

MINUTES

CANBY PLANNING COMMISSION

7:00 PM July 12, 2004
City Council Chambers, 155 NW 2nd

I. ROLL CALL

PRESENT: Chairman Jim Brown, Commissioners, Geoffrey Manley, Randy Tessman, John Molamphy, Dan Ewert

STAFF: John Williams, Community Development and Planning Director, Darren Nichols, Associate Planner, Carla Ahl, Planning Staff

OTHERS PRESENT: Denny Larios, Pat Sisul, Bill McCormack, Scott Conroy, Terry N. Tolls, Nancy Camahan, Allan Patterson, John Esbershadow, Jamie Johnk, Jeffery Stuhr, Don Perman, Gary Giannini, Ben Harrell, Don Jones, Havlin Kemp, Suzanne VanAmburgh, Mark Webber

I. CITIZEN INPUT

None

III. NEW BUSINESS

None

IV PUBLIC HEARINGS

DR 04-05 VLMK/Burden The applicant is requesting approval to construct two industrial buildings containing 32,574 SF in the Pioneer Industrial Park, on the south side of Sequoia Parkway. No occupants are proposed at this time.

Mr. Brown read the public hearing format. When asked if any Commissioner had a conflict of interest, none was expressed. When asked if any Commissioner had ex-parte contact, none was stated. No questions were asked of the Commissioners.

Darren Nichols, Associate Planner presented the staff report. He explained all adjacent parcels are zoned M2 with the only development at this time being Shimadzu to the south. The applicant has not proposed tenants at this time.

Darren explained that there is an access to Shimadzu that bisects these 2 parcels; condition # 21 states that if or when Shimadzu develops their property, the access is to be shared.

The applicant has proposed extra parking, which would allow for flexibility in developing the parcels. Two drive entrances would serve each building; there will be two parking areas and a single loading dock.

Darren explained that the existing landscaping would be removed and replaced with new landscaping and trees. Four street trees will need to be removed but the City anticipated that some trees would be removed upon development to allow for drive accesses to be placed where needed and the trees may be able to be moved to the new phase of the development.

Traffic Safety and Bike and Ped Committees have noted that bicycle racks will be required and conditioned #9 addresses that issue. The City Engineer stated that services should be provided through existing connections, with no street cuts and that issue is addressed with condition #3.

Darren stated that the application meets the necessary criteria and staff recommends approval.

Mr. Tessman questioned the shared access issue. It was explained that when Shimadzu was planned Sequoia Parkway would go along the Shimadzu property, which would have guaranteed access for their undeveloped parcel to the rear of their property. When Sequoia Parkway was moved, this access was established.

Mr. Molamphy questioned what guarantees the City would have that the access would be shared. John stated the condition is worded that if future development of Shimadzu takes place the Planning Commission would have the ability to require that the accesses be consolidated.

Mr. Brown stated it looked like the streetlights were within feet of the wings of the curb cuts. Darren explained the lights were already installed and that if they needed to be moved it would be at the applicant's expense.

Mr. Brown questioned the small lot on the northeast corner of the property. Darren explained that Canby Telephone is working on establishing a lot for their switching equipment and the Planning Commission will be seeing that application in about a month.

APPLICANT:

Bill McCormack, Trent Construction stated they were glad to be the first applicant for the Pioneer Industrial Park. He explained that these are small buildings that will give the Industrial Park a jump-start. If everything goes right there will be 8 more built to the east.

Mr. McCormack stated he has had conversations with Mr. Jim Zupancic representative for Shimadzu regarding working out the shared access. The basic plan would be that when Shimadzu develops their roadway, they would connect onto it through easements then close up their driveways, but there is no timeframe; they just

want the ability to connect up with Sequoia Parkway.

Mr. McCormack asked that the Planning Commission approve the application in all aspects, and to allow them to come back in 2 weeks with a proposal on how the shared access will work.

Havlin Kemp, VLMK Consulting Engineers addressed the Commission. He explained that there had been some changes since the application was originally submitted. They have gone to a 3X3 scoring pattern in the sidewalk, park benches have been added to both buildings adjacent to the public sidewalk with the required bicycle parking creating a concrete plaza at the entrances. The storefronts will be facing Sequoia with plantings around the perimeter of the parking and loading areas.

Mr. Kemp presented elevations for the large building, which will be a beige/gray color with clear aluminum storefront system and eclipse green glass with recessed panels on the large building.

