

MINUTES
PLANNING COMMISSION
WORKSHOP/REGULAR MEETING
June 12, 2000
6:00PM

• **WORKSHOP** Ron Yarbrough, Fire Marshal

Mr. Yarbrough gave a presentation to the Commissioners regarding Fire Safety.
Items covered included:

- Reality of smoke during fires (dense, dark & disorienting)
- People in fires will likely die from inhaling gases, extreme heat, rather than fire
- Smoke Detectors and Fire Sprinklers in residential dwellings
 - A. Reduced death rates by 80%
 - B. Scottsdale Arizona requires sprinklers in new homes, no deaths in homes with sprinklers systems as opposed to 10 deaths in homes without sprinklers.
 - C. Decreased property damage (water damage vs. fire/smoke damage)
 - D. New poly tubing reducing cost of plumbing new homes
- Rewriting code to require fire sprinklers in new single family residences
- Planning Commission could be the first step in creating new standards for fire safety

II ROLL CALL

PRESENT: Chairman Keith Stewart, Commissioners Paul Thalhofer, Jim Brown, Jean Tallman, Corey Parks, Teresa Blackwell

ABSENT: Geoff Manley

STAFF: John Williams, Planning Director, Carla Ahl, Planning Staff

OTHERS PRESENT: Terry Tolls, Terry Prince, Buzz Weygandt, Jean Rover, Lisa Weygandt, Bud Roberts, David Siegel, Kay Lewelling, Craig Lewelling, Dan Stoller, Ted Kunze, Thomas Fitzpatrick, Roger Skoe, Joan Jones

III CITIZEN INPUT ON NON AGENDA ITEMS

None

IV PUBLIC HEARINGS

ANN 00-02 An application to annex 35 lots totaling almost 300 acres in an area roughly bordered by the Molalla Forest Rd, SE 13th Ave., S. Mulino Rd, and SE 1st 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. When asked if any Commissioner had a conflict of interest, Mr. Thalhofer stated that his firm represented some of the owners of property in this application, and excused himself from the hearing. No other Commissioner stated any conflict. When asked if any Commissioner had ex-parte contact Mr. Brown, Mrs. Tallman, Mr. Parks had all visited the site but drew no conclusions, Mr. Stewart and Ms. Blackwell stated they had visited the site and had people question them regarding the application, but did not participate in any conversations, and drew no conclusions. No questions were asked of the Commissioners.

John Williams began the staff report with a brief background on the application. He explained that it was City sponsored with a special election available on September 19th. He explained that the timeline was set so the Industrial Area would be included in lower utility rates.

He explained if annexed, the properties would be zoned as defined by the Comprehensive Plan, and an Industrial Area Overlay with specific guidelines for the area would apply. He added that any changes to the zoning would be done by future applications.

Jerry Pineau, Community Development Director addressed the Commission and clarified that the lower utility rates would only apply if it was purchased through Bonneville Power Association (BPA), and if that happened it would be a significant savings of 25 - 30% to any customer served by Canby Utility.

Dave Siegel, Pacific Rim Resources, Representative for the City of Canby for the application stated there were 7 elements of the Comp Plan that applied to the application, and addressed each one.

Mr. Siegel addressed the Urban Growth Element. He stated that the Comp Plan calls for the eventual transition of land within the Urban Growth Boundary from resource land to urban land, and discourages development of property until it is annexed and then provided with public services. He added that this is a priority area for growth due to the lack of industrially zoned land available in Canby, and that the area will be provided with services prior to development of the property.

Mr. Siegel addressed the land use element stating that it calls for guiding the growth of Canby to avoid conflicting uses. He explained that an Industrial Area Master Plan had been developed, and the area is regulated by an Overlay Zone. He stated a land needs study done last year showed Canby has less than half of the industrial land projected to be needed for future growth, and that bringing the entire area into the city would result in orderly planning.

Mr. Parks asked what the time frame was on the land study. Mr. Siegel explained that it was based on a 20 year need.

Mr. Siegel continued that the City's policy also discourages development which would over burden public facilities and services. He explained that the community has been preparing master plans that show how the industrial area would be served, and that adequate public services will be constructed at the time of development.

Mr. Brown questioned the shortage of land since there is a 3-5 year supply of vacant land in the City at this time. Mr. Siegel replied that it is far less than the land needs study indicated will be needed over 20 years. Mr. Brown questioned the need for a 20 year supply. John Williams responded that there are few large parcels of industrial land available in Canby. Mr. Brown asked if potential users had been turned away due to the lack of large parcels. Mr. Williams stated that it is possible that businesses have been looking and not finding property that would fit their needs in Canby.

Mr. Siegel addressed the environmental concerns regarding this application, stating the policy is to protect water resources, wetlands, historic resources, and encourage urbanization of non-agricultural land first. He explained that most of Canby's future growth areas are prime agricultural land, and larger, flat pieces are suitable and needed for future industrial growth.

