

**MINUTES**  
**Troutdale City Council – Regular Meeting**  
**Troutdale City Hall – Council Chambers**  
**104 SE Kibling Avenue**  
**Troutdale, OR 97060-2099**

**September 10, 2002**

**1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE**

Mayor Thalhoffer called the meeting to order at 7:00pm.

**PRESENT:** Mayor Thalhoffer, Councilor Smith, Councilor Ripma, Councilor Thompson, Councilor Kight, Councilor Rabe and Councilor Daoust.

**ABSENT:** None.

**STAFF:** Rich Faith, Jim Galloway, Pattie Hollamon, Beth McCallum, Kevin Rauch, David Nelson, Erik Kvarsten, Marnie Allen and Debbie Stickney.

**GUESTS:** See Attached List.

Mayor Thalhoffer asked are there any agenda updates?

Kvarsten replied we would like to ask that item #7, which is a hearing regarding a resolution establishing a reimbursement district, be removed from consideration at tonight's meeting and set over until October 8<sup>th</sup>. Both parties in this matter have made this request to allow them more time to work out a solution.

**2. CONSENT AGENDA:**

- 2.1 Accept Minutes: July 23, 2002 Regular Meeting, July 23, 2002 Work Session and August 27, 2002 Regular Meeting.**
- 2.2 Resolution: A Resolution requesting Multnomah County to prohibit parking on a portion of Troutdale Road.**

Mayor Thalhoffer read the consent agenda.

**MOTION:** Councilor Thompson moved to adopt the consent agenda. Seconded by Councilor Kight. Motion passed unanimously.

**3. PUBLIC COMMENT: Please restrict comments to non-agenda items at this time.**

Mayor Thalhoffer asked is there anyone here that would like to speak to us on a non-agenda item?

No public comment received.

#### **4. PROCLAMATION: Remembering September 11, 2001.**

Mayor Thalhofers asked for a moment of silence to honor the Fire Fighters, Police Officers and the Emergency Personnel of this Country, especially those that gave their lives on September 11, 2001, and all the members of the Armed Forces who have given their lives in the war on terrorism.

Mayor Thalhofers read the Proclamation.

#### **5. PRESENTATION: Safety Award**

Steve Warren, Senior Account Executive with Liberty Northwest Insurance Company. Liberty Northwest is the current provider of workers compensation insurance coverage for the city. I am here to recap the safety award that was presented to the city earlier this summer. The award is given for achieving a zero report of job injuries, which resulted in zero time-loss for the seven-month period from June 2001 to January 2002. This city has put a great deal of work into achieving this award. The efforts come primarily from your Human Resource Manager, Pattie Hollamon, who oversees the program and works in conjunction with all of the division managers. It is a very important work for a couple of different reasons. It provides the city with a constant work force that is free of accidents and injuries and down the road these safety efforts will achieve a lower premium rate for the city.

#### **6. PUBLIC HEARING / ORDINANCE (Introduced 8/27/02): An Ordinance adjusting the solid waste franchise fee, amending Chapter 12.10.050 of the Troutdale Municipal Code, repealing Ordinance No. 572 and declaring an emergency.**

Mayor Thalhofers read the Ordinance title and opened the Public Hearing at 7:11pm.

Kevin Rauch, Environmental Specialist, stated this is the second hearing on this ordinance to raise the franchise fee on solid waste hauling services from 4% to 5% to bring it in line with the rest of the Metro region. This increase of 1% is estimated to generate around \$15,000 for the general fund annually. The cost increase to the most common service level, which is the 32-gallon garbage and 32-gallon yard debris, is approximately \$.20 per month. Due to the fact that this ordinance has an impact on the rates proposed to become effective on October 1, 2002, this ordinance should become effective on that date. In order to make this ordinance effective with the proposed rate resolution on October 1, 2002, the Council must declare an emergency in accordance with Section 30 of the Troutdale City Charter. In order for this ordinance to take effect by emergency all Council members present must approve this ordinance, so it must be a unanimous vote. Staff believes that the proposed franchise fee increase from 4% to 5% is justifiable to bring the City's franchise fee in line with other Metro region municipalities and we recommend adoption. The ordinance has been drafted with the appropriate emergency clause language to allow for an effective date less than 30 days after adoption. Such an emergency clause requires approval from all Councilors present at the meeting. If the Council desires to adopt the proposed ordinance but it appears that one or