Mr. Ewert questioned if the applicant had proposed signage. Mr. Kemp stated they did not have a sign program at this time. John explained that there is a condition, which states anything proposed within 2 years must come back to the Commission. John explained there is some language in the overlay zone regarding signage.

Mr. Molamphy questioned if there was adequate lighting for the parking lot and the loading dock. Mr. Kemp stated the height that the lights are mounted at it would be adequate for parking adjacent to the building.

Mr. Ewert questioned when Shimadzu's access is implemented, would the lighting still be adequate and would there be an emergency access. Mr. Kemp believed that there would be adequate lighting and access. Mr. Ewert suggested that when the access is installed there needs to be lighting on the drive

PROPOSERS:

Jim Zupancic, Representing Shimadzu addressed the Commission. He stated he had been working with the Burden Family regarding the future access to Shimadzu's property onto Sequoia Parkway. He believes a shared access agreement could be arranged and would work with Mr. McCormick to expedite the process.

Jamie Johnk, Canby Business Revitalization stated she supports the application. This project would address a tangible market and could be a catalyst for additional Industrial development.

OPPOSERS:

None

REBUTTAL

None

Mr. Brown closed the public hearing and opened Commissioner deliberations.

Mr. Brown suggested that one bicycle rack providing 2 bicycle parking spaces be added in front of each unit to address the Bike and Ped Committee recommendation.

Mr. Brown stated he would prefer not to have wall pack lights on the wall. He suggested using a softer lighting system at the dock and at the soffets over the doors at the dock and office locations. Bring the lights from the top band of the west elevation and place it in the third band directly above the doors.

Mr. Brown suggested continuing the hearing until the access issue could be resolved and having the findings ready at the next hearing so there would be no delay for the applicant. John stated that would not change the timeline if oral and written decisions were approved at the same meeting.

The Commission agreed that there were several issues, such as adequate access for emergency vehicles if a truck is at the dock, lighting on the access drive, and to provide room for the possible signage that may be used in the future.

Mr. Brown continued the hearing for DR 04-05 until July 12th, 2004.

CPA 04-02/ZC 04-03 (Perman) The applicant is seeking to amend the Comprehensive Plan Land Use Map and Zoning Designation from light industrial to heavy commercial manufacturing for two parcels located on the east side of S. Redwood Street, north of SE 4th Avenue. The new zoning would allow development of a "healthcare village" and would be accompanied by a condition limiting future uses of the property to "business and professional offices". Including medical, dental, and other similar healthcare uses.

Mr. Brown read the public hearing format. When asked if any Commissioner had a conflict of interest, none was expressed. When asked if any Commissioner had ex-parte contact, Mr. Helbling stated he was present at the Chamber of Commerce meeting when Dr. Perman asked for their support on this application, he was also present when Dr. Perman spoke with CBRD but left the room and had not participated. Mr. Helbling stated he planned on participating in this discussion. No other Commissioner had ex-parte contact. No questions were asked of the Commission.

John Williams, Community Development & Planning Director presented the staff report. He explained this application would amend the Comprehensive Plan and change the zoning designation from light industrial to heavy commercial manufacturing for two parcels. To the east is the Logging Road Trail, to the west is Redwood St., there is a pedestrian pathway that runs along the north edge of the properties that goes to the Logging Road and on the south there is industrial property.

The applicant is seeking to amend the Comprehensive Plan Land Use Map and zoning designation from light industrial to heavy commercial manufacturing for two

parcels located on the east side of S. Redwood Street, north of SE 4th Avenue. The new zoning would allow development of a "healthcare village" and would be accompanied by a condition limiting future uses of the property to "business and professional offices, including medical, dental, and other similar healthcare uses". A binding agreement would be placed on the properties that would prevent occupants of the property from complaining about noise, traffic or other aspects of the surrounding industrial uses.

John stated that Dr. Perman has had a difficult time finding property in the downtown zone that would accommodate this type of development. John explained that there has always been a mix of uses in this area, with Club Fit (which used to be a gymnastics center) the retail development, with the more intense industrial uses to the south.

John explained that industries prefer to be around other industries where they can run their business operations without worrying about complaints from neighbors. John stated a letter had been received from some industrial users expressing concerns about this proposal. John stated he had encouraged Dr. Perman to work with the industrial neighbors since there are restrictions placed on development to show that there will not be a conflict between users.

John stated that letters from Don Jones and Doug Pollock were included in the Commissioners packet, a revised letter was received this afternoon with 2 additional signatures on it, Fred Kahut from Canby Transfer and Wilson Corcoran from Spectrum Woodworking. The letter expressed their concerns regarding what they perceive as a "creeping derogation" of the Pioneer Industrial Park, the area is changing from an industrial zone to a mixed use/commercial industrial zone. John explained one of the issues that need to be addressed is what the major concerns are and how the applicant is going to address those concerns.

John stated that the only environmental concern is open space and the proximity to the Logging Rd. The applicant believes this makes a better site for less intensive uses instead of more intensive uses. John explained that under the transportation element, the frontage is fully improved with sidewalks and bike lanes. Under the economic element there is policy language that says Canby shall promote increased industrial development at appropriate locations and that future industrial elements shall be protected from encroachment of incompatible uses, so the Planning Commission needs to determine if this is an incompatible use.

John added that in the past there has been a need to preserve industrial land, but with the development of the industrial park there is a large supply at this time. This is an oddly configured lot next to the pedestrian path so it may not be a premiere industrial site although there has been a lot of construction in this area in the last year or so.

John presented the Commission with a fax that had been received from DLCD. He explained that since the Governor's initiative to protect and conserve industrial land, DLCD has commented on any application that reduces the industrial land supply. The

fax included a letter from Steven Santos stating it did not appear that this application violated Goal 9 of the state wide planning goals, since there is more industrial land than the land needs study shows. Mr. Santos stated there could be a transportation impact, which John did not believe was an issue since there is a light at Redwood. Mr. Santos stated that Canby should consider the issue of commercial encroachment into industrial areas and cautions that if the adjacent commercial and retail services aren't compatible or that they would compete for transportation capacity, a decline in the marketability and function of the industrial area could result.

John explained the second policy is that Canby shall encourage further commercial development and redevelopment at appropriate locations. The Planning Commission has discussed the commercial land supply in the City and is aware that there is a shortage of commercial property. But the city has not started a program to decide if there is a need for more supply of commercial property and where it would be located.

John explained that most of the land supply in the commercial category comes from redevelopment. The Comp Plan talks about extensive redevelopment of the downtown and highway commercial zones over time to make them more densely commercial. That is the goal, to focus people into downtown but it takes a special project since there are 5,000 square foot lots and it is difficult to consolidate parcels to accommodate larger developments.

John stated there are some sites on Hwy 99E but this is not the type of project that needs highway exposure. The applicant stated this site was selected based on its location next to existing commercial sites and the Logging Rd. Trail, which could be used to access the site.

John stated the related concern is whether this project would drain business from downtown and make the downtown weaker. The applicant has stated that the majority of people are interested in this project and does not believe it would negatively impact the downtown area.

John stated a policy decision needs to be made as to whether the City should deny applications in other areas in order to force redevelopment of the downtown area.

John stated the third policy is that Canby shall encourage projects that lead to an increase in local employment opportunities. This proposal could be more job intensive than a comparable industrial proposal. This district does not have a minimum employment category like the Canby Pioneer Industrial Park does, so there could be a project with very few employees on this land.

John summarized that this project could bring higher wage jobs to Canby, it is located on a developed street and has transportation and pedestrian accesses, there will be development restrictions to limit complaints regarding industrial use, the surrounding uses are mainly low intensity industrial and most of the area is built out so this development will not set the tone for the park, but there are some concerns regarding the neighboring property owners, conflict with industrial uses and this project,

the lose of the industrial land and concerns regarding negative impacts on the existing downtown.

John stated that if the City had an ample supply of commercial sites in appropriate locations the Commission wouldn't be seeing this application. The first decision for the Commission is whether they should contemplate allowing commercial developments in other places at all or should we attempt to force redevelopment downtown even at the risk of sending some businesses out of town. This is a policy decision that should be made by the Commission and the Council.

John stated he is of the opinion that the parcels are probably suitable with the proposed development restrictions if there is an interest in allowing commercial uses there. The proposed restrictions would prevent any interference with neighboring uses. The public hearing will be critical to find out what the objections are and what the applicant proposes to do to temper those objections.

Mr. Brown states that staff recommended approval of the application with the proposed conditions. He questioned how this change would meet the e public need better than any other change, is the lack of commercially developable land so great that we need a development like this, and is this the best possible way to overcome that problem. John stated it hinged on the decision the Commission makes on the policy issue. The Commission needs to hear specifically about objections and the possible solutions to them. He stated he was not convinced that this is the best use for the property, but it is the application that is before the Commission.

John stated the Commission could deny this application and an industrial user could put a giant warehouse there with only 4 employees. Would that be a better use than this? He stated that as Sequoia Parkway develops these sites could be heavily favored. This parcel is a little unique; its configuration is strange and has a notch cut out for Harrell Medical, pedestrian pathways on both sides and a commercial building right next door.

Mr. Brown asked how a complaint about the industrial uses would b e handled. John stated the person would be told that our code protects industrial uses.

Mr. Tessman asked why on page 7 of the staff report John talked about how commercial development in the S. Redwood area could be compatible with light industrial use and then states that the text is 20 years old and refers to a different set of conditions Yet there is a report from DLCD saying the same thing, strongly encouraging Canby to take steps to insure that development on the subject parcels are compatible with and does not impact surrounding industry. He asked how John reached the conclusion that is different now than it was 20 years ago. John stated that he just wanted to make it clear the section of code he was quoting was 20 years old and may not be pertinent any longer.

John explained that when the text was written there was virtually nothing south of Hwy 99E, so they were looking at the whole area when they determined it could be an industrial park with compatible uses. John explained that there have been subdivisions

and partitions and the whole area is totally different. He wanted to give the Commission the text of the Comp Plan that is applicable but let them know that it is not updated. He believes that when there are cases like this, and there are many since this is a 200-page document and it hasn't all been updated. His recommendation to the Commission is to use their best judgment using current conditions and based on the intent of the Comprehensive Plan and the current code.

Mr. Tessman questioned if it was a prerequisite with the Pioneer Industrial Part that the businesses support living wage jobs. Mr. Brown explained it was an expectation but was not part of the code.

APPLICANT:

Dr. Ron Perman addressed the Commission. He stated he has been in Canby since 1993 when he bought a business next to Wait Park. He explained his business has continued to grow and has revamped the working space. He is at the point now where he needs more space but does not want to put another \$150,000 into space he is renting. He stated he has looked for other options to stay in downtown Canby but there is not a lot of available space there.

Dr. Perman stated another dentist purchased a house in the downtown area had the home removed and built an office, but the problem is that parking is tight and very limited in space; there is only 10 feet between buildings.

Dr. Perman stated that most vacancies downtown are rental spaces in older building. So his options are to rent a space or buy a small lot and make it work or find a location outside the downtown core. He believes Canby is going to grow from Fred Meyers towards Mulino.

Dr. Perman explained that health care providers do better when they develop in clumps so they can help each other in their development by feeding off each other's patients. He stated that he loves the downtown but there is not a large selection of property. He stated that there have been talk of the Clackamas County Fairgrounds moving, but now they have put more money into the fairgrounds and he didn't believe they would be moving anytime soon. Dr. Perman stated he worked hard to bring the industrial park annexation into Canby, and believes it is important to try and increase the business tax base.

Dr.. Perman stated he has contacted other healthcare providers and has had people from the Oregon City Woman's Health Care Clinic and from Salem Hospital along with many others state they are interested in bringing their businesses to Canby.

Dr. Perman stressed that the new privacy act has had an impact on healthcare providers by requiring they have enough space to allow private conversations. He explained that he has tried for years to purchase the building his business is in, but the owners would not sell, his only options are the Fred Meyer development, but the prime locations are for lease or purchasing this property and developing his own healthcare facility.

Dr. Perman stated there could be conflicts with truck traffic but he has truck traffic on 3rd St. now and does not believe it would be an issue since they would have access from the east side and from Hwy 99E. He has spoken with many members of the community who believe this is a good location for a healthcare clinic; the question is if this is the best location, he believes this is the best location available.

Dr. Perman stated he had spoken with Shimadzu and some local industries who have told him they like this project and the idea of having the healthcare available to their employees. He stated he would do his best to address the concerns of other industrial area businesses.

Dr. Perman clarified that Jamie Johnk from CBRD had phoned him and asked him to address the Board, he had not asked for the meeting nor had he asked for approval from the Board.

Mr. Brown stated that the Planning Commission was in agreement that a medical type facility was needed in Canby; the Commission's responsibility is to determine if this is the right location for the healthcare center. Dr. Perman believed this is the right area since it is a mixed-use industrial area. Dr. Perman stated that Canby is limited in health care options at this time and he has spoken with the Woman's Health Care Center regarding putting a satellite office in Canby and women are ecstatic about the possibility of not having to go to Oregon City.

Mr. Brown questioned how a condition imposed on occupants of the facility regarding complaining about the industrial uses would help. Dr. Perman stated it should allow JVNW to feel more confident that there would be no complaints regarding their operation. Mr. Brown believed it was possible JVNW could be impacted by negative comments from neighbors by trying to mitigate the concerns on their own. Dr. Perman stated that it would be at the health care providers risk for buying into the industrial area.

Jeff Stohr, Hollst Architectural presented the Commission a conceptual design of what the healthcare center would look like. The main entrance would be off S. Redwood and would work with the City regarding the street design and there have been some discussions with Harrell Medical regarding a secondary access.

M. Stohr stated the conceptual plan is for 10 parcels with varying building sizes to accommodate various medical needs, it is not the final design, but is based on the interest he has had on the project. Mr. Stohr stated they would work with the natural landscape to take advantage of the path and trail.

PROPOSERS:

Suzan Van Amburgh and **Mark Webber** representing the Board of Directors for the Chamber of Commerce. Ms. Van Amburgh stated they had invited Dr. Perman to address the Board of Directors and to talk about his plan, she stated they are in favor of this sort of development, it would be good for business, good for Canby, and good for

the Canby area Chamber of Commerce.

Dan Ewert questioned what impacts the Chamber of Commerce saw to the downtown revitalizations efforts if this project was approved. Ms. Van Amburgh stated they are very concerned about growth, runoff and businesses closing. But they think this is an opportunity to preserve a business that has been in town for a long time. Dr. Perman has been growing his business and providing good service for Canby and do not want Dr. Perman to find somewhere else to purchase real estate and leave Canby.

Ms. Van Amburgh stated it would provide an opportunity for leasing so another person can come into the downtown area and that the downtown revitalization is very important to the Chamber.

Mr. Brown questioned if the model for the downtown revitalization was to lose people to create openings for new businesses. Ms. Van Amburgh stated they just do not want to loose anybody and they hope people would come in to fill the vacant spot. She stated that Canby is growing and the Chamber wants to see businesses grow and thrive to provide service here in town, and they believed that is what Dr. Perman's idea does.

Ms. Van Amburgh stated when they moved to Canby they had a hard time locating healthcare and had to go outside of Canby. She stated she has had employees who have expressed concerns about where to get good health care. As Canby grows so will the need for continued healthcare. Mr. Brown questioned if the need was so great that the facility needs to be located in the middle of the industrial park. Ms Van Amburgh stated that representing the Chamber of Commerce, whose goal is to support business and provide a place for businesses to join and have the ability to thrive, it is the Chamber's opinion that this is a good spot for this type of growth for now and for the future.

Mr. Webber added that the Board had lengthy discussions regarding this issue, and this idea pretty much had unanimous support. Mr. Brown asked if it was the idea of the healthcare village that was intriguing or was it the fact it was located in the industrial park. Mr. Webber stated they liked the idea of the mix of the businesses and the location. This seems to be a good fit and a good location for the community especially where the community has grown.

Mr. Ewert stated this committee has spent hours discussing how to save downtown, now we have the Chamber of Commerce representing a project of this size and type that will not do anything for the downtown area. He stated this is a big contraction and is somewhat stunned. Ms. Van Amburgh explained that the mix of Board members now is different than the mix that was on the Board at that time. It is a different organization and the community is a different community.

Ms. Van Amburgh stated she couldn't speak for the past Chamber or explain why they had voted in certain ways. But the present Board has sent them to explain that they don't just have members from the downtown core area, not that the downtown members are not important, all members are important, but there was a lengthy

discussion on whether this proposal was good for Canby. It may not be good for every single member, but they felt this request for support, generally speaking, was going to support business in Canby. She explained that the Chamber has to encompass all the businesses in Canby. She hoped that cleared up any confusion as to why the Chamber was here and why they may not have been here in the past.

Mr. Webber explained that the Chamber membership has doubled in the last 2 years. The needs and concerns that are brought to them on a daily basis is ever changing and they try to do the best they can to evolve with that. Mr. Brown suggested the Chamber revisit the Downtown Master Plan to see if it still meets the Chamber's needs because the City has spent a lot of time working on it.

Scott Conroy, Administrator Woman's Health Clinic addressed the Commission. He stated he had been asked to come and was happy to come and speak in favor of this project. He explained that they have targeted Canby as the next spot to put a clinic, they have two physicians practicing half days here and their schedules are full.

Mr. Conroy stated they have recently started the process of looking for a location and the first thing they ran into was the availability of space in which to put their operation. They have not decided to build to own or lease to purchase but they have found very few options available to them.

Mr. Conroy stated that access is important to a healthcare facility, but it does not have to be highway access, it just needs to be easy access and this facility would fit that need.

Mr. Conroy explained that one of their concerns is that the surrounding uses be conducive to their use, so far they have not found that the surrounding uses would be unconducive. He did not believe this is the best place for their office but he did not believe there is a "best place" left for a Woman's Health Clinic. He added that as for the building site it is important that complementary services, such as dentists and pediatricians be present.

R. J. Larios, Real Estate Agent addressed the Commission. He stated he has his eye on the market daily and he sees the lack of commercial property in Canby. He stated he spends a lot of time in that area on the walking path and does not believe that noise would be an issue.

Mr. Larios stated that this is both commercial and industrial land, the two have to meet up somewhere and this plan meets up well. The lot configurations are weird and not really set up for pad sites; the plan the applicant has come up with fits the area.

Mr. Brown questioned that a donut hole in the center of the industrial zone is an appropriate mixed use. Mr. Larios stated that this is next to the Bento restaurant and believed it would be appropriate there.

Kyle Lescho, Physical Therapist addressed the Commission. He stated there was a need for health care in the area and did not believe the noise would be an issue.

John Esbenshade, Pediatrician, Salem stated he had received a letter from Dr. Perman and was interested since he has been looking for a piece of land to build on. He stated he has watched West Salem grow and has watched the planning process, there were supposed to be little islands where offices could go next to the new high school, but it is very hard to get any office space there, the lots that he looked at 10 years ago have increased in their cost 10 to 20 times. He stated he leases and would like to invest in a town where he could better direct where he could build his practices, by knowing what the overhead will be.

Dr. Esbenshade stated this is his first visit here and would like to see how the town is going to support their healthcare providers and if the land will be affordable. He explained that people don't mind commuting to work, but they want to stay in town for their health care. He believed this could be a successful spot and that there could be some very nice structures built there to be conducive to be a kind of place you would want to go for your health care.

Dr. Esbenshade stated he had spoken with Willamette Falls Hospital and urged them to have some type of urgent care here so there would be x-ray and lab available. He stated if it looked good he would say goodbye to Salem.

Denny Larios addressed the Commission. He states that with modern building techniques he noise issue is pretty much mitigated. He stated the noise in the vicinity of NVNW is minimal. He believes Canby has a need for an urgent care facility.

OPPONENTS:

Don Jones, JVNW stated that he is not opposed to growth, expansion and improvement in Canby. He explained that 10 years ago the City of Canby decided to institute an industrial park, they solicited industries and JVNW decided to relocate here from Wilsonville. He explained he was also representing Spectrum Woodworking, Canby Transfer and SMS Automotive who are all industrial users and represents over 20 acres of the industrial park. He stated none of them would have moved into the industrial park if they had known it would have been rezoned to commercial uses. He stated that for the short term there are people who are in favor of this project, but in the long term this would be a mistake for Canby to rezone an area that is intended for industrial use.

Mr. Brown asked Mr. Jones to explain why rezoning these parcels were a concern to the industrial users in the area. Mr. Jones stated that none of the industrial parks between here and Sherwood have doctor's offices in them. There is a selection process that an industrial user goes through when selecting an area to move to. Having a doctor's office in the site would be a negative to any large industrial user. Mr. Jones stated that none of the businesses he represents would have located there if they had known a medical center would be allowed.

Mr. Brown asked if having the condition that no other type of businesses (except medical offices) could be located there made him less concerned. Mr. Jones

responded that it did not; he explained that prior to moving to Canby they were located in an industrial park in Wilsonville that allowed their type of use. A tenant moved in next door and sued them because they were making too much noise. It cost him and the insurance company about \$50,000. He stated you can't look into the future, it is an industrial park and you don't know who will move there. Mr. Brown asked if the voluntary condition that would preclude such complaints make it any more comfortable. Mr. Jones stated it did not.

Mr. Ewert stated he did not understand exactly why having the healthcare center there would be a negative. He believed having drug testing close by or an urgent care center for emergencies would be a positive for a business. Mr. Jones asked why does Canby have zoning? Those decisions were made for a reason, with a purpose. He explained that there is 23 acres of industrial park users that would not be there had they known it would become a commercial park.

Mr. Tessman questioned if Mr. Jones or JVNW was a member of the Chamber of Commerce. Mr. Jones stated they were not members.

REBUTTAL:

Dr. Perman stated that under the light industrial code, if he was a veterinarian he could build there now. A professional office space seeing dogs and cats would be allowed under the existing code. He did not see a big difference between a veterinarian working in a private health care office space on this land versus a medical or dental use. He questioned how this development would be detrimental to JVNW or any of the other businesses located there. He stated he had spoken with Spectrum and they are neutral on this issue, Beau has concerns but he is very positive of the healthcare village being there and thinks it is a good idea, but he is concerned about the industrial site.

Dr. Perman stated he had spoken with Shimadzu and they loved the idea of the healthcare being available for their employees, there are several businesses that have concerns regarding this project, but there is only one business represented at the meeting and he believes he has addressed their concerns about noise factors and encroachment.

Mr. Molamphy asked if they are planning on maintaining ownership or if he would sell of the parcels. Dr. Perman stated they planned on selling the parcels.

Mr. Tessman questioned how this project would be compatible with existing industrial uses, would there be drug testing facilities or emergency services. Dr. Perman stated he has been contacted by a representative from Willamette Falls Hospital and has discussed an out patient clinic being placed there. Dr. Perman explained that he has an associate working in his downtown location who does not plan on leaving that spot. So this would be an addition.

Mr. Helbling questioned if there would be any negative impact on the industrial users by this project. Dr. Perman did not believe there would be a negative impact. Mr. Helbling asked how many cars would go in and out of his office. Dr. Perman replied

that with staff there would be about 30 cars a day. Mr. Helbling stated there are 10 sites that would mean approximately 300 vehicle trips per day.

Mr. Brown questioned John if this was the only mechanism for allowing the application. John explained the conditional uses that would be allowed were heavy commercial or light industrial; neither allowed this type of use. Darren explained that they had considered doing a text amendment but it would have changed the conditional uses for all industrial zones, and it was decided that was too far reaching.

Mr. Ewert questioned what would prevent someone from purchasing a piece of property 5 – 10 years from now and putting a different use in. John stated it couldn't go in unless the Planning Commission approves it. There would be deed restrictions on the title.

Mr. Brown stated he was very torn about this application. The idea of taking the most vulnerable citizens Canby has and placing them in the center of the industrial zone is preposterous as a planning decision. On the other hand we know what the neighboring uses are except for a couple of pieces that if they come in as an industrial user such as JVNW, then this does become a donut hole, an island in the center of the industrial area.

Mr. Brown stated that this use would probably create family wage jobs, if it were developed as warehouse it is possible there would be less jobs created. He explained that the more intensive the industrial use the more they like isolation from commercial type uses. The user that is impacted the most is JVNW.

Mr. Brown stated one issue to think about is should the redevelopment of downtown be forced. Getting owners to join together to create properties of sufficient size is difficult and it will not get easier.

Mr. Brown explained that the original idea of the industrial park was to create a tax base that would be able to fix the infrastructure of downtown and then new development would take place. If it is difficult to have redevelopment take place, and if we make it easy for development to take place everywhere else, then who is ever going to redevelop the downtown?

Mr. Tessman stated the staff report deals with the compatibility of this application with the industrial park. He stated there is an existing industrial area with industrial uses. There are members of that industrial park who have signed a letter indicating this type of application is not compatible with their uses. He believed it made more sense to put this development in Pioneer Park where there are already existing commercial uses across the street.

Mr. Ewert questioned the statement that this is the only available piece. He believes there are other options. He did not believe the zoning should be changed, he cited the industrial park that was built and now there is a battery plant in the middle of town. He believes there are other areas that would be very suited for this type of development instead of diluting the industrial park.

Mr. Molamphy stated the zoning was put there for a reason. There is a new industrial park coming in and there has been a discussion of having one corner of the park being conducive for this type of endeavor. He does not believe the zoning should be changed at this time. He agreed that it is a use that Canby needs, but this is not the right spot. Mr. Molamphy stated the only thing this site has going for it is its unusual shape and questioned if there would be another buyer for the property.

Mr. Ewert stated there are situations that could be put in there that would fit the zoning, something that would support the industries that are already there.

Mr. Helbling stated there seems to be an excess of industrial property. That excess was obtained by a lot of hard work from a lot of people, and he believed that Dr. Perman was part of that process. He questioned if the city wants to step on the slippery slope of working hard to get industrial property, recruiting and helping industrial businesses locate into those properties and essentially making a covenant with them to attract them into Canby by saying this is an industrial park and you have a fair expectation that you will be able to operate your business in its capacity in that industrial park. He gave the example of the businesses that have located in the industrial park along NW 3rd and are now having to cope with the mixed use.

Mr. Helbling explained that using the applicant's vehicle trip numbers, there is the potential conflict between cars and heavy trucks there every 2 minutes. He stated there is a value in this project and he loved the way it looks but if they change the zoning now how will that look to potential users of the new industrial park. Once, as a community the decision is made to make an industrial park, we as an organization have a responsibility to live up to it.

Mr. Ewert agreed with Mr. Helbling's comment and was unwilling to set a precedent with this application. He believes there are other areas for this type of development. He commented that mixing senior citizens with semi-trucks is not a good idea.

Mr. Manley stated when he looked at this application he was excited about the medical village. He explained that the need for an urgent care facility has been discussed at several Planning Commission workshops. He explained that changing the zoning is not something to do lightly. He stated there is land available in the Pioneer Park and he believed this area should be left industrial to continue to attract industrial users.

Mr. Tessman stated he agreed with most everything that was said. In concept he likes the idea and there is a need for a medical plaza. Unfortunately there is a land use compatibility issue that has been brought before the Commission and he would like to see this area remain industrial. He believes this development would be a better fit at the Pioneer industrial park.

Mr. Brown stated that Canby has a serious problem with not having sufficient, developable land to be used, as developers want to use it. He agreed with Dr. Perman

that Canby will continue to grow to the northeast direction. The interests of JVNW and the other companies that were sought out are just as important as the people who want to develop now.

Mr. Brown stated he is concerned about how to get consistent development in areas that are already developed and have properties on them. How do we actually grown downtown when there is no land to build upon?

Mr. Brown explained that the Planning Commission would make a recommendation to the City Council; he stated he was not trying to be cynical but the Council looks at different issues than the Planning Commission does and the application will be evaluated in a different light.

It was moved by Mr. Manley to recommend denial of CPA 04-02 to the City Council due to not meeting policy #1, and recommend denial of ZC 04-03 due to not being in alignment with the comprehensive plan. Seconded by Mr. Ewert. Motion carried 6-0.

Mr. Brown stated that everyone will have a chance to address the City Council and they have the final word.

V FINDINGS

DR 04-05 (VLMK/BURDEN) It was moved by Mr. Manley to approve the Findings for DR 04-05 as written. Seconded by Mr. Tessman. Motion carried 5-0-1 with Mr. Ewert abstaining and Mr. Able absent.

ANN 04-02 (Mandan LLC) it was moved by Mr. Ewert to approve the Findings for ANN 04-05 as written. Seconded by Mr. Tessman. Motion carried 5-0-1-1 with Mr. Helbling abstaining and Mr. Able absent.

ANN 04-05 (Allen Manuel) It was moved by Mr. Manley to approve the findings for ANN 04-05 as written. Seconded by Mr. Tessman. Motion carried 5-0-1-1 with Mr. Helbling abstaining and Mr. Able absent.

VI DIRECTOR=S REPORT

John explained that the Dupont subdivision hearing was rescheduled until July 26, 2004. There were still some issues that needed to be worked out. That means there will be 4 public hearings at the next meeting.

The Commission discussed the possibility of using time limits to make the meeting more manageable. John stated that there will be a stopwatch available to time testimony.

John stated that the master planning for the northeast section of Canby has been scheduled to start with organizational meetings beginning in August, with public

meetings starting in the fall.

John explained that Darren will begin working on the N. Redwood master plan and it will probably be managed in house. There is a limited number of property owners there and there is only a few ways to work things out there. He added the neighborhood association has stated they want to be involved.

John stated he has sent a notice to the State that there will be a zone change to the south side of township Rd. It will be down zoned from R2 to R 1.5 following our conversation a couple of meetings ago. He explained there will be public meetings.

John stated the City Council will be having a workshop at their July 21st meeting regarding the Ardnt Rd issue. He stated he will ask the Council to decide if there should be SDCs set aside for the project, how many resources are they willing to commit to get matching funds.

John stated there was a public meeting for the Territorial and Hwy 99E project. It was his understanding that the folks who showed up were folks that will be inconvenienced by the interim process. He explained that the State believes this is a good interim plan, but they will ask the City Council if they are sure they want to do this before the State spends \$50,000 on the project. The Planning Commission agreed that as long as phase II of the project is done they are in favor of phase I.

VIII ADJOURNMENT