave a summary of the property, which was in the Urban Growth Boundary. No development was being proposed at this time. She reviewed the approval criteria that applied to this application. The City was required to apply the R-10 zone upon annexation of this parcel. The applicant did a transportation study, assuming the development of the*

property at 121 homes. Two intersections failed to meet the performance standards, OR 213 and Redland Road and Redland Road at Holcomb Boulevard and Abernethy Road. The condition to address this issue stated that no development was permitted until solutions were identified and adopted. There were no other issues with the public facilities and services. Staff recommended the Commission accept testimony, but not take any new evidence, close the record and make a tentative decision, and continue the hearing to April 19, 2017, for staff to present findings memorializing the Commission's decision and approve the first reading of the ordinance.

Mike Robinson, representing the applicant, said the Planning Commission recommended approval of this application. The zone change was for R-10 which met the Comprehensive Plan designation of low density residential. It was the zoning district that must be applied to this property. It was the least dense zone in the City. Regarding the annexation, the application met all of the criteria. There had been five hearings before the Planning Commission for people to testify. All of the City infrastructure plans in place would ensure that adequate public facilities would be provided. At the March 13, 2017 Planning Commission hearing, a representative from the Oregon City School District testified that there was adequate school capacity and they had planned for this growth. This site had been in the Urban Growth Boundary for 38 years. It had long been anticipated that this site would be brought into the City to meet housing needs. There was no development proposed at this time. They agreed with the conditions of approval and they would pay their fair share of the transportation improvements. He asked that the Commission follow staff's recommendation for the application.

Stephen VanHaverbeke, resident of Oregon City, lived across the street from this site. There would be challenges to the development, but he thought they would be addressed. He was concerned about the Barlow Trail that crossed the property which needed to be recognized and maintained. He was also concerned about the tree cutting being done on the site before it was annexed.

Rose Holden, resident of Oregon City, was in support of the annexation. Currently Oregon City was behind in the number of lots necessary to support population growth. She suggested staff keep the Commission abreast of population growth and number of lots available as the City grew. If there was not adequate housing, businesses would not have a reason to come to the City. There needed to be certainty in the area and people wanted to live and work in close proximity. At some point in time all of the homes in the City began on land that had to be annexed. They needed to provide homes for those who did not have theirs yet.

Mike Ziolk, resident of Oregon City, thought this annexation was creating an island and it would affect people who were not currently in the City. Just because a property was within the Urban Growth Boundary for many years did not mean annexation had to occur at this time given the traffic problems in this area. These problems needed to be solved before annexation. At the Planning Commission hearings, only one person was in favor of the annexation, and all the others were opposed. If they were serious about public involvement and most people were against it, it should raise some red flags to the Commission.

Mr. Robinson gave rebuttal. Regarding preservation of the Barlow Trail, the applicant recognized the obligation to preserve that corridor. Regarding the tree cutting, this property was in Clackamas County and was an agricultural use. The County did not prohibit tree cutting and it was not relevant to the approval criteria. The City needed to provide enough housing for a 20 year supply. Not annexing property caused hardship for families who wanted a home. This would not create an island as it would not be surrounded by the City on all sides, however not creating an island was not an

approval criterion. He read from Goal 14, urbanization of Comprehensive Plans. In order to develop, properties had to be in the City and if annexations were stopped, it stopped the growth that was mandated in the Comprehensive Plan. It did not matter how many people might be opposed to an application, what mattered was whether the applicant met their burden of proof to show the criteria had been satisfied. He thought they had been satisfied for this application.

Mayor Holladay closed the public hearing.

Mr. Kabeiseman discussed Senate Bill 1573, which this annexation would be approved through.

Commissioner Mengelberg said Oregon City needed a variety of housing choices. These were larger lots and she thought there would be demand for them. There were traffic challenges, but she was encouraged that a solution had been developed. There was support from the School District and other service districts. There was no reason from a service provision standpoint to deny the application. She was in support.

Commissioner Ide asked if there was road access from the property to Forsythe Road. Ms. Terway said there was not a road identified in the Transportation System Plan that would connect.

Commissioner Ide said most of the public comments were related to transportation and traffic. She lived across the street from this property. She did not think there was a traffic problem on Holcomb. She was surprised the numbers were as low as they were in the traffic study. It was speculative that development of this property would create a burdensome traffic problem. She looked at the criteria and the tests that had been done, and was satisfied. Oregon City had been trying to catch up to the housing market problem that had been going on since the recession when there was little construction. There was a need for this annexation. She had listened to all of the public testimony and was convinced the problems would be mitigated. She was also in support.

Commissioner Shaw said there was a supply and demand problem for housing right now. He thought the applicant met all of the criteria. All of the due diligence had been done and this had been vetted through the Planning Commission and staff.

Mayor Holladay asked if the alternative mobility study could have an impact on the future development of this site. Ms. Terway said yes, development could not occur until the study was completed and adopted. The applicant would have to do a proportional share of the improvements.

Mayor Holladay said one of the reasons they had a housing crisis was because bringing property into the City from the Urban Growth Boundary caused such angst from the community. They had to continue building housing units in Oregon City. Their job was to plan for and make sure that the developments were quality and fit the community's values. Those who were building these types of developments contributed just as much to our society as anyone else and they were providing services the City needed. He was in support of the annexation and zone change.

**A motion was made by Commissioner Ide, seconded by Commissioner Mengelberg, to tentatively approve AN-16-0004 / ZC-16-0001: annexation and zone change of 35.65 acres north of Holcomb Boulevard and to continue the matter to April 19, 2017. The motion carried by the following vote:**

**Aye:** 4 - Commissioner Brian Shaw, Mayor Dan Holladay, Commissioner Nancy Ide and Commissioner Renate Mengelberg

## **7. General Business**

- 7a.** Second Reading of Ordinance No. 17-1003: Annexation of 51.41 Acres East of Beaver Creek Road (Annexation file AN-16-0003)

**A motion was made by Commissioner Mengelberg, seconded by Commissioner Ide, to approve the second reading and final adoption of Ordinance No. 17-1003: annexation of 51.41 Acres east of Beaver Creek Road (Annexation file AN-16-0003). The motion carried by the following vote:**

**Aye:** 4 - Commissioner Brian Shaw, Mayor Dan Holladay, Commissioner Nancy Ide and Commissioner Renate Mengelberg

- 7b.** Second Reading of Ordinance No. 17-1004: Annexation of 63.82 Acres East of Beaver Creek Road

**A motion was made by Commissioner Shaw, seconded by Commissioner Ide, to approve the second reading and final adoption of Ordinance No. 17-1004: annexation of 63.82 acres east of Beaver Creek Road. The motion carried by the following vote:**

**Aye:** 4 - Commissioner Brian Shaw, Mayor Dan Holladay, Commissioner Nancy Ide and Commissioner Renate Mengelberg

## **8. Consent Agenda**

**A motion was made by Commissioner Shaw, seconded by Commissioner Mengelberg, to approve the consent agenda. The motion carried by the following vote:**

**Aye:** 4 - Commissioner Brian Shaw, Mayor Dan Holladay, Commissioner Nancy Ide and Commissioner Renate Mengelberg

- 8a.** Resolution No. 17-08, Supporting Clackamas Community College Industrial Technical Center Construction
- 8b.** Resolution No. 17-09, Adopting a Risk Management Program
- 8c.** Resolution No. 17-10, Supporting the Termination of a (401)(a) Money Purchase Plan with ICMA - Retirement Corporation
- 8d.** Resolution No. 17-11, Eligibility to Receive State Shared Revenues
- 8e.** Resolution No. 17-12, Adjustments to the 2015-17 Biennial Budget
- 8f.** Restrictive Covenant Non-Remonstrance Agreement for the Residential Development of 16348 Frederick Street
- 8g.** Beaver Creek Road Operational Enhancement (Dual Left Turn Lanes)

Extension) Contract Change Order 2 - Linn Avenue Pavement  
Re-surfacing

8h. Engineering Design Contract for the Hazelwood Drive Sanitary Sewers  
Moratorium Project

8i. Engineering Design Contract for Peter Skene Sewer Emergency  
Repair

8j. Restrictive Covenant Non-Remonstrance Agreement for the Hunter  
Avenue Partition

8k. OLCC: Liquor License Application- On-Premises Sales, Change in  
Ownership, Applying as a Limited Liability Company, Thirsty Duck  
Saloon LLC, 505 Main Street, Oregon City, OR 97045

8l. OLCC: Liquor License Application- On-Premises Sales, New Outlet,  
Applying as a Limited Liability Company, 12 Bridge Ciderworks, 19376  
Molalla Avenue, #130, Oregon City, OR 97045

8m. Minutes of the March 1, 2017 Regular Meeting

8n. Minutes of the March 7, 2017 Work Session

## 9. Communications

### a. City Manager

*John Lewis, Public Works Director, gave an update on South End Road grade changes. This was still a County road, and the County hired a landslide consultant for a geotechnical reconnaissance. There were seven slide areas along this road and the problems were related to the wet weather. These were slow creeping slides that needed to be monitored and the cracks needed to be filled back in from time to time as the short term approach. The County was also looking at reducing the speed on the road.*

*Commissioner Mengelberg asked for an update on Trillium Park Drive.*

*Mr. Lewis said it was being surveyed by a geotechnician and the sewer and stormwater lines were still functioning normally. There was a water line that had been pulled out of its joint due to the ground movement. It would continue to be monitored.*

*Ms. Terway announced an Intergovernmental Agreement with Metro was being finalized for a \$100,000 grant to implement a housing project in Oregon City. This would identify different needed housing types and removal of barriers to implement that housing.*

*Maureen Cole, Library Director, stated since the library addition opened, about 30,000 customers per month had come to the library. For March it was 36,822. More items were being checked out and more programs were being offered.*

*Tony Konkol, City Manager, said the groundbreaking ceremony for the Industrial Technical Center was April 6, 2017. The State of the County Address would be held on April 17, 2017. The 2017-2019 Commission Goals and Priorities booklets were finished.*

**b. Commission**

*Commissioner Ide thanked Planning for the new notice signs. She attended an Affordable Housing Town Hall, State of the City Luncheon, newly elected officials training by Metro, Clackamas Cities Association Dinner, and met new County Commissioner Sonya Fischer.*

*Commissioner Shaw attended the State of the City, Affordable Housing Town Hall, Clackamas Cities Association Dinner, Oregon City Business Alliance, Citizen Involvement Committee, Oregon City Parks Foundation meeting, and toured the Buena Vista House.*

**c. Mayor**

*Mayor Holladay attended the Metro Mayors meeting, met with Portland Mayor Ted Wheeler, Clackamas Cities Association Dinner, Oregon City Business Alliance Luncheon, and met with a development consultant. Katie Durfee, Assistant to the City Manager, was leaving the City to work for Citycounty Insurance Company. He thanked her for her service.*

**10. Adjournment**

*Mayor Holladay adjourned the meeting at 8:33 PM.*

*Respectfully submitted,*

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*Kattie Riggs, City Recorder*