more Councilors do not support it, the Councilor making the motion to adopt the ordinance may wish to do so using the language outlined in my staff report. The effect of those changes would be to have the ordinance effective 30 days after it is adopted, which would be October 10<sup>th</sup> if it is adopted at this meeting, but to have the increased franchise fee applied retroactively to October 1, 2002, which is the effective date of the increased solid waste rates.

Councilor Rabe asked if we adopt this with the retroactive date, can you explain to me how that would work for billing customers?

Rauch replied it would still start on the 1<sup>st</sup> of October. Waste Management would then, by ordinance, be required to pay franchise fees retroactively to the 1<sup>st</sup> of October.

Councilor Rabe asked this will funnel down to the customers, correct?

Rauch replied yes.

Councilor Rabe asked will there be some kind of notification of the increase?

Rauch replied the hauler will be putting together a notification letter to send out to all of their customers to inform them of the rate increases.

Councilor Kight asked the \$.20 seems nominal but we also had a rate increase in addition to this franchise fee increase, is that right?

Rauch replied correct.

Councilor Kight asked what is the total of the two increases for a service level of 32-gallon garbage and 32-gallon yard debris?

Rauch replied approximately \$.40 per month.

Councilor Kight asked is the 1% justified because of the increase of doing business or just because we want to fall in-line with the other cities?

Rauch replied falling in-line with the other cities.

Councilor Kight asked there is no increase of cost from either Waste Management or the City?

Rauch replied correct.

Councilor Kight asked would this money go into a dedicated fund?

Rauch replied it would go to the general fund.

Mayor Thalhofer asked is there anyone here that would like to speak to us on this issue?

No testimony received.

Mayor Thalhoffer closed the public hearing at 7:16pm.

**MOTION:** Councilor Daoust moved to adopt the Ordinance adjusting the solid waste franchise fee, amending Chapter 12.10.050 of the Troutdale Municipal Code, repealing Ordinance No. 572, and declaring an emergency. Seconded by Councilor Thompson.

Councilor Daoust stated there may be some concern that we are just passing this through without due cause, but I think there is cause to pass this through to consumers. It is rather minimal. The increase is \$.20 per month, which is very minimal for this fee and the other \$.20 per month that we passed at the last meeting. I think it is very reasonable and should be supported by the Council.

Councilor Thompson stated I think this is okay for the city. \$.20 is not going to be a hardship on anybody. The general fund could certainly use the revenue.

Councilor Smith stated I don't think that \$.20 a month is that much. We are way below the other cities as far as what we are charging. I think it is reasonable.

Councilor Ripma stated I think it is reasonable.

Mayor Thalhoffer stated I think it is reasonable and justifiable.

Councilor Kight stated I am not going to support this for a variety of reasons. If there was a cause for the increase, I have yet to hear it. I have heard a lot of ambiguity; one was that we want to fall into line with what the other cities are doing. I agree that \$.20 per month is not a large increase. It is very minimal. The only thing that people are going to hear is that there is an increase. We are seeing more and more people illegally dumping their garbage. People that do not pay their garbage bills find other places to dump their garbage like in dumpsters behind businesses or along the side of the road. As we keep increasing the rate I think you are going to see more people looking for other means to dispose of their garbage instead of having it collected at the curbside. I am not going to support this ordinance.