Mr. Siegel acknowledged that the Zion Cemetery is a resource and no development would be allowed to encroach upon it. He explained that the plan calls for several open space areas and a trail connection, and there will be no impact to identified wetlands, surface water, or ground water resources. Mr. Stewart stated if the extension of Sequoia Parkway required 40 feet of right of way, it would impact the Zion Cemetery.

Mr. Siegel addressed the transportation element, and stated that the Industrial Area Master Plan identifies the transportation improvements that would be necessary to serve the area, including improvements to Sequoia Parkway, a new Mulino Rd. connector, realignment of 1st Ave., and improvements to several other streets. Mr. Stewart questioned the necessity for 2 bike lanes in an industrial area. John Williams explained that the reason for 2 bike lanes is to accommodate employees, not necessarily recreational riders.

Mr. Siegel explained that the financing strategy is being developed by the Industrial Area Task Force, and will be in place before any development begins. He added that staff has recommended that a detailed traffic impact study be conducted prior to approval of individual

industrial development applications. Mr. Stewart asked if it would be more efficient to have a traffic study done prior to any development applications. John Williams stated it would be possible to amend the Master Plan and do a comprehensive traffic study that would look at "worst case scenario". Mr. Stewart commented that having one large traffic study would be a more coordinated approach than trying to put small pieces together.

Mr. Siegel addressed the Public Facilities and Services Element, he stated that the policies are aimed at assuring the availability of a full range of services, and cooperating closely with service providers. He added the Fire District had stated adequate services are not and will not be available, and explained it was staffs understanding that it is a funding issue that is being addressed by the Urban Renewal District and the Fire District, but it is unlikely to be resolved through this annexation process. He added that all other service providers have stated that service is or will be available upon development.

Mr. Siegel addressed the Economic Element, stating the plan calls for diversification and improvement of the City's economy and promotion of industrial development at appropriate locations. He added that the land needs study identified the need and the Industrial Area Master Plan is in place to guide the development of this area.

Mr. Siegel addressed the Energy Conservation Element, stating that it seeks to reduce wasteful patterns of energy consumption, requiring the city to provide adequate land for industrial uses in order to expand local employment opportunities and reduce the need for commuting. He stated the proposed annexation will allow for a substantial number of new jobs for the city, and reduce the need for commuting outside the area for employment.

Mr. Siegel stated that the area to be annexed is Priority B and Priority C. He explained that there is no Priority A industrial land left outside the city making it appropriate to annex B and C properties. Mr. Brown questioned the need to annex all 300 acres when the land study suggests a need for 170 acres over a 20 year period, he explained that this annexation would represent a 40 year supply of industrial land.

Mr. Siegel explained the annexation would meet other criteria also, being a benefit to the city by providing living wage jobs, reducing the need to commute outside of the city for employment, and it would be more cost effective to look at a larger annexation that is Master Planned for public facilities and services than a piecemeal approach would be. Mr. Brown commented that the area has already been Master Planned and questioned if another process was needed. Mr. Siegel responded that it would not be a separate process but would deal with the actual financing and provision of the public facilities and services in a holistic manner.

Mr. Brown compared this to the Gramor annexation, when the citizens knew what the intended use for the property was and questioned why it would be better to have all three hundred acres brought in at one time. Mr. Siegel responded that many communities would like to have available a large assemblage of flat serviceable industrial land, and stated that the community has

a lot of foresight in looking at doing this annexation, it will put Canby in a much more competitive position than other communities in the metropolitan area.

Mr. Parks stated that this is a unique asset for the city and stated his concerns that the large annexation would take away from the citizens the ability to look at development project by project. He questioned why we would want take an asset and potentially turn it into a one developer, 300 acre project. He stated that when these properties are gone the prospect of Canby having additional usable industrial land in the future is not good, and added that the annexation of the 300 acres would be no more beneficial than having 300 acres become part of the city with smaller annexations.

John Williams added that the impact of having large parcels available can make the parcels a more attractive commodity in terms of recruiting the types of uses the city would like to see, and that the long annexation process and the uncertain vote by the people may discourage potential developers.

Mr. Brown questioned if having it already annexed wouldn't benefit the least desirable users, because the only input the Planning Commission would have is to see if the project has enough handicapped parking places, or is adequately lit. John stated that through the overlay zone and the design criteria, hopefully undesirable uses would be screened out.

Mr. Siegel addressed the Transportation Element and stated the proposed annexation is bounded by existing roads, these facilities along with bicycle lanes and bus stops make access more than adequate.

Mr. Siegel addressed the requirement that adequate Public Facilities and Services be available to serve potential development, he stated that the Industrial Area Master Plan identifies existing and proposed sewer, water, storm drainage, open space, and transportation facilities to serve projected industrial uses. Mr. Stewart asked Mr. Siegel if he was worried about the comments from the Fire Chief. Mr. Siegel responded that he was concerned, but he understood that it is a funding issue and is being addressed by the Fire District and the City and hoped it could be resolved in a timely manner.

Mr. Siegel stated that the application was consistent with other policies, it meets ORS 222, no land that is subject to natural hazards has been identified within the area proposed for annexation, and that there is no adverse impact on open space, scenic, historic, or natural resource areas. He added that the Industrial Area Master Plan provides for protection for the Zion Memorial Cemetery.

Mr. Siegel addressed what adverse economic, social, and physical impacts the Industrial Area might have, he stated that the city would be impacted by additional employment opportunities, residential growth and additional traffic within the community. He explained that specific development proposals would be required to prepare traffic impact analyses identifying

specific measures that would need to be addressed to resolve impacts on the transportation system. He added that the application would create an industrial area that's separate from residential areas limiting conflicting uses. Mr. Siegel stated that the increase in employment would benefit the city's economy, and the social impact regarding open space, bicycle facilities and trail connections would be beneficial as well.

Mr. Siegel stated that the community has known about and supported the inclusion of this industrial area into the city limits, studies have shown the annexation is needed due to the lack of available industrial land in the city, and the Industrial Master Plan shows how the area can be developed and served in a manner consistent with the Comprehensive Plan and Development Standards.

Mr. Siegel stated the application meets the annexation criteria with the addition of four understandings: upon annexation the properties would be re-zoned into the appropriate zoning designations; city and service provider regulations would be adhered to at the time of development, or at the time of connection to public services; detailed traffic studies will be required as part of future development applications; and financing of public improvements in the industrial area will be provided by public and/or private sources.

Mr. Siegel stated that staff recommended that the Commissioners recommend approval of the application to the City Council.

Mrs. Blackwell asked for clarification on what the zoning would be if the annexation was approved. John Williams responded that if the election results approved annexation, the properties would take on the zoning in the Comprehensive Plan.

Mr. Brown asked for names of any key users who had requested larger parcels in the industrial area. Mr. Pineau responded that during the past 2 years the City, State, and County have been working on ways to develop this area, they have advertised land is available and the City wants it developed for family wage jobs. He explained that so far the smallest parcel that has been discussed is 6 acres, the largest is 30 acres, the number of developers that have inquired about property is 15. He explained that due to confidentiality he was not able to give out names of developers.

Mr. Pineau explained that a process has been developed that includes the land owners, the City Council, and the community (approximately 75 people) dealing with what types of developments would be beneficial to the city, so far they have turned down 8 potential developers.

Ms. Blackwell asked for an idea of how much acreage has been discussed. Mr. Pineau replied that there are formal commitments for 20 acres from 2 different groups. Mr. Parks asked if these are desirable development options why are they not trying to purchase property now. Mr. Pineau explained that the developers who are involved now want to be a part of the process, if

the land is brought in a few parcels at a time, each application would have to deal with the annexation process which takes 6-9 months, in 3-5 years when industrial land is scarce developers may be willing to wait, but the aim is to spur on development.

Mr. Parks asked how the city could prevent a property owner from setting up a chicken rendering plant, there is no zoning code that would prevent it. Mr. Pineau stated they are working on getting actual agreements with the property owners regarding what would be allowed and do an overlay zoning in the area to make sure to exclude the uses we don't want.

Mr. Parks stated that type of zoning activity should have citizen involvement prior to annexation. There is no assurance that the Planning Commission can give the public that guarantee they will get a nice development with restrictions on the types of industry allowed, he expressed his concerns that the public have a say in how the area would be zoned and the type of uses that would be allowed.

Mr. Pineau stated that the URA has stated that if there isn't that type of cooperation the agency would not fund the projects, and if the agency isn't going to fund them there will be no development out there, unless a developer says they are willing to put in \$2 million of infrastructure so they can develop.

Mrs. Tallman asked if it is necessary to change the ordinances as to what the restriction will be in the various zones before the annexation. Mr. Pineau responded that Periodic Review will take more time than everyone would like and they are trying to speed up the process so they will look at it in July or August. He added that after July 20 there is a time before it goes to printing that it can still be worked on, the intention is to get the zoning resolved and questions answered. Mr. Parks asked if the ballot would be withdrawn if it was not done by then. Mr. Pineau said that it would be withdrawn.

Mr. Brown asked for a range of time that Mr. Pineau thought the industrial area would be filled up. Mr. Pineau responded that they were looking at a 30 to 50 acre immediate absorption, and agreed that it may take 6 to 8 years to fill up. Mr. Brown asked if there was a great increase in family wage jobs and an influx of people, would the city be able to deal with the impact on the city's resources. Mr. Pineau stated that they are trying to match the work force in the community and try to make that the work force in the industrial area, not to draw people in but to keep people here. He stated that the 2 developers who have earned money on property plan on drawing 60% of their work force from Canby, he explained that the earned money is on property that has already been annexed, but the progression of the development will continue on down Sequoia into the unannexed area.

Mr. Stewart questioned Mr. Pineau regarding his concerns over the Fire District comments. Mr. Pineau stated one of the Fire District's concerns was the impact the proposed annexation would have on the district since there would not be taxes to hire the additional personnel, nor could money be used from the UGD. He thought the lack of specialized

equipment was an issue that could be resolved, but not immediately.

Mr. Parks asked what can't be done prior to annexation that can be done after, other than the sale of the property, if the Master Plan, zoning, and the overlay are already in place what does the annexation give the city except immediacy. Mr. Pineau responded it is leverage to work with the property owners, to have them bring in what the city wants and tighten up the zoning code.

Ms. Blackwell questioned what development agreements were in place with the property owners regarding sale of property to undesirable uses. Mr. Pineau stated that so far it has been on good faith, and it has been discussed with the city.

Mr. Stewart asked if Sequoia goes through and takes part of Zion Cemetery, where will the city get more land for a cemetery. Mr. Pineau stated he did not have an answer to that. Mr. Stewart asked what the process would be to take 40' of a historic cemetery. Mr. Pineau stated that the City Council has the authority if they chose to do that, he explained that if the area didn't get annexed now it would come up at some time anyway if the city followed the master plan.

Mrs. Tallman questioned the accuracy of the staff report due to it stating that it would not negatively impact historical resources, and the Zion Cemetery is a historical resource, losing 40' of it would definitely have negative impact. John Williams stated the annexation would have no effect on Zion Cemetery, the effect would come with future development.

PROPOSERS:

Terry Tolls, Advisor to the Industrial Area Association addressed the Commission and responded to some of the issues that were discussed. He explained that the Industrial Area Association (IAA) would like to see modifications to the zoning code, such as the removal of the heavy industrial zone, and the elimination of noxious odors. He explained that he is a real estate agent and has been unable to get people interested in property in the area because it does not have the image they are looking for, quality begets quality.

Mr. Parks stated that the city is trying to get people involved with the periodic review process and asked if a similar process would be the appropriate when addressing zoning. Mr. Tolls stated there has been a lot of citizen involvement in the process so far, and explained that all of the IAA meetings have been public. Mr. Tolls stated that it is a concern to the IAA, and it would be an asset to the IAA if it is done right.

Mrs. Tallman stated that a list from the IAA stating what types of development they do and do not want would be of value to the Commission. Mr. Tolls stated the association has done some discussion regarding the zoning, but have not formalized anything at this point.

Mr. Tolls responded to the question "why all 300 acres at one time", a quality tenant who

wants a major site needs to know the site is deliverable, a site that is not annexed in and is subjected to an uncertain voter response is hesitant to invest the time and money, the ability to address these issues with the Master Plan gives the city the ability to control the process.

Mr. Tolls explained that not all of the area to be brought in on this application is within the Urban Renewal boundary, any development that took place out side of the UGB would be a boost to city taxes there by increasing the amount of funds the Fire District would receive. Mr. Tolls stated the larger peripheral parcels will probably be the first to sell since there is a shortage of larger industrial parcels available.

Bud Roberts, Retired Engineer, member of the Industrial Area Task Force, addressed the Commission. He stated many of the property owners in the industrial area are retired from their jobs and planned on spending the rest of their lives farming, being annexed into the city was not a priority to them, then the city did a master plan of the area as industrial and assessed some property for infrastructure to bring Shimazu in. The owners did not feel they had a vote on that so they have tried to get into a dialogue with the city so there is some certainty to the development. He added that if the owners are going to have to pay their share of this industrial park, they are going to get something for it, for most of the owners it is their estate, and they want to make sure they leave a legacy that has a value. He stated that the IAA wants to be partners with the city.

Mr. Parks questioned the lack of citizen involvement in the process, and asked if the issues shouldn't be resolved prior to annexation. Mr. Roberts stated the City Council and the IAA are looking at establishing a Memorandum of Understanding that both entities will sign that will assure a "fatal flaw" won't exist and establishes how issues that are potential stumbling blocks will be resolved.

Mr. Parks asked if there were other benefits to the city to annex 300 acres at once. Mr. Roberts responded that a major purchaser of 20 acres wants assurances of what the main street of the industrial area will look like, who the neighbors will be and what the rest of the park will look like. He stated with piecemeal development you don't have that knowledge, if a developer can come in and buy 5 acres and put what ever is allowed there is no control. He agreed with Mr. Tolls that not having the property annexed discourages larger developers since the annexation process takes such a long time and is subject to an uncertain voter election.

Mr. Parks stated that it was his experience in Hillsboro that larger developers would wait years for prime pieces of property. Mr. Roberts responded that Hillsboro had given developers incentives such as tax breaks, (similar to what the city did to get Shimazu), and if similar deals where made with future developers you wouldn't then want it to be subject to voter approval after it's been agreed upon.

Mr. Roberts stated that the City Council and the Task Force did not want the creation of a "Mother Ship", (one developer who would use 300 acres) which would put too much emphasis

on one company being the employer and tax base for the whole area.

Mr. Roberts stated that the Task Force has looked at the alignment of Sequoia Parkway, looking at alternatives that would lessen the impact on the large trees on Sequoia and on the Zion Cemetery, but ultimately the City Council would be the entity that will decide.

Mr. Roberts stated that the City Council has made it clear that all arterial and collector roads will have bike lanes on both sides. He stated that having two way bike traffic would not make sense for commuter riders.

Mr. Stewart questioned if 11 foot travel lanes would be an adequate width to move semi trucks. Mr. Roberts responded that the TSP calls for 11 foot travel lanes and the industrial area will require 12 foot lanes with 6' bike lanes.

Mr. Buzz Weygandt, property owner, made the point that the industrial area has been discussed since 1979. He stated that all of the property owners (except one) have agreed not to oppose the annexation, and if it was delayed and put off and annexed in a piecemeal way it will destroy the cooperation the IAA has at this time.

Mr. Weygandt addressed the Fire District's concerns regarding funding. He stated that in the long run the Fire Department will have ample funds for their needs but agreed that in the beginning they will be short on funding.

Mr. Weygandt summarized that it would be more efficient and cost effective to have the entire area annexed at the same time, and it is appropriate to consider these areas for annexation due to the lack of large parcels of vacant industrial land in the city, the inclusion of the annexation area will serve to increase the amount of employment and decrease the amount of commuting by Canby residence to surrounding communities, and the industrial area can be served adequately by public facilities and services.

Mr. Brown asked if, after all the time and effort that has gone into the IAA, the vote doesn't approve the annexation in September, would it be the end of the IAA. Mr. Weygandt responded that it would, and added that part of the urgency for the vote in September is for the area to be included in the electrical contracts, which would be a major issue for a large developer.

Ms. Blackwell asked for clarification that the savings would only be available if the contract was with the BPA. Mr. Weygandt stated that was true, but if things aren't in place in time the savings will be lost and it will be another 5 or 6 years before the renewals will come up again.

Mr. Parks asked what the IAA thinks the time frame for build out of the area will be. Mr. Weygandt responded that he could not make an educated guess on that issue, he did believe that now was the time to attract developers do to the lack of industrial land that is available.

Mr. Craig Lewelling, President of the IAA, stated that the best timing for the Industrial Area is here now and it is up to the community to take advantage of it. He responded to the encroachment of the Zion Church and stated that if it is not the cemetery that is encroached upon it will be the property owners, and some of the property owners have small parcels and would be greatly affected. He asked the Commissioners to put themselves in the property owners' position, some of the owners will be giving up everything they have worked for and it is unsure whether they will be paid off for it. He stated that the economy is strong right now but that might not last forever and if it "goes south" it is the property owners who will be affected the most.

Mr. Lewelling invited the Commissioners to attend the IAA meetings and stated their thoughts and concerns would be of great interest to the members. He stated there have been buyers that have approached property owners and he has encouraged the City Council to meet with them before they are presented to the IAA, and there have been buyers that the IAA have turned down because they were not the type of businesses the IAA wants to see go in to the area.

Mr. Lewelling stated that the IAA would dissolve if the annexation did not go through, he added that the IAA wants a good methodical approach to the development, and wants to work in a coordinated effort with the city, and the way to do that is to annex it in, and have the agreements in place.

Mr. Parks stated this would be a tremendous deal for not only the city but also the property owners, they will benefit from having the property already annexed. He commented that if the annexation doesn't go through, the natural result would be that the market would drive development of the property inside the UGB that can be annexed in the city. Mr. Lewelling agreed with Mr. Parks and stated that the IAA was looking for a win/win situation. He added that if the property was annexed in a piecemeal fashion, as a property owner if the costs kept going up he will put his foot in the sand because he would not just sit and watch the costs go through the roof, and keep paying interest charges because there was no proper planning.

OPPONENTS:

Ted Kunze, Fire Chief, Canby Fire District, addressed the criteria that states adequate facilities and services shall be available. He stated the Fire District has already indicated they do not have adequate services available, and questioned why this application is still being considered.

Mr. Stewart asked why the Fire District would not be able to service the annexed area. Mr. Kunze responded that District #62 is primarily a suburban/rural fire agency, they do not have the resources to deal with multi-story structures, large commercial complexes, or to deal with large manufacturing complexes without having to go the voters for a bond to buy equipment.

Mr. Kunze stated that with urban renewal the Fire Department has lost even more funding. He added that the Mayor has stated if the industrial area is not built the city would not

have the money for the Fire District, but if the industrial area is not built there would not be the need for the equipment.

Mr. Kunze stated the the National Fire Protection Agency has reported that the #2 killer of firefighters is entrapment in commercial buildings. He questioned whether there would be long term commitments from people who build warehouses since later on they can be turned into a manufacturing building without any updates to the sprinkler systems or any other fire safety components inside that building.

Mr. Kunze discussed a warehouse fire in Tualatin where modifications were made to the building without the fire department being aware of them. He explained that the building was lost and the only way the fire was controlled was by the use of aerial master streams. He explained the Fire District does not have one of those, and it would cost \$700,000 to purchase one, the only way to do that would be to go to the voters for a bond measure, and that means that the Urban Renewal District would be causing an increase in property taxes if the voters wanted to protect the industrial park.

Mr. Stewart asked if the new owners of the buildings will pay for the equipment. Mr. Kunze responded that system development charges for fire protection are illegal in the state of Oregon, the only funds they get are property taxes and user fees, anything else would be through a vote of the people.

Mr. Kunze agreed with Mr. Weygandt, that in the end the fire department will have a lot of money but stated that his concern is with the 20-25 years during the Urban Renewal District's life when the Fire Department won't be getting any money.

Mr. Kunze addressed the statements regarding talks between the city and the Fire District regarding funding, at first it was stated there would be \$6 million of funding over the life of the plan, but that has been cut to \$2.75 million over the life of the plan, but that money can only be applied to projects that only benefit the Urban Renewal District. If a ladder truck was bought with 100% Urban Renewal money it could not be sent to Oregon City, Aurora, or even Barlow if they had big fires, so the tax payers would have to pay for part of the equipment.

Mr. Kunze discussed the policy that states that Canby will discourage any development which results in any overburdening of any public facilities or services, and questioned again why this application is still being considered. He stated that the staff report's assessment of the Fire District's comments was accurate, but disagreed that it would be resolved during the annexation process.

He stated that he could not suggest to the city what equipment would be needed in the industrial park without knowing what is going to be built there, he could only guess. Mr. Parks asked how the Fire District makes the decision that there are adequate public services. Mr. Kunze responded that the Fire District has been very responsible in how it has financed its

equipment over the years, traditionally they save up for equipment rather than asking the voters for more money every time they need new equipment.

Mr. Parks asked what the Fire District would need tomorrow if the annexation was approved. Mr. Kunze stated that the agreement they have asked for from the city and the Urban Renewal Task Force is to have the funds that would normally come to the Fire District, be made available for the District to use as the Fire District sees fit.

Mr. Stewart asked if the Fire District would want someone on the IAA committee looking at potential users of the industrial area to get an idea of the kind of equipment the Fire District would need. Mr. Kunze stated that it had been discussed, and thought it would be beneficial.

Mr. Kunze stated that he disagreed with the staff report's conclusion that the application could be consistent with the policies and goals of the comprehensive plan with the application of certain understandings. He stated that there are no understandings in place.

Mr. Kunze addressed the city's application regarding adverse impact on the city's planned provision of public facilities, he stated that the Fire District is not a city service, but they do provide fire and rescue service to the city, and disagreed that the city could be adequately served by city services.

Mr. Kunze stated that the Fire District does have sympathy for the property owners, they are being put in a very tight situation by the city. He addressed Mr. Tolls comment about property being developed that would be outside of the Urban Renewal Agency, there are only approximately 70 acres not inside the boundaries, and it is possible they would not see any revenues.

Mr. Kunze stated that there are further tax limitations in the future, and he needs to provide services at the current level. 80% of the current funding comes from property taxes, 16% comes from ambulance revenue, and the rest comes from investments in the state pool. He stated that if the District went out for a bond, equipment to serve one area would be paid for by the entire district.

Mr. Parks asked if it was state law that prevented the Fire District from retrieving funds from the URA, or if Mr. Kunze had sensed a unwillingness to cooperate. Mr. Kunze responded that he did not think it was a purposeful effort, but felt it was the cart before the horse in regards to public safety.

Mr. Parks asked if the city wanted to use this mechanism for development, how does the city provide the Fire District what they need. Mr. Kunze replied that the largest need in the District was for personnel and that could not be supplied by the Urban Renewal Agency.

Mr. Roger Skoe, member of the Zoar Lutheran Church, stated his concerns regarding

having their cemetery classified as a special resource due to its historic nature, to avoid any adverse affects by the annexation. Mr. Stewart stated that it will have to be looked into, and thought it should be listed in the historic resources index.

DELIBERATIONS:

Mr. Stewart closed the public hearing and opened Commission deliberations.

Mr. Parks asked why the city hasn't gone to the same extent to get citizen involvement with the annexation as they have with the periodic review process. He asked what could be done before September 1st to get citizens involved in the process, and thought there should be a public hearing to inform the citizens on what is happening.

Mr. Stewart added that he wanted to thank the people who came to the meeting and gave input on the application. He explained that the code is very specific in regards to annexations. The Planning Commission makes a recommendation to the City Council, ultimately the citizens will have the final say because it will go to the vote of the people. He explained this hearing was not the only public hearing this application would have, the City Council has scheduled at least one if not more where these issues and others will be addressed.

Mr. Parks stated that the City Council has an interest in this annexation and the Planning Commission does not, he added the Planning Commission does not have a stake in this application and are evaluating it upon the staff report and attached documents. He stated that citizens need to be more involved and asked if there were options to do something like the periodic review process.

John Williams stated that there has been quite a bit of discussion, the City Council has been debating these issues for a long time. He added there have been and will be more articles in the paper regarding the annexation and that will generate more discussions. Mr. Parks stated that at that point a large segment of the population will say it's a done deal and not get involved. John Williams added that this is something that has been in the city's plan for a long time, and the comprehensive plan discusses in the economic element that taking it as a whole or in large pieces is advisable. John added that the Industrial Area Master Plan had received a lot of citizen involvement.

The Commissioners addressed the criteria for annexation. It was agreed to discuss the elements one by one and then vote on the application as a whole.

Criteria 1: Is this annexation proposal in keeping with the prioritization category?

Mr. Parks stated that it was not, but as the applicant pointed out there is an opportunity to move around. He added that John Williams had stated there is no priority A industrial property available. Mr. Brown stated there should be a differentiation in this zone, there is no A land

available so it makes the point moot. Mr. Parks asked if it was all of the industrial property in the city. John stated there is one small piece in the NE part of the city near Highway 99E.

1A: The appropriateness of the annexation.

Mr. Brown stated that it is a question of magnitude, the core issues is whether it is appropriate to annex 300 acres. Mr. Parks stated that since he has been on the Planning Commission there have been complaints about the code, how it needs to be “tightened up” and questioned whether the timing was appropriate. Mr. Stewart believed that the timing would be appropriate to get the property owners to cooperate, he added it might be the carrot that is needed to bring in a good business with good paying jobs.

Mr. Parks stated that this 300 acres is a huge asset to the city, it is enough property for the city to grow for 40 years and once it is gone the LCDC will not give the city another 300 acres to be added to the city’s UGB.

1B: A special benefit to the city.

Mrs. Tallman stated that it would be a benefit to have it annex at one time, if it came in a piecemeal fashion it could create islands and would not be as viable a tool for bringing in the industry as the total annexation would be. She added another benefit would be the certainty for larger developers of having it already annexed, she stated that the Fred Meyer development was dependant upon voter approval and that could be a deterrent to development.

Mr. Parks stated that the Fred Meyer project had the support of the citizens and it was the right development for the area. Mrs. Tallman agreed but stated it was difficult for the investor.

Mr. Parks explained that the city passed voter approved annexations 2 years ago, because people wanted a say in the type of growth the city experienced, this process takes that away from the citizens.

Mr. Brown stated that deliverability of the property has been discussed, and explained that it is not the only basis for marketability but it makes price changes. He explained that developers will buy property that is not deliverable, but they probably would pay less for it than if it were deliverable. He added that having 300 acres available it will be seen by investors, and that will increase the value of the land to the property owners, the property out there has been assessed by the acre in the past but will be assessed by the square foot if annexed.

The Commission concluded that if the application was in keeping with the prioritization pattern, that criteria 1. A, B, and C did not need to be resolved.

2. The need for additional property within the city limits.

Mr. Parks stated that the applicant did not prove the need for additional property. Mr. Stewart stated that he felt there was a need but not a need for 300 acres.

Mr. Brown explained the Commission cannot craft projects, they can only review a project after it's presented and vote on applications on their merits. He commented that the Commission knows the code has a lot of flaws in it, there are a lot of uses that are not desirable in the industrial area, and annexing before the organizational structure and ordinance structure is in place to manage the land is dangerous. He stated that having 300 acres available for 2 years before the codes can be rewritten puts the onus for the uses that will exist on the property owners, he added that the property owners have been faithful about keeping uses out that are undesirable, but does not feel it is their responsibility. He stated that he believes the annexation should be held in reserve to get the kind of uses that the city would want there and pave the way with an ordinance structure that would allow for those uses.

Mr. Parks stated that he agreed with Mr. Brown, if a tire factory wanted to build on 300 acres the Commission would not be able to stop it. Ms. Blackwell asked when the Commission would be working on that piece and how long it would take to complete. John Williams explained that there were two ways it could be done, one is through periodic review which will take place this fall and winter, the other is to do an accelerated timeline on just an overlay zone for the Industrial Area, he explained that it would take months to get the notifications that are necessary but it could technically be done before annexation.

Mr. Parks stated that there is too much emphasis on the energy prices, getting the BPA contract is not a sewn up deal, it is extremely complicated. He stated that if the annexation did not go through it would mean maybe 20 acres paying a higher price for energy for the next 5 years.

Mr. Stewart explained that the Planning Commission can only deal with the facts at this time, getting potential energy savings would be good but it is not an issue the Commission can deliberate.

3. Smaller non-farm land will be annexed before larger farmland.

Mr. Brown stated that when the decision is made in the comprehensive plan to turn 300 acres into industrial land, the decision is already made to use farmland.

4. Access should be adequate for the site.

It was agreed that the master plan had already addressed that, and that access was available.

5. Adequate facilities and services should be available.

Mrs. Tallman stated that all facilities but one are available. Mr. Parks stated that Chief Kunze had stated it quite clearly. Mr. Brown added that when keeping the safety of the citizens in the front of their minds, the Commission can not turn their backs on the Fire Chief's recommendation. Mr. Stewart explained that the Commission gives wide support to the experts that are hired by the community to provide expertise on health and safety issues, and the community should think long and hard before overruling the Fire Chief. He stated that this annexation could be a great benefit to the community but not at the expense of the fire service, there are certain basic services that it must have and fire service is one of them.

6. Compliance with other the other applicable ordinances and policies.

It was agreed that this was contained in the other discussions.

7. Compliance with ORS Chapter 222

It was agreed that it did meet Chapter 222.

8. Risk and natural hazards

It was agreed there were none identified.

9. Urbanization of the subject property.

Mr. Brown stated that the Zoar Cemetery should be addressed. Mr. Parks stated that the Zion Cemetery should be considered in this element since it could lose 40 feet to development. Mr. Stewart explained that there were other possibilities for the build out of Sequoia Parkway and that the impact was not certain at this time.

10. Economic impact.

Mr. Parks stated that it is not clear that this criteria has been met. He stated he did not agree with the County's figure that 60% of the citizens commute, it is a choice that is made. He added he moved to Canby so he could live in a small town and commute to work, the only way he would work in Canby is if his firm moved here. He stated this annexation would have a tremendous impact on the social, physical and economic attributes of the city, and that this issue was not addressed fully by the applicant, how will it affect living wage housing, the traffic on Hwy 99E at 8:00am and 5:00pm, those are relevant issues and they should be addressed.

Mr. Stewart agreed that this has the ability to be a huge impact both positively and negatively, living wage jobs could be brought to the city, but also the potential for build out to happen faster than was planned and the strain it could put on the infrastructure would be horrendous.

Mr. Brown stated the city has a resource of 300 acres of land with 10 times the water needed (if the Willamette was accessed), and it could be used up before the city could put the ordinance structure was in place, rather than the systematic small developments that the Commission likes to see it could be one huge developer and Canby could become a "mill town". Mr. Parks agreed that one employer that hires 3000 people would have a huge impact if it closed down compared to having 25 industries that each employ 200-300 people.

Ms. Blackwell stated that the small businesses will be technical jobs and how many people in Canby are going to be qualified to work in these positions. She added it would have the opposite effect of people commuting to Canby.

Mrs. Tallman stated that if Canby has a huge influx of jobs there would be an impact on the school system. Mr. Stewart stated it would affect the schools but is not applicable since industrial land was never figured in for school. Mrs. Tallman stated she was concerned with the overall economic effect.

Mr. Brown addressed the property owners, stating that the Commission was proud of what they had accomplished by uniting together, coming up with good ideas, and organizing. He acknowledged that they have changed their retirement plans, changed the plans they have made for their children, and made sacrifices for the city so their children and grandchildren will have a place to work and raise their family. He explained that it never occurred to anyone that all of the property owners would come together to be annexed at once. He added that he hoped that IAA would stay together, and the process would be able to move forward and the 21 years invested in this project would not be lost in one September election. He stated his appreciation of the time and effort that the property owners have put toward this process.

Mr. Parks stated that he believes that because of the zoning issues and the fire issues, the citizens will not and should not pass the annexation as currently proposed, it does not mean he doesn't think the project shouldn't get off the ground once they are in place, but as a Commissioner he does not see how this application meets the criteria at this time.

Mrs. Tallman stated that the lack of the proper ordinances concerns her, and fire protection is a very important issue and she will not give it the go ahead until its settled. Mr. Stewart stated that he can not and would not turn his back on the advice given to the Commission by an expert.

Mr. Brown moved that the Planning Commission recommend to the City Council that they not approve the annexation of ANN 00-02, based on criteria A2 and A5. Seconded by Mrs. Tallman. Mr. Parks stated he thought the application failed to met A10 also, it was agreed that there were positives and negatives in regards to that criteria, after discussion, the Commission agreed to not include A10. The motion carried 5-0-2 with Mr. Manley and Mr. Thalhoffer being absent.

Mr. Stewart explained to the audience that Commissioners will put the recommendation forward to the City Council. John Williams stated that the written findings will be signed at the June 26th Planning Commission meeting and the City Council public hearing will be July 5th at the Council Chambers.

Mr. Brown recommended that the audience attend the City Council meeting.

V FINDINGS

ANN 00-01, Knutson/Floriculture

Mr. Brown moved to approve the Findings, Conclusion, and Final Order for ANN 00-02 as written. Seconded by Ms. Blackwell. Motion carried 4-0-1 with Mr. Parks abstaining due to not being present at the May 22nd meeting, Mr. Manley absent, and Mr. Thalhofer being excused.

VI MINUTES

May 22, 2000

Mrs. Tallman stated that the words "inspection for a certificate of occupancy" needed to be added to page #5. Mr. Brown moved to approve the minutes of May 22nd as amended. Seconded by Ms. Blackwell. Motion carried 4-0-1 with Mr. Parks abstaining due to not being present at the May 22nd meeting, Mr. Manley absent, and Mr. Thalhofer being excused.

VII DIRECTORS REPORT

Mr. Stewart stated that he and Mrs. Tallman had attended the Casa Verde open house and that the development was very nice. He added that the basketball court is probably 80 feet from the neighbors and will probably not be an issue.

Mr. Stewart introduced John Williams as the newly appointed Planning Director.

John Williams stated that due to the late hour he would refrain from giving his Directors Report until the next meeting.

VII ADJOURNMENT