

MINUTES
PLANNING COMMISSION
REGULAR MEETING
Canby Adult Center
OCTOBER 25, 1999
7:00PM

I. ROLL CALL

Present: Chairman Keith Stewart, Commissioners Jim Brown, Jean Tallman, Derek Bliss, Teresa Blackwell and Geoff Manley.

Staff: Jason Kruckeberg, Planning Director, John Williams, Associate Planner, Jerry Pineau, Community Development Director, Matilda Deas, Project Planner, Carla Ahl, Planning Staff.

Others Present: Owen Smith, Dave Sheldon, Donna Sheldon, Dick Hemmerling, Leighton Perkins, Ted Kunze, Chris Patterson, Lela Sheldon, Duane Kloser, Ada Stout, Vigil Sheer, Virginia Daniels, Walt Daniels, Sandra Corcoran, Bo Corcoran, Cindy Storlie, Dick Morse, Cherrol Pacholl, Kathy Clifford, Steven Hughes, Michele Downing, Robert Mosler, D. Howell, Eric Collins, Joey Bailey, Ken Riley, Leon Carty, Carla Sather, Steven Sather, Derek Hills, Herb Carter, Janice Zauner, Devin Cooper, Dan Ewert, Dorthy Cofield, Bruce Broetje, Doug Hanson, Larry Wright, Craig Wilmes, Kim Wilmes, Jan Hanson, Vicki Stanfill, Peter Hainlex, Marian MacDonald, Chance Schnidt, Dennis Keenan, Lucia Pena, Alice Clymens, Tim Sercumbe, Justin Esmay, Tami Esmay, Clair Kuppenbender, Chris Mead, Liz Mead, Sharon Hughes, Dan Wells, Bob May, Michael Downing, James Unge, Rebecca Unge, J. Tramel, K. Lewelling, Peter Augstadt, Christine Kloser, Duane Kloser, Bob Keeney, Bob Zimmer, Scott Neuberger, Irma Llanes, Clint Smith, Mike Bailey, Jim Russell, Will Koskela, Chuck Sandsness, Betty Sandsness, French Smith, Fran Carter, Jolene Campbell, Diane Yates, Ray Klupenger, Jeff Kirkman, Connie Kirkman, Randy Tessman, Norbert Kinen

II. CITIZEN INPUT ON NON AGENDA ITEMS

NONE

III. PUBLIC HEARINGS

DR 99-06/CUP 99-04 CASA OF OREGON AND CATHOLIC CHARITIES MOTEL a 46 unit farm worker motel located south of Redwood St. between 3rd and 4th Ave.

Chairman Stewart reviewed the hearing process, procedure and format. He referred to the applicable criteria posted on the wall and on page 2 of the staff report. Mr. Stewart asked if any Commissioner had a conflict of interest, none was expressed. Mr. Stewart asked if any Commissioner had ex-parte contact, Mr. Manley stated he had read articles in the paper but drew no conclusions. Mr. Brown stated he had read articles in the paper, visited the site, had brief conversations with neighbors that he urged to come to the meeting, but drew no conclusions. Ms. Tallman stated that she had read articles in the paper, spoke with a gentleman who stated that he wanted her to ask a question, she told him she could not discuss the matter. Mr. Bliss stated that he had read the articles in the paper, had contacted the County Tax Assessor to get information and had spoken to several citizens to which he stated he could not discuss the public hearing and encouraged them to attend the meeting, had visited the site but drew no conclusions. Ms Blackwell stated that she had visited the site, read an article in the paper and had stepped out of several conversations because she could not discuss the matter. Mr Stewart stated that he had read articles in the paper, he stated he had spoken with Mrs. Hanson earlier that evening and told her he could not discuss the matter. No questions were asked of the Commissioners.

Jason Kruckeberg, Planning Director explained that he would give a brief introduction and background on the report then John Williams, Associate Planner would provide the remainder of the information.

Jason stated the application from Catholic Charities/CASA proposed to build a 46 unit motel to be called The Redwood Inn, located south of Redwood between 3rd and 4th Avenues. The property is a 4.4 acre flag lot with a 300' assess strip, zoned light industrial and located in Phase 1 of the Logging Road Industrial Park. Jason stated that the site is flat with no existing structures, or significant natural features. On 3 sides (to the north, to the south and east) there are industrial zoned properties and to the west there is high density residential property (an apartment complex).

Jason stated that the applicant described the Redwood Inn as short term housing for 46 families in the Canby area, farm workers are expected to stay at the motel from 2 weeks to 4 months. Jason explained that motels, hotels and similar accommodations are permitted as a conditional use in the Light Industrial Zone. Jason added that the application must meet both the Site Design Review criteria and the Conditional Use criteria to show the proposed use will be compatible with existing uses in the zone. Jason explained that the proposal must be consistent with policies of the Comprehensive Plan, which states that the characteristics of the site are suitable for the proposed use, all required public facilities exist to adequately meet the needs of the development and the proposed use will not alter the character of the surrounding area in a

manner which substantially limits the use of surrounding properties for uses permitted outright in the zone. Jason added that the Site and Design Review is the process to look at suitability of the property, the site plan, architecture, landscaping, graphic design, location, appearance of buildings and compatibility with other developments in the area. Jason explained that this is one application but there are two different land use processes to go through, both the Conditional Use Criteria and the SDR criteria.

John Williams, Associate Planner continued the presentation stating that this is a seven building project with 46 rental units each with cooking facilities. One building will have 10 one bedroom units, the other buildings would have 16 two bedroom units and 20 three bedroom units, with most renters staying for 2 weeks to 4 months. He added that the applicant has told staff that the Redwood Inn would be among the first of these projects in the country, making it a unique use and difficult to place under Canby's use categories.

John read the definition of motel from the Municipal Code "a building or group of buildings on the same lot containing guest units with separate and individual entrances, consisting of individual sleeping quarters, detached or in connected rows with or without cooking facilities for rental". John stated that residences would have to prove they derive their income from agriculture and that their incomes are below a certain level. He added that there was no requirement in the definition that motels have to be open to the public. Based on that language and the description of the project staff feels it falls under that definition. John stated that the application meets the development standards for this zone.

John explained that the proposal must be consistent with the Comprehensive Plan. He stated that policy # 1 of the Land Use Element states that Canby shall guide the course of growth and development to separate conflicting or incompatible uses while grouping compatible uses, a list of uses that are allowed outright in each zone was established including uses identified as compatible if certain criteria are met, and that the Planning Commission can impose conditions which it finds necessary to avoid a detrimental impact and protect the best interest of the surrounding area or the community as a whole. John stated that a condition has been added that Canby's noise control ordinance specifically exempts sounds caused by lawful business operations in the commercial/industrial zone, and the location of the Redwood Inn does not alter the exemption in any way.

John stated that a traffic study was done by Mr. David Kelly, Consulting Traffic Engineer which stated that the surrounding road system could adequately accommodate the traffic from the planned development, no capacity deficiencies were identified, no additional specific off site road improvements or traffic control devices are recommended to accommodate the planned development. John added that due to concerns from emergency service providers the access strip has been increased from 20 to 24 feet. He added that the applicant worked with the Fire Marshal to make sure there would be adequate access to all buildings and designed an interior walkway that would function as a roadway in the event of an emergency.

Mr Brown expressed concern regarding only one access to the property. John answered that due to the size of the development the fire marshal is satisfied with the proposal. Mr. Brown

asked if that is why the applicant is building a 46 unit development when the site could handle a development twice that size and John agreed with that conclusion.

Ms. Tallman stated her concerns regarding the angle of the intersection with Redwood Street. John stated that the Police Department and the Fire Department both would like to see the intersection as close to a 90% angle as possible and that there is 50 feet of access strip with 24 feet of paved area, so it should be possible to curve that intersection to Redwood. John added that the Fire Department also stated that no parking on the access strip and that unit and building numbers be plainly visible.

John stated that the planning staff had received a letter from the school district stating that Trost school is already overcrowded. The letter added that since the construction of Redwood Inn is located in a site not zoned as residential, none of the students who might live there are calculated into the demographics projections of the school district, more information as to numbers and ages of students who might become district residents as a result of this construction is critical to effective school district planning, with those comments they have checked the box stating adequate public services are available. John explained that the school district is required by law to provide school facilities for anybody living inside the boundaries. Chairman Stewart explained that by law an application for annexation or subdivision can not be denied due to impact on schools alone but it can be used as one of the criteria. John stated that the applicants intention is to draw residences from those already within the Canby school district.

John added that economic elements of the Comprehensive Plan states that Canby shall promote increased industrial development at appropriate locations, protect future industrial areas from encroachment of incompatible uses and encourage economic programs and projects which will lead to an increase in local employment possibilities. John stated that if the Planning Commission finds that the proposal meets the Conditional Use criteria it also complies with the policy of the Comprehensive Plan. John stated although this project would not in itself create significant local employment it would allow for higher quality residences for seasonal farm workers assisting local farm employers in recruiting workers, but by removing this parcel from development with industrial uses there would be a decrease of future jobs in the industrial area. John stated that Canby does have an great deal of developable industrial land (471 acres) inside the Urban Growth Boundary which is approximately 1/3 of the available industrial land in Clackamas County. John added that a buildable land analysis had been completed, the conclusion under the industrial land was that even under the high absorption scenario of 20 acres per year there is ample industrial lands to meet the 20 year demand requirements.

John stated that under policy # 4 "Canby shall consider agriculture operations which contribute to the local economy as part of the economic base of the community and shall seek to maintain these as viable economic operations". John added that under the housing element "Canby shall encourage the development of housing for low income persons and the integration of that housing into a variety of residential areas within the city".

The staffs conclusion is that the proposed development could be made to comply with the Comprehensive Plan if two critical interpretations are made (Guiding the growth to separate

conflicting or incompatible uses while grouping compatible uses, and protecting future industrial areas from encroachment of incompatible uses).

John added that criteria for Conditional Use states that “the proposed use will not alter the character of the surrounding areas in a manner which substantially limits or precludes the use of surrounding properties for the uses listed as permitted in the zone”. John added the criteria does not require that compatibility be shown, it allows development as long as it does not substantially limit or preclude the ability of surrounding properties to carry on the uses permitted in the zone. John stated that some of the possible ways that surrounding properties could be affected by the Redwood Inn development was if the residences were to complain about nuisances (noise and pollution) from the industrial area, this has been addressed by the condition notifying the applicant that the site is located in an industrial area. At this time John entered a letter into the record from Craig Wilmes, Metal Innovations Inc. which concerns siting a helicopter pad in the Industrial zone adjacent to the subject property. John continued that the residences of Redwood Inn could present an increased risk to industrial users just from having more people (in terms of trespassing and vandalism), the applicant (as stated in their narrative) has designed the site to separate the motel from surrounding uses as much as possible by providing landscaping around the edges, a fence that completely surrounds the site and a purposed security gate at the entrance to minimize concerns.

John stated that there is the potential for deterioration over time of the use which could negatively impact neighboring property values. John added that CASA of Oregon has stated that they view the project as a long term investment, and intend to maintain it over time.

John stated the staff’s conclusion is that the proposed project with the conditions can be made to comply with conditional use criteria, for approval the Planning Commission must find that the proposed use will not alter the character of the surrounding areas in a manner which substantially limits or precludes the use of surrounding properties. John presented letters from the Canby Chamber of Commerce and Alan Morse into the record.

APPLICANT

Tim Sercombe, Preston Gates Ellis, Catholic Charities, CASA of Oregon, introduced the team that would be giving the presentation to the Planning Commission, and asked for clarification regarding the allotted time for the meeting.

Mr. Bob Mosier, William Wilson Architects, described the project and explained that the design attempts to mitigate any concerns about compatibility issues with adjacent uses by placing parking and landscaping against the known noise sources, and moving the housing as far away from those sources and as close to the other housing uses as possible. Mr. Mosier added that the buildings were designed to be as compatible with the adjacent property as possible.

Mr. Dennis Keenan, Executive Director of Catholic Charities, stated that there had been an extensive search process involved in locating this piece of land and this was the single site that met the requirements of this project. Mr. Keenan stated that in regards to management of this facility Catholic Charities and CASA of Oregon are prepared to commit legally to it’s

maintenance for a 60 year period, to have 24 hour coverage on site, two resident managers and the principle office hours would be 5:00AM to 9:00PM.

Mr. Keenan stated that the average stay at the motel is estimated to be 3 months, units would be fully furnished and an occupancy agreement that the residence would sign that would enforce rules for the guests of the Inn. Mr. Keenan stated in terms of security there would be a 6' high fence installed and the recreational uses (soccer field, play ground facilities and basketball court) would help contain activities on the site. Mr. Keenan added that their marketing plan would focus on current residents of the city of Canby area and that they would work with local schools, churches and local business to identify farm worker families in need of temporary housing assistance and are currently living in substandard conditions. Catholic Charities held a public meeting on October 14, 1999 to hear some various comments and explain what they plan to do, so people are better informed and to address some of the concerns from local property owners.

Mr. Brown asked why is a Light Industrial Zone in Canby a "preferred location". Mr. Keenan stated that they had made offers on properties in other locals but they were not accepted, in the search process it became apparent to them that the characteristics of this project were closer to a motel than an apartment complex given the temporary nature of the residence and the potential concerns of neighbors in a residential neighborhood. Mr. Stewart asked what would be the maximum length of stay for a resident at Redwood Inn, Mr Keenan responded that it would be one year.

Mr. Peter Hainley, CASA of Oregon, stated that CASA is a private non-profit community development corporation who's mission is to improve the quality of life for farm workers throughout the state of Oregon by constructing and managing housing and related facilities. CASA works with local housing authorities and non-profit associations to construct, own and operate housing. He addressed the need of migrant farm worker housing in Clackamas County, citing the increase in agricultural farms, total crop production, and the fact that many of the agricultural businesses grow labor intensive crops (berries, vegetables and Christmas trees) requiring seasonal workers. Zoning regulations effectively prevent any new farm worker housing to be constructed on farmland, which means it has to be constructed in the cities and it's difficult to find land that is large enough to build this type of project.

Mr. Manley asked for clarification on the increase of farms in Clackamas County. Mr. Keenan explained that the size of farms have increased slightly but the number of farms have increased 17%. Mr. Manley asked how CASA was going to insure that just migrant farm workers and not year round workers would live at the complex. Mr. Keenan stated that when an application is filled out they will be informed that this facility is for migrant farm workers only.

Mr. Sercombe stated that in anticipation of opposition to this proposal the applicant would like to have the record held open to allow for additional evidence and that consideration of this application be set over till November 8th. Mr. Stewart asked John Kelly, City Attorney for clarification of what Mr. Sercombe was requesting. Mr. Kelly responded that the record could be left open so addition material can be submitted (under the statute the opposition also has the right

to submit additional information).

Mr. Sercombe stated 3 issues which needed to be addressed by the commission are whether this project fit the definition of motel, hotel, or "similar accommodation" (which is broad terminology) in the Conditional Use criteria , whether it is consistent with the policies in the Comprehensive Plan (aesthetically pleasing, protection of agricultural land from development, support for agricultural industry and meeting the housing needs of citizens) and whether it would substantially alter the use of nearby property.

Mr. Bliss asked if the units will be leased, Mr. Sercombe responded that it would not be a lease (which would give an interest in the real property) it would be a contract that is similar to the contract anyone signs when checking into a motel, agreeing to abide by the rules of the motel. Mr. Bliss asked if he was a resident at the Redwood Inn, could he hang a screen door or put a picture up on the wall. Mr. Sercombe deferred to Mr. Keenan who responded that there would be great uniformity in design and installing screen doors would not be allowed.

PROPOSERS:

Norbert Kinen, Senior Vice-President, J. Frank Schmidt and Son Nursery. Stated that the company has 2 farms in the Canby area. They hire 175 workers at their peak time and about 55 of those workers would be eligible for the temporary housing. He stated that he is familiar with CASA and Catholic Charities and is very happy with CASA's management. He noted that this type of housing is going to be necessary in the coming years and stated that Senator Gordon Smith is involved with a new bill that would legalize workers over a 5 year period (illegal workers account for over 50% of the present work force). Instead of people living outside the law, this bill would bring them in under the protection of the law, farmers would have to pay for housing and housing projects like the one proposed by CASA would be better than the current labor camps. Mr. Bliss asked if he supplied any housing in Canby currently, Mr. Kinen responded that they have OSHA approved H2A housing on both of the farms, but they are unused at this time. Mr. Bliss asked what the average salary if for their employees. Mr. Kinen stated it was \$8.76 per hour and their total payroll exceeds \$3,250,000.

Irma Llanes, Program Manager, Centro de Canby stated that Centro de Canby has been serving the community for 3 years working with low income hispanic families, they strive to increase self-sufficiency within the latino community, to help families achieve a better quality of life and promote mutual respect and understanding among cultures. In the last fiscal year they have served over 800 clients, 95% were farm workers. She stated that many farm workers stay all year, but a significant number of workers who follow crops do not have adequate housing and she believes that the Redwood Inn would be a suitable and well managed option.

Clint Smith, member of the Clackamas County Economic Development Commission also a member of the State Board of Agriculture representing the nursery industry. He owns Four Mile Nursery a 200 acre operation located 3 miles south of Canby, employing 32 full time workers and up to 15 seasonal workers with a payroll of \$700,000 most of which comes back into this community. He stated that the nursery uses the merchants and vendors in Canby for

supplies, and doubts that anyone would question the need for low income housing. He stated that the seasonal workers at the nursery are there from 3 weeks to 3 months. He thinks the Redwood Inn would be very beneficial to the community.

Dan Wells, President Oregon Association of Nurserymen stated that he owns a nursery in the Aurora area that employs 13 full time employees and approximately 45 migrant workers during the peak season (4 or 5 months out of the year). He added that legislation is being passed that if farmers bring employees in, they have to pay for the housing. He added that the Oregon Association of Nurserymen have endorsed CASA and the Catholic Charities for the programs they are putting together. Mr. Bliss asked if housing for workers was supplied at this time, Mr. Wells stated it was not. Mr. Bliss asked if the current legislation would require them to provide housing and if he was for or against it. Mr. Wells stated that if he brought workers in on the H2A program he would have to supply housing, he added that he was not for it but that it would happen in the near future. Mr. Stewart asked if he was representing the Nurserymen or just himself at this meeting. Mr. Wells responded that he was representing both.

Ray Klupenger, Klupenger Nursery, stated that his company has been in the Canby area since 1962 and employ full and part time workers. He added that his company hires 125 year round employees plus about 50 part time employees, whether opposed or in favor of this project, if it lies here or somewhere else in the area, eventually these people have to find a place to live, that is the key issue, they will live “doubling or tripling up” in a rental house or apartment complex. Mr. Bliss asked if he supplied housing, Mr. Klupenger stated that he had property that he rents out and sometime he rents to hispanic people. Mr. Bliss asked what the average salary was, Mr. Klupenger replied it was \$7.92.

Devin Cooper, co-owner of Willamette Nurseries, stated that Canby prides itself on being a farm community and to maintain this it will need to provide local agricultural producers with an adequate supply of labor, that this type of housing would do that. He added that they do not offer any type of housing to their employees at this time, they pay \$400,000 in payroll (most of which stays in Canby) and that the average wage is approximately \$8.50. Based on the criteria spelled out in the laws and Canby’s long term plan he feels that proposal should be approved.

OPPONENTS:

Larry Wright, Metal Innovations stated that his company is a FAA approved aircraft repair station that has 9 employees and is projected to eventually have 30 employees, the starting wage is \$16.00 per hour plus benefits, it’s located at the entrance to the project site. Mr. Wright stated that the company looked at 5 sites before choosing this location, rejecting some because of their proximity to residential property. Mr. Wright stated that when looking at the Phase 1 Industrial Park it seemed to be dedicated to straightforward industrial zoning. His company is concerned with the increased number of people that may lead to an increase in theft and vandalism. Mr. Wright stated that if the Redwood Inn project was approved his company would move out of the industrial park when their lease is up.

Dorothy Cofield, Attorney representing Bruce Broetje, Broetje Properties LLC stated she believes the Commissioners should base their decision on protecting industrial land for zoned uses, this application is a Conditional Use and must meet that criteria. She stated that the city's definition of a motel is very broad and could very well be the same as a multi-family dwelling, therefore the commission needs to look at what the founders of the code intended when they decided there could be hotels/motels in the industrial use zone. In her opinion motels/hotels that supported industrial users was the type that was intended not housing to support the agricultural community even though it's needed, and that need is not part of the criteria to be used. Ms. Cofield stated that if this project was approved it would create higher density than was meant for an industrial zone, lower property values for the industrial user and that liability insurance will go up. Ms. Cofield stated that she believes there are some design review problems (adequate access to all buildings and vision clearance issues with the sign) that need to be addressed.

Ms. Cofield stated that she agreed with Mr. Sercombe regarding keeping the record open. Ms. Cofield stated that this application does not comply with the Comprehensive Plan, it does not separate incompatible uses, it does not intensify permitted uses, it will not promote industrial development and there will not be an increase in local employment. She stated that there is a state statute that allows farmers to put seasonal housing on their farm land for up to 9 month stays and if seasonal housing is needed that would be an appropriate place for it to be.

Ken Riley, Real Estate Agent stated that he has been working with a client for 2 months to find industrial property and that there is very little industrial property available in Clackamas County the majority of what is available is in Canby, with approximately 50 located inside the City Limits. Jason Kruckeberg concurred that there is probably less than 50 acres located inside the city boundaries and that the majority of available industrial land lies within the Urban Growth Boundary. Industrial land is essential to providing jobs for the future, he added that in the last year and a half a lot of decisions were made that affects how Canby will grow, he stated that he wants it to be more than a Fred Meyer Store and two gas stations. He added that in order for Canby to grow you need more than residences, you need industry.

Wilson Cocoran, Spectrum Woodworking, stated that Canby is in a unique position having industrial land available to help support commercial growth, schools, civil projects and jobs close to home. To maintain this quality of life it takes planning and zoning. He stated he is concerned with the development in regards to child safety, noise, liability of trespassers, the angle of the driveway and thinks the housing is needed but it needs to be somewhere else.

Vicki Stanfill, Vice-President, Inertia Systems Inc. stated that her company has merged and is in the process of expanding, but if the Redwood Inn is approved they will not be expanding in the Canby area, due to increased insurance costs and vandalism that would be associated with the increase in the residences in the area. She stated that she is also concerned with children being in the area due to the road is heavily traveled by truck traffic. She added that if the Redwood Inn is approved, her company would move out of the area.

Peter Angstadt, resident stated that he feels the housing is needed but that it is not an

acceptable use for the industrial zone. He added that the project would only be considered acceptable if it was a hotel/motel facility, but in his opinion it is multi-family housing that's not permitted in the M1 zone.

Randy Tessman, resident, he stated that he is a board member of the Portland Construction Specifications Institute, he cited many reasons why he believes the facility is not a motel/hotel, (no "No Vacancy" sign, no laundry service (but laundry facilities), basketball and soccer facilities, etc.). Mr. Tessman added that out of town farmers and nurserymen would be getting the benefit of having housing provided for their migrant workers without furnishing it on their property, he also questioned prioritizing low-income housing needs and disagrees with providing housing just to migrant workers when there are many people (including elderly) in need of low-income housing.

Doug Hanson, original owner of the property, stated that his major concern with the Redwood Inn was that it did not fit with the industrial park, when the park was created it was to be industrial with some commercial aspects. Hope Village and Trost School wanted to locate on the property, they were denied because it would be a "waste" of the industrial park, now they are trying to change the rules, that spooks people and drives off prospective buyers.

Jim Russell, Russell Mfg., stated that he owns the planer mill located in the industrial park. Mr. Russell stated that they were the first jobs created with the \$80,000 grant from the State of Oregon, his company has been in the industrial park for 5 years, with no criminal mischief reported until a high density housing unit went in 2 years ago. He stated that since then there have been fires started, vandalism, kids trespassing (climbing on stacked lumber, bicycle riding through the lot). Mr. Russell stated that children don't mix with heavy trucks, it is too hard to stop a loaded truck if a child rides out in front of it. He added that he located his business in the industrial park because that's what he assumed the zoning would be, and he believes the Redwood Inn project would have a detrimental affect upon the industrial park, regarding future businesses coming in (losing potential jobs) and existing businesses staying.

Jan Hanson, original owner of the property stated they paid the original \$500.00 fee for the sub-division, donated 3 acres to the City of Canby and have been assessed 6 cents a square foot. She stated that her and her husband installed a \$5,000.00 cedar fence and spent \$2,000.00 to have it conditioned, it is now covered with graffiti. She added that the nurserymen who have testified have been from outside of Clackamas County and do not live in Canby. She stated that there are 3 offers for the sale of their property that are all on hold until a decision is made on the Redwood Inn project and they will be withdrawn if the project is approved.

Chris Patterson, co-owner of Toolmac Industries, stated that his biggest complaint is the increase in traffic, at 5:00pm it is hard to pull off of second onto Pine St., there is too much traffic going through there now. It's an industrial zone and an increase in traffic will scare off new business.

Bruce Broetje, property owner, voiced his concerns regarding truck traffic and the increase in the number of children that would be living in the complex, the safety issue with fire

and the chip facility. Mr. Broetje stated that this project (the industrial park) was design to bring high paying industrial jobs to the Canby area, with the Redwood Inn project not only will Canby lose approximately 200 future jobs, he is looking at losing renters in his property. He added that a fence around his property wouldn't keep the kids on bicycles out because they come down the driveway and use the loading docks for obstacle jumps. He voiced his concerns regarding theft and vandalism, (which occurred only after the Orchards Apartment complex opened), that his liability insurance costs will increase and it will limit the ability to rent his facility.

Kent Elliot, of Elliot, Powell, Baker, Baker Ins. Agency stated that he was asked by Bruce Broetje if the cost and availability of insurance would increase. He answered yes, that one of the first considerations an insurance agent looks at is the surrounding areas and the perception of losses. Since the apartments have come in there have been increases in liability and property damage claims which is affecting the cost of insurance.

Jolene Campbell, resident stated that she is a long term resident and grew up on a vegetable farm, her father supplied housing for their migrant workers on their farm and thinks if farmers need to have the migrant workers, they need to furnish the housing. She added she had concerns about the impact on the school system (her daughter is in a class of 27 now).

Dick Morse, Canby Builders Supply, stated his concern regarding the traffic situation for the Fire Department, that Redwood is so congested at times that responding rescue vehicles have to use the Southbound lanes to reach Hwy 99E due to traffic backed up in the Northbound lanes.

Owen Smith, resident addressed his concerns that putting a Holiday Inn on that site would still alter the character of the surrounding area. As a safety professional putting commercial vehicles, trash transfer station, fire department, and children together is a recipe for disaster. He stated that the agricultural farmers in the area should accept their responsibility to provide housing for their migrant workers since it is the farmers decision to grow such labor intensive crops.

Chris Mead, resident stated that this shouldn't be a race issue but feels this is reverse racism, he would not be able to build a hotel that allowed only Caucasians, but Catholic Charities will be allowed to build a motel that only allows farm workers. Basically he believes it is not a hotel but a homeless shelter and it does not belong in an industrial park. The park was created to bring business to Canby and this would not only keep businesses away but would cause existing businesses to relocate out of the Canby area.

Craig and Kim Wilmes, Metal Innovations, Ms. Wilmes stated that when they went to the public meeting CASA held, the attorneys referred to the complex as an apartment and the agreements as leases, now they are changing the words to fit the conditional use. She added that their company has plans to install a helipad on their site and to allow the Fire Department full access to it for landing Life Flight, if the Redwood Inn is allowed to locate in the industrial park they would not be able to go through with the construction. Ms Wilmes addressed some of the concerns regarding additional children that would put a bind on a already over-loaded school

system. The construction of a motel would substantially increase their insurance costs (since they are an air carrier repair facility they must get insurance through Lloyd's of London) due to the increased population. They also stated that they understood from the public meeting that CASA planned on having community events held on the property and wondered where the cars would park since only 1 ½ spaces per apartment were planned, people would park on the access strip severely limiting rescue equipment access in case of an emergency.

Jeff and Connie Kirkman, residents Mr. Kirkman stated that increase of children and traffic on Township Rd is a cause of concern, his children catch the school bus on that road, with CASA VERDE project going in it is going to be busier, this development will be an additional increase in the amount of traffic. They stated they are concerned about there only being one entrance to the property in case of an emergency. They questioned how long does a person have to live in Canby before you become a resident, and does not believe that this project fits as a hotel.

Alice Clymens, resident stated that she went to city hall and inquired about Redwood Inn paying property taxes, and was told that this development would not pay taxes. She feels there would be an added burden and stress on schools, fire department, police department and the people who do pay property taxes would be asked to cover the increase in costs.

Dan Ewert, Valley Investments stated that there needs to be a definition of "citizen of Canby", the Comprehensive Plan says to provide low-income housing for the citizens of Canby, he thinks that the policy has been twisted around, Canby does support agriculture, but it does not say that we must supply agricultural housing. Mr. Ewert stated that his company is looking at several pieces of land in Phase 2 of the industrial park that hasn't opened up, and would seriously consider not locating there if this project was approved.

Dave Sheldon, resident stated that the traffic and the accidents on Township will increase due to the increase of a 200 person hotel. When he located here he knew Canby would grow but did not know it would grow this direction.

Christine and Duane Kloser, residents stated that they wanted the commissioners to take into consideration what the impact of having a motel that caters to low income transient farm workers would do to the resale value of their home. They said the traffic increase at Redwood and Township Road near Trost School was not addressed in the staff report (it is already a dangerous intersections and this will only make it worse). They added that to take away someone's right to complain would not be fair to the inhabitants, that heavy truck traffic and children at play are not compatible and that Canby should not approve projects that creates islands of race as has been done in Woodburn and Portland.

Cindy Storlie, resident stated that she is opposed to the motel because of the increase in vandalism (both to business and residential), the lack of emergency access to the motel, potential long term maintenance problems and the possible over-load on the schools.

REBUTTAL

Mr. Sercombe stated that to accurately respond to everything that was presented at this meeting he would need additional time and requested that the record be kept open, he suggested that the record be kept for one week allowing new evidence by any party that testified (until November 1st), then a short period of time to respond to that (till November 5th) and that the meeting on November 8th would be to hear arguments only.

Mr. Sercombe stated some concerns were the uncertainty regarding how much industrial land is available in Canby, residential uses continuing on industrial zone land and the apparent improvement of those residences and problems with safety, vandalism and security (but no security measures are apparent). He added that the code allows for hotel/motel and "similar accommodations" and that the use can be conditioned to be compatible with other uses. Mr. Sercombe added that he wanted the Canby land needs study to be entered into the record.

Mr. Brown stated that the Planning Commission is looking at adopting the highest and best use for the available land, especially regarding downtown commercial and industrial land, and asked how this project would fit highest and best use. Mr. Sercombe admitted that if best use is described as something that produces the most tax revenue, then this isn't the best use but if you describe best use as something that satisfies key fundamental goals of the Comprehensive Plan, (supporting one of the key economies of the area, providing housing for an under-housed portion of this community), then maybe this is the best use, that's a judgement the commission will have to make.

Mr. Bliss asked if the live in manager would take up one of the 46 available spaces. Mr. Hainley answered that they would be 2 on-site managers and live in one of the units. Mr. Bliss asked if CASA VERDE would accept an application from someone who plans to stay for a month or less. Mr. Hainley stated that due to the funding of CASA VERDE they have to be willing to submit a 1 year term. Mr. Bliss stated that he would like more clarification on whether the units would be leased, and the rights that an applicant would have to alter the unit, by hanging pictures or installing screen doors.

Mr. Kelly, City Attorney, discussed the procedure for keeping the record open and continuing the hearing as Mr. Sercombe and Ms. Cofield have requested.

Mr. Stewart thanked the citizens who had participated in the meeting, Mr. Brown stated that the city is going through the Periodic Review process and re-evaluating all the decisions associated with the Comprehensive Planning map and would appreciate input from the public as the commission goes through that process.

It was moved by Mr. Brown, seconded by Mr. Bliss to close the public testimony, leave the record open until 5:00PM on the 8th of November, rebuttal from all parties will be open until 5:00PM on the 18th of November and then limited arguments heard and a decision made at the November 22, 1999 Planning Commission meeting. Passed 6-0.

IV. NEW BUSINESS URBAN RENEWAL

Jerry Pineau, Community Director, stated that he was there to get the recommendations of the Planning Commission to take to the City Council on the Urban Renewal Plan. Jerry stated that there were people in the audience who would like to testify tonight and turned the floor over to them.

Mr. Ted Kunze, Fire Chief, Canby Rural Fire Protection District stated that he has been requested by his Board of Directors to make a position statement regarding Urban Renewal. After much deliberation the fire district has decided to oppose Urban Renewal in it's current form citing that it provides no assurances even with a line item, that any money will ever be spent towards fire protection in the industrial area, as Canby continues to grow there's a need to provide not only sewer, water and police protection but also fire protection. Mr. Kunze urged that the commission adopt the same position.

Mr. Bliss asked what would be needed to have the support of the Fire District, Mr. Kunz replied that there would have to be some assurances from the City and the Urban Renewal Agency that fire protection projects were as important as other projects and that the funds be made available to them as they go through the process (as dollars come in). If the Industrial Area were allowed to grow on it's own the fire district would receive the funds and be the steward of those funds to provide for fire and EMS protection, under this plan the URA is the steward of those funds.

Ms. Tallman asked for clarification that if the URA goes through the amount of taxes they receive would not increase and if they did receive a fire truck or station built through the UR, there wouldn't be any money to man those projects. Mr. Kunze replied that UR dollars could not be used for personnel, they have offered to make a shift in the budgeting process and not put as many dollars away for capital improvement projects and shift monies towards material and services. He added that they do not need a new station in the URD and that is the only place UR money can be spent and if the UR purchased a fire truck, they could not guarantee that the truck would only be used in the URD so it would have to be done on a prorated basis.

Mr. Brown asked what assurances the fire department would like to see in place, Mr. Kunze responded that an assurance between the council and the dept. that a commitment that fire department projects would not be discounted and a priority system put in place. Mr. Stewart asked if he believed that UR should be brought before the people. Mr. Kunze replied that as Fire Chief he believes most funding measures need to be brought before the people.

Mr. Bob Zimmer, Industrial Area Association member, stated that this is a complex matter and a lot of people don't understand the concept, it's about investing in the future but it will cause some short term redirection of incremental tax dollars. He feels there is an opportunity (with the development that has already taken place in this Urban Renewal Area) to take the incremental tax dollar and reinvest it in some other projects, the whole idea of UR is to invest in the defined area to create future tax dollars.

Mr. Stewart asked if Mr. Zimmer supported the Urban Renewal Plan as written, Mr Zimmer replied absolutely, he believes it will require a UR to fund the development and fuel projects which will create the tax dollars.

Mr. Leighton Perkins, resident stated that there are 31 property owners in Phase 2 and 3 and most of them believe it's only fair that the infrastructure (Sequoia) be developed by the city and then the property owner will have to pay for their own infrastructure. He explained that each year the Agency for the Urban Renewal District will review the needs of the area and prescribe a budget. What the industrial area property owners would like to see is a complete engineering study done so everyone will know exactly what it's going to cost. Mr. Brown stated that the property has gone from EFU which is taxed by the acre, to (when it's annexed) becoming commercial property and being appraised by the foot, why should the city of Canby pay 20 million dollars to build the infrastructure that will make forty people multi-millionaires. Mr. Perkins responded that most sub-divisions averages out to about 4 acres with the infrastructure already up to that property, therefore the developer and the owner know what their expense is going to be but no one has brought the infrastructure to his property.

Jerry Pineau, stated that this is a plan that has been created from elements of the Comprehensive Plan, Canby by Design and other documents that the public has already had input into and there is a lot of flexibility built into it. Responding to the Fire Department concerns his recommendation to the City Council is to put a project in and tie it to revenue, because if the industrial area is built like intended it would be a direct impact on emergency services, but the URD would not be able to guarantee they could spend 6 million dollars in a 20 year period.

Mr. Brown asked if the agency has already been established. Jerry responded that the City Council has designated themselves as the Agency for the Urban Renewal District. Mr. Brown asked for how long, Jerry responded that until the time the City Council decides to change it. Mr. Brown asked if there was an appeal process, Jerry answered there was not. Mr. Brown asked if the City Council plans on creating an Urban Renewal Agency that was not the City Council, Mr. Pineau responded that would depend on the work load, (maybe in 5-10 years) they are just getting into the process, the first large sum of money won't come into the district till the 4th or 5th year.

There was a discussion led by Mr. Brown regarding the procedure for condemning a piece of property, the powers of eminent domain, the ability for the council to make major and minor plan adjustments and concerns that the City Councils would have no checks or balances in regards to the power they would control. Jerry stated that the City Council has the authority to condemn property now and that recommending that a separate agency be formed is an option for the commission.

Mr. Brown questioned why the City Council would review a redevelopers plans before the plans were sent to the reviewing bodies when there are Master Plans in place already to use as guide documents, Jerry responded that if a redeveloper brings a project to the agency, the agency needs to decide if it's a project that they support and want in the District they will then

decide what contribution if any the UR would make to the project. Mr. Brown stated this was a pre-veto process before it comes before the Planning Commission. Jason Kruckeberg stated that the land use process doesn't change, all that they are dealing with is whether the Urban Renewal Agency will fund or not fund the project, it could still come before the commission but the decision would already have been made that it is or is not a suitable project for the UR to fund. Mr. Brown stated that he felt it could become a heavy handed deal.

Mr. Stewart stated that the committee put together a good working document but that it lacks specificity. He continued that he was concerned regarding the acquisition and redevelopment of property by "any legal means to achieve the objects of this plan" is nothing short of condemnation and feels that is a major policy reversal by the Mayor and by members of the City Council who have publicly stated that they would not condemn land. He added that the city already has the power of eminent domain for health and safety and this gives them additional power to obtain any piece of property in the Urban Renewal District. Jerry responded that there are state statutes that describe what condemnation is, this document cannot overwrite those statutes.

Mr. Stewart stated he was concerned by the use of the term "fair reuse value" when the Urban Renewal District is disposing of real property that had been acquired by the Agency, fair reuse and fair market value are not the same thing, he stated that theoretically the city could sell a piece of property for a dollar to any developer or person at its discretion. Mr. Stewart also stated that it would be possible for a person to make major alterations to the plan with out notifying the public Jerry disagreed stating that Oregon statutes say it must go through the process, with public participation and open meetings.

There was discussion regarding the Urban Renewal Agency being able to create possible inequitable repayment programs for loans at their discretion. Jerry stated that the plan is based on ones that are in use throughout Oregon, and they are written with a lot of latitude. They are administered most often by City Councils but in some cases there are separate independent entities with the City Councils only oversight being the annual budget. Jerry added that there was discussion by the Task Force of making the agent for the UR a hybrid of City Council members and private citizens but the City Council basically said since it involves 51 million dollars, they want to make sure they know what's going on. Jerry stated that he encouraged the Commissioners to recommend to City Council that the language be tightened up on the plan, but if the City Council asked him if this is the type of UR in use in Oregon he would have to respond that it wasn't.

Mr. Stewart asked why this couldn't be put to the vote of the people. Jerry stated that it has not been done in Oregon, since this is a legislative action it would have to be explored to see if it would be legally possible to put it to a vote.

Ms. Tallman stated that she has concerns regarding the term "fair reuse value" and would not support it unless it was fair market value as determined by an independent auditor, that there are no checks and balances to control the added power given to the City Council, that it can't be voted on, that it does not seem fair that the entities involved (fire district and schools) are not

able to stop it. She added that she would like to see in writing the need for audits, Mr. Stewart stated that he felt more information should be included regarding what controls there are on the process. Jerry replied that the commissioners could recommend that the statutes be added to the document but informed them that it would become a very lengthy document. Ms. Blackwell stated that she felt there should be more references in the document that it is governed by state statutes and feels the average citizen has no idea of what the document means.

Mr. Brown stated that the commissioners needed a reasonable vote with a coherent list of recommendations for Jerry to take to the City Council, and moved that they continue the hearing and come up with a list of recommendations and do the plan justice. Ms. Blackwell seconded the motion.

Jerry stated that there was a time line, and suggested that a basic decision be made and then follow it up with some specifics, which would allow him to get it to the City Council before it's voted on November 17, 1999. The commissioners discussed the options, whether to recommend to approve, recommend not to approve it, recommend conditional approval pending receipt of recommendations, the motion to continue was withdrawn.

Mr. Bliss asked for clarification on why the time line cannot be extended. There was discussion between the commissioners and Jerry explaining the way the tax base works and why having the Urban Renewal District established this year would allow for the full increase of the difference between the tax rolls this year and January 1, which is when Fred Meyers complex will be assessed. Jerry explained that the latest the City Council could vote on the issue is at the meeting on the 17th of November.

Mr. Stewart stated that he wanted the commissioners to think long and hard about this vote since it may be the only review the public gets on this issue, Ms. Blackwell asked for clarification on what he meant, Mr. Stewart responded that he is recommending not to implement this, there are far too many unanswered questions and too many concerns regarding procedures, checks, balances and about audits, and the average person reading this would have far more questions than answers.

Mr. Bliss stated that he would prefer seeing this go forward with modifications or recommendations. Mr. Stewart stated on this issue, Mr. Bliss would have standing in front of the Council if necessary. Mr. Brown stated that he believes the Urban Renewal District must be formed or the industrial park will take forever to happen, but he does not feel comfortable voting for the URD due to issues that have been discussed.

Mr. Brown made a motion to recommend non-implementation of the UR Plan, seconded by Ms. Tallman. Mr. Bliss asked how it would get in the minutes that the commissioners didn't just deny it, when it comes across on paper will it be known that they support UR just not the document written the way it is and they need more information and clarification. Mr. Stewart stated that the need for Urban Renewal is there and justified, they just don't believe the plan is specific enough. Mr. Brown stated that this is not a real harsh negative vote.

Mr. Stewart called for the vote, motion carried 5 to 1, Mr. Manley was informed that he could make written comments for the record due to his minority view.

V. MINUTES

Tabled until the next meeting

VI. FINDINGS

SUB 99-02 GRAMOR, CANBY MARKET PLACE

Mr. Bliss noted that there was a lot of discussion that was not included in the findings, Jason stated that the listed discussion items are just major points that were discussed. Mr. Bliss made a motion that they approve the Conclusions, Findings and Final Order for SUB 99-02 as submitted, seconded by Ms. Blackwell motion carried 5-0 with Mr. Manley abstaining due to not being at the meeting.

MLP 99-05 MARNELLA

Mr. Brown made a motion to approve the Conclusions, Findings, and Final order of MLP 99-05 as written, seconded by Ms. Blackwell, motion carried 5-0 with Mr. Manley abstaining due to not being at the meeting.

VII. NEW BUSINESS

Jason told the Commission that there will be an ad out for the vacancy for a new commissioner, he reminded Keith Stewart and Jim Brown of a Citizen Involvement Committee meeting Wednesday the 27th of October. He informed the Commissioners that John Williams, Associate Planner would be attending the next meeting. Jason stated that invitations for the Planning Commissions Christmas Party would be going out soon. He reminded the Commissioners that there will be no meeting the 27th of December.

Mr. Stewart thanked the staff for a good, balanced staff report.

VIII. MEETING ADJOURNED