**MOTION WITHDRAWN:** Councilor Daoust withdrew his motion. Seconded by Councilor Thompson.

**MOTION:** Councilor Daoust moved to adopt the proposed ordinance with the following changes: Delete the words "and declaring an emergency" from the title; Revise Finding #5 to read, "Waste Management should pay increased franchise fees effective October 1, 2002, since rates are being increased effective October 1, 2002, in part, to fund the increase in franchise fees required by this ordinance"; Delete Finding #6; Revise

**Section 3 of the ordinance to read, “The increased franchise fee imposed pursuant to this ordinance shall be retroactive and due to the City beginning October 1, 2002”. Seconded by Councilor Thompson.**

**VOTE: Councilor Rabe – Yes; Councilor Daoust – Yes; Councilor Smith – Yes; Councilor Ripma – Yes; Councilor Thompson – Yes; Mayor Thalhoffer – Yes; Councilor Kight – No.**

**Motion approved 6-1.**

**7. PUBLIC HEARING / RESOLUTION (Continued from 7/23/02): A public hearing to consider a Resolution establishing a reimbursement district for the Sandy Heights Sanitary Sewer Pump Station.**

Mayor Thalhoffer stated this item has been set over until October 8, 2002.

**8. PUBLIC HEARING / ORDINANCE (Introduction): An Ordinance amending Troutdale Development Code Chapters 1, 3 and 6 relating to definitions, industrial zoning districts and annexations and amending the zoning map.**

Mayor Thalhoffer read the Ordinance title and opened the Public Hearing at 7:24pm.

Rich Faith, Community Developer Director, stated this is an ordinance that will amend the Troutdale Development Code. The proposed amendments are specific to our industrial zoning districts and to the annexation proceedings that are outlined in the code. The amendments to our industrial zones originated about one year ago when an owner of industrial property in the city approached the Planning Commission (PC) with a request that we look at amending our industrial zoning districts to expand upon the allowed uses. He made a compelling case to the PC, which they felt had merit. They instructed the Citizens Advisory Committee (CAC) to take this matter up and draft some amendments that could be brought back for their consideration. The CAC commenced their work on this project in November and spent six meetings reviewing and evaluating the various proposals that staff put together. They held a public meeting to solicit input from property owners in the industrial zones in the city. Notices went to all of those property owners in early June. The matter was then forwarded on to the PC. The PC held a public hearing on July 17<sup>th</sup> and on the basis of some testimony they received they modified the proposal slightly and concluded their review and hearings on this matter in August. They recommend that the amendments be brought forward to the City Council for adoption. I would like to show you a power point presentation to introduce these amendments and some of the factors surrounding them. (A copy of the power point presentation is attached to these minutes as Exhibit A).

Faith stated the proposed amendments related to Chapter 6, annexations, are being offered to reflect procedures that are now spelled out in the Metro Code. Prior to January of 1999 annexations in the Portland Metropolitan area were processed by the Portland Metropolitan Area Boundary Commission. In January of 1999 the Boundary Commission was abolished

through state legislation. When it was abolished the legislature also authorized Metro to come up with uniform procedures for how annexations should be processed for all the jurisdictions within the Portland Metropolitan area. Metro did adopt regulations that establish timeframes, notice requirements and other things that all jurisdictions in the Portland Metropolitan area are required to follow. We are attempting to bring our code into conformance with the procedures that are outlined in the Metro Code as well as under State Law. The major change that is occurring under this proposal is in the past anytime there was an annexation of property into the City of Troutdale it had to be processed under our Type IV procedure, meaning it had to go through the PC for a public hearing and recommendation and then to the City Council. Even though the Boundary Commission processed the annexation, it was still necessary for the city to do a Type IV procedure because it necessitated an amendment to our comprehensive plan and zoning map because we were bringing property from the unincorporated county into the city. Until we amended our comprehensive plan map and zoning map it retained the county's zoning. It was always necessary for us to go through a Type IV procedure. In January of this year the County did adopt our comprehensive plan and zoning and applied it to these unincorporated lands within our urban planning area. By doing that there is no longer a need for us to have to assign zoning and a comp plan designation when property is annexed because that has already been determined. The new procedure that we are proposing for annexations is that rather than have to go through a Type IV process for all annexations, they could be brought directly to the City Council for a decision unless there is a zoning map or comprehensive map change contemplated as part of the annexation. If there is no change requested as part of the annexation, then it would come directly to the City Council and bypass the Planning Commission. In doing that there are two methods that an annexation can be reviewed by the City Council. The first of these involves a full public hearing the other is called an expedited process. An expedited process is available to any applicant for annexation in which 100% of the property owners for the area being annexed have signed the petition or application for annexation and at least 50% of the electors, if there are any, in that area have also signed the petition or application. In that case the application can come to the City Council under expedited process. The expedited process is a much shorter timeframe, there is no need for a public hearing and the annexation can be approved through a resolution and takes effect immediately. Even when an application is brought to the Council under the expedited process, there is still an opportunity for adjacent property owners and other affected agencies and jurisdictions to contest the expedited process. They have up until the time of the meeting on the annexation to contest it as an expedited process. If they do contest it then we have to start over and go through the full public hearing process. The timeframes and notification requirements are all spelled out in the Metro Code and that is what we are held to. The final point on the annexation amendments is that once the decision has been rendered then it can be appealed to the Metro Boundary Appeals Commission. They are available to consider appeals only by other affected agencies; appeals cannot be made to this body by an applicant that is a property owner. The reason is that the Appeals Commission purpose and intent is to resolve disputes between political bodies. A property owners appeal rights are limited to LUBA or Circuit Court. These have all been reviewed by the CAC, forwarded to the PC and they have now forwarded this to you with their recommendation for adoption. The ordinance included both the text changes that I have described as well as a map change.

Councilor Rabe asked the annexation changes you are proposing are to bring us in-line with the Metro annexation policies, is that correct?

Faith replied yes.

Councilor Rabe stated in other words we would dispose of the process as we know it and would adopt their process?

Faith replied we are repealing the process currently in the Development Code and adopting a new process.

Councilor Rabe stated you stated if a piece of property were to become annexed that it would maintain its current Metro zoning designation, is that correct?

Faith replied no. First of all Metro doesn't zone property, it is the County. It would retain the zoning that the County has applied but the County has adopted our zoning for the unincorporated lands within the urban planning area. The City Council, by resolution, forwarded a recommendation to the County in terms of your preferences for that zoning. In other words, when and if that property is annexed into the city, the Council's intent was to zone it a certain way and the County has taken and applied that to those lands.

Councilor Rabe asked so if in fact those properties were annexed into the city, they would already be appealing to us in terms of their zoning?

Faith replied absolutely.

Councilor Rabe stated in terms of what is being proposed for the industrial land is that the IP is going to LI. You mentioned that there was some compelling testimony regarding justification of that change, was that in the planning commission minutes? I didn't get a chance to read those so I was going to ask you for a very brief summary.

Faith replied the compelling testimony that I spoke to was not so much about merging IP to LI. That was the original testimony or the original property owner that approached the PC and made a compelling argument for why we should revamp our industrial zones. At that time there was no clear notion of just exactly that would consist of. The PC assigned this project to the CAC to look at the how the industrial zones could be changed.

Councilor Rabe stated so the CAC did a compare/contrast between the two zonings and their conclusion was that it seemed unnecessary to have the different hierarchy and it seemed as though they could be merged for simplicity.

Faith replied that is correct.

Councilor Rabe asked if a current business in the IP zone is rezoned to LI and they sale their property or they go out of business, would the new owner then have to assume the new

adopted uses of the LI zone? What if the business changes ownership would they be grandfathered in?

Faith replied the concept of nonconforming uses and grandfathered uses still remains in the code. That is, if as a result of these amendments an existing use that was allowed becomes nonconforming, the use can continue even if it is sold to someone else. A nonconforming use remains operable or valid until it ceases to operate for a period of twelve months or longer, or if it is destroyed beyond 75% of its assessed value. Those actions would then terminate the nonconforming use and then if it is going to be restarted it would have to comply with the zoning in place at that time.

Councilor Rabe asked could you explain to me what flex space is?

Faith replied the best way to describe it is if you look at the I-84 Corporate Center. A flex space development is when they come in and they build a shell of a building without knowing exactly what kind of uses are going to occur there. They then begin to market and lease out various square footages based upon the need. Then they build an interior wall that conforms to the needs of a tenant. The uses that go in there have to be permitted by the underlying zoning, but in terms of how the shell is used it is variable and depends upon who comes along and what their needs are. It is flexible. The spaces can expand or shrink to fit the need of a particular tenant.

Councilor Rabe asked the traffic studies that we see here are the results of figuring at full capacity for these zoned areas?

Faith replied it is assuming buildout.

Councilor Rabe asked how would you determine the amount of traffic that a particular industrial area would generate when you don't know the exact type of businesses that would occupy that space and how many trucks would be in their fleet? How is this a justifiable piece of data when we are not talking about residents where we know how many people live there. Yet ODOT determined that this was something that was necessary.

Faith replied the State was adamant that they would not lend support to these changes, in fact would have found that we had a fatal flaw in proceeding with these changes without doing a traffic impact study.

Councilor Rabe asked do we need their permission to do this? I can't figure out where they play a role in this and can tell us we have to do this study and pay for it.

Faith replied there is always the possibility of a challenge. If we were to adopt these amendments without providing the documentation of what the potential impact could be, they could raise a challenge that we acted without sufficient information to support this change. We would run the risk that they would challenge our decision.



Erik Kvarsten, City Administrator, stated we did visit that very question with the City Attorney and came to the conclusion that Mr. Faith just mentioned that the State had some basis for requiring that.

Councilor Rabe asked so we did this as a safeguard not as a requirement.

Kvarsten stated is from the State's prospective it is a requirement; we didn't do it to justify any of the changes.

Councilor Daoust asked regarding the traffic study, basically the bottom line they came up with was with all these development code text amendments and amending the zoning map, within the city limits all we need to do is think about putting a traffic light at Sundial Road and the rest of the road infrastructure would handle these proposed changes, is that correct?

Faith replied that is essentially correct except I don't know that the expectation is that the city will put that in. Somewhere along the line when development reaches a certain point that would have to be done. Whether that would be the burden of a particular developer because their development triggers that need or the county would do it. But it would be needed at some point.

Councilor Daoust stated once you add the rest of the general industrial land north of the airport, the part that is outside of the city limits, that is when they say we would have to look at extending 238<sup>th</sup> to Marine Drive and maybe adding an extra lane on Frontage Road.

Faith replied there are quite a number of needed improvements that would result from the annexation of the area north of our current city limits and applying this zoning to it.

Councilor Daoust asked did they assume the Oregon Science and Technology Park or did they assume just general industrial land generically?

Faith replied for this portion of the study it was looking strictly at the uses that were outlined under our proposed amendments and only for current lands within the city limits. It was not relevant to this particular issue of our zoning amendments to look at the proposed science and technology park.

Councilor Daoust stated the text amendments for the annexation procedures refers to affected territory. Is the affected territory the area that is being annexed?

Faith replied there is a definition for that and it is, the territory described in an annexation application.

Councilor Ripma asked in the Planning Commission minutes there is a reference made to this whole process being kicked off by a property owner with land in the GI zone who asked for this comprehensive review to be done, including changing all of the zoning. The only thing I saw in here was that a neighbor of this property owner wanted to put in an RV Park on his land next to the property owner that started this whole process. What was the original

property owner's interest in requesting this change and expanding our range of uses; what was driving that?

Faith replied I don't like speaking for someone else but I will try to relay what I heard. This individual, who owns land in the GI district, has had his property on the market for the last several years and has had a number of inquiries about uses that are allowed. Many of these contacts have come to him through the Gresham Economic Development office through the location connection program that they have. There were a number of inquiries that he thought would be totally appropriate in the IP zone but they were not permitted uses because of our current zoning. I think he was pretty frank about it; it is because he is having a difficult time selling or building on his property because of the restrictions on the uses. He thought it was a poor reflection on our zoning and that there was really no reason why these uses shouldn't be allowed and that they were compatible and that they would be employers providing an employment base for the community and jobs for people and given that we should take a look at it. I will also add that this individual had to approach the Planning Commission because under our Development Code only the City Council or the Planning Commission or City Staff can initiate a text change to the Development Code.

Councilor Ripma asked what are some of the uses that are being proposed by the Location Connection program that we are talking about?

Faith replied one was a pharmaceutical research facility. Research and training facilities are allowed in the LI district but not in the GI district. Mr. Fletcher is here so I think he could answer for himself.

Councilor Ripma stated RV parks were discussed and that would be a new use that would be permitted.

Faith replied as proposed, yes. Currently, no zoning district in the city allows RV Parks. The one that we did have was amended a few years back when we adopted the Town Center zoning.

Councilor Ripma stated another use that was discussed was self-storage units. Can you think of any others, not related to any particular persons request, but what other kinds of requests are we getting that you can think of?

Kvarsten stated some of the inquiries that come my direction are the ancillary uses that we don't allow. For example, with a business some office space for accounting, some ability to have onsite support services such as snack bars for their employees and those kinds of things. As Rich mentioned the industrial use truly does represent uses in a time long ago. The type of inquires that come my direction are the ancillary uses that are used to support what they are doing.

Beth McCallum, Senior Planner, stated we have had inquiries for a soccer field or a sports complex. The CAC looked at the provision in the current code that allows for daycare facilities in conjunction with another permitted industrial use. They felt strongly as a

committee that should be a use that could be allowed as a conditional use. The market and the need for that would control where it went. We do get various requests through the Location Connection program that are not real good fits for the way our GI Zone is currently written and that is the bulk of our industrial properties.

Councilor Ripma asked is Toyo Tanso in the GI zone?

McCallum replied yes.

Councilor Ripma stated well that was allowed.

McCallum replied that is a permitted use; it is a graphite manufacturer.

Councilor Ripma stated it has offices.

McCallum replied offices associated with its business. The code is real narrow that way.

Councilor Ripma asked are you saying that the new expanded code would allow offices unrelated to the businesses or allow non-industrial office type uses?

McCallum replied if they had their own business for tax preparation and they have this flex space, they could have an office built into that building, they could be in the industrial zone. Currently they would have to be directly associated with the industrial business.

Councilor Ripma asked how much particular property can be used for non-industrial uses like that under these changes?

Faith replied I think the only restriction as far as area is with the retail. There is no restriction with respect to professional offices. The entire parcel could be occupied by professional offices, but when it comes to retail we have some built in limitations.

Councilor Ripma asked were professional offices allowed in the old GI zone?

Faith replied no. It was allowed in the IP zone.

Councilor Ripma stated GI has the potential of being our biggest tax generating land and we want to use it wisely for the taxpayers in Troutdale. What controls would we have, if any, under the new proposal to not have substantial parts of the land taken by offices, snack bars and soccer fields? Is there anything that we can do, or do we open up the whole GI area to potentially be used up by these types of uses?

McCallum replied it is my understanding that the market is going to drive where potential offices would locate. The cost of the land to develop in the GI area may preclude most professional offices from locating in existing flex space industrial buildings, which are built primarily for industrial tenants. With respect to the retail/wholesale, there are specific dimensional limitations outlined. (McCallum read those limitations)

Councilor Ripma stated my question was what, if any, controls or tools does the city have to avoid having all of our GI land turned into RV Parks, Self Storage units, offices, snack bars and soccer fields. Not retail, I understand there are some controls with that. I am hearing that our only control is the market.

McCallum replied the additional control is that those types of uses, other than the professional offices, fall under the conditional use category.

Faith stated to answer your question, there is no control built into the code. The market controls it. These changes allow for professional offices and medical offices to be permitted outright and we have no control other than in reviewing them that we make sure we address potential impacts and try to make sure everything is compatible.

Councilor Ripma stated on page 2 of the July 17<sup>th</sup> Planning Commission minutes, it reads, "In the GI district, commercial uses would be allowed as conditional uses but they would not be permitted in a stand-alone building". Are those also subject to those same limitations that you just read off?

McCallum replied similar but somewhat more restrictive.

Councilor Ripma asked is it necessary to allow RV Parks and self-storage units in adopting this? If we wanted to remove those permitted uses, even as conditional permitted uses from the industrial zone, is there some compelling reason why we shouldn't?

Faith replied I think you have latitude to revise what is before you.

Councilor Thompson asked could you clarify that the uses that are permitted in the IP zones would now be permitted in the LI zones, is that correct?

Faith replied yes.

Councilor Thompson asked does that include RV Parks?

Faith replied no. RV Parks was one that was thrown in there. It is not currently allowed for in the IP zone.

Councilor Thompson asked the LI uses, some of those will be allowed now in the GI zones?

Faith replied any use that is permitted outright in the LI would be permitted outright in the GI, yes.

Councilor Thompson stated that kind of dilutes the GI zoning doesn't it?

Faith replied I am not sure I agree that it dilutes it but it certainly expands on the range of uses that would be permitted.

Mayor Thalhoffer stated I have the same concerns about expanding the range of uses. Why are we going to allow what is permitted now in the LI to be permitted in the GI zone?

Faith replied the CAC felt that the concept of nesting or pyramiding uses, that we currently do in our commercial zones, should also be applied in our industrial zones. We have three commercial zones, neighborhood commercial, community commercial and general commercial. These are pyramided meaning that anything that is allowed in the lower intensity neighborhood commercial zone is allowed in community commercial and everything allowed in community commercial is allowed in general commercial. They felt that the same structuring was reasonable and appropriate for the industrial zones. This is very common in other communities.

Mayor Thalhoffer asked why did we create general industrial?

Faith replied I don't know if I know the full history. General industrial is equated with heavy industry.

McCallum stated in looking at the codes for Fairview and Wood Village, our original code language was all based on Multnomah County's zoning ordinance.

Mayor Thalhoffer asked do you think a soccer field or a commercial sports complex would fit in a GI zone and would create the number of jobs that we expect to be created in the GI zone?

Faith replied it would probably fit as well and create as many jobs as some other types of uses that are allowed in the GI zone. Warehouses are permitted in the GI zone and they are large buildings often with very few employees. Trucking firms, such as Swift Trucking is another example of a use that is allowed in the GI zone; they have ten acres of parking for trucks but how many people are actually employed there? A sports complex can have a lot of different people employed. Sports Nation in Beaverton has trainers, massage therapist, physical therapist, restaurants; it is a full service complex with numerous employees. In my opinion it is comparable to Swift Trucking or a warehouse.

Mayor Thalhoffer asked is a sports complex a permitted use?

Faith replied no. It is proposed as a conditional use.

Mayor Thalhoffer asked as is the RV park?

Faith replied yes.

Mayor Thalhoffer asked one type of annexation requires a public hearing but not at the planning commission level, is that right?

Faith replied no. An annexation, under this proposal, would no longer go to the planning commission unless there was a request for a zoning map change concurrent with the annexation application.

Mayor Thalhoffer asked is that to expedite the process?

Faith replied yes. If we look back at many, if not all, of the annexations that have occurred since I have been here, there has been very little controversy. It seems unnecessary to go through both the PC and then to the City Council.

Mayor Thalhoffer asked when you are processing annexations isn't a good idea to have a couple of public hearings? Don't the public hearings serve a real purpose to let the public know what is happening?

Faith replied they would know, there is a notification that goes to the surrounding property owners.

Mayor Thalhoffer asked but there is no public hearing?

Faith replied correct, unless they contest it. All they have to do is submit a letter saying that they object or disagree with the expedited process and that they would like it to go through a hearing. It would then be scheduled for a hearing.

Mayor Thalhoffer asked who is on the Metro Boundary Appeals Commission?

Faith replied I do not know.

Mayor Thalhoffer asked would the Science and Technology Park be allowed in the GI zone?

McCallum replied under the proposed amendments research and development would be a permitted use.

Councilor Kight asked it was mentioned that retail space would be limited to 60,000 square feet, could you give me an example of a building that has approximately 60,000 square feet?

Faith replied Home Depot store is 115,000 square feet; Safeway was around 75,000 square feet.

Councilor Kight asked could they have a composite of several buildings? They could have one building at 60,000 square feet and the next building at 50,000 square feet. They could have a whole area with several buildings, each building meeting the 60,000 square feet limitation, is that correct?

Faith replied in the GI zone those uses are limited to flex space buildings. In other words there would have to be some industrial type activity that is also occurring within that building, it cannot be a stand-alone. Using the I-84 Corporate Center as an example, that is a 12-lot

subdivision. Lets say that they have 100,000 square feet of flex-space building on that site. What this would say is that no one commercial use allowed in the flex space building can exceed 15% of the gross leasable area of that building. The cumulative area of all such uses shall not exceed more than one-half of the gross leasable area of the building or 60,000 square feet, whichever is less. If they have multiple flex buildings then you apply that same standard to each one.

Councilor Kight asked that is what is permitted today?

Faith replied this is the proposed amendment.

Councilor Kight asked so could you build something like the outlet stores?

Faith replied you could not have an outlet mall where the entire development is composed of retail stores.

Councilor Kight asked could that be done under conditional use?

Faith replied no. These are conditional uses. We are talking about restrictions to size and only permitted by conditional use. I guess it is conceivable, using I-84 Corporate Center as an example, if they had 100,000 square feet of flex space in a building this would say that 50,000 square feet of that could be used for commercial activities. So you could have 50,000 square feet of commercial retail that are outlet stores.

Marnie Allen, City Attorney, stated in the GI zoning district, commercial uses are not permitted in a building solely designed for commercial use. So you also cannot have a separate series of buildings designed solely for commercial use.

Faith stated there always has to be some industrial permitted activity occurring in that building, that is why it is a flex-space building, it is not solely a commercial or retail building.

Councilor Kight asked would you say that generally in the GI zone as opposed to the LI, your income base for employees is higher? You gave examples of where you don't have a high concentration of employees like warehouses. You also gave an example of Swift Trucking as just a staging area for trucks. If they have 150 trucks plus service staff, mechanics, accountants and other professionals within the office building, those people all have what we call family wage jobs as opposed to the service industry and you gave the sports complex as an example of that. They have restaurant employees, massage therapists and so on.

McCallum replied Swift is an example of a secondary type of job in the hierarchy of jobs as I understand it. It does have a higher wage then restaurant workers.

Faith stated in your particular example you probably have family wage jobs.

Councilor Kight asked so in effect, do we have the potential of diluting those family wage jobs?

Faith replied I think we should take testimony on that issue. My response is what is better; to have property stay idle that is generating no jobs because nothing that is out there seems to fit or to allow jobs to occur there that may not be the highest paying jobs but are not simply all service jobs or part-time jobs.

Councilor Kight stated going back to your comment that it is market driven. Maybe that market isn't right at this time. Oregon is experiencing the highest unemployment rate. You may be trying to create something that no matter what designation you put on it, it is not attractive at this time.

Faith replied that could be correct.

Councilor Kight stated if we were to change over from GI to LI and allow some of these other uses, what is the worse case scenario that could happen that would be egregious to this community?

Faith replied one thing that might be undesirable would be to see a number of shops or uses that would attract people over there that are not necessarily part of the employment base but are using that as a shopping base. In other words, shift the emphasis of shopping from this side of the highway to the other side. In my opinion that would be undesirable and unwanted. I am not sure that this would result in that; hopefully we would have sufficient safeguards in here for retail that we wouldn't see that occur.

Councilor Kight stated the other thing I am concerned about is opening up to the possibility of the development of additional RV parks. They have a huge impact on the services that the city provides like police, fire, medical and schools. Is that correct.

Faith replied if the RV park is not operated as a true RV park, that has been the case.

Councilor Kight asked regarding annexations, I find it interesting that the staff is thinking in terms of streamlining the process. With the economic impact on the city to provide services such as sewer and waterlines, shouldn't that be one of the considerations when we annex property into the city?

Faith replied absolutely. There are a number of criteria that has to be evaluated in conjunction with an annexation.

Councilor Kight asked so why not go through the two-step process where it is first reviewed by the planning commission and then the council, what is wrong with that?

Faith replied based on the annexations that have occurred in the eight years that I have been here; I have found it to be totally unnecessary. The PC really just walked through the steps to get it through and there were never really any issues with it; there was no opposition and



no controversy. We do provide notification to the surrounding property owners and if they have an issue they can raise that issue and contest the expedited process and we will hold a hearing. The PC did not have a problem with this recommended process and they are recommending adoption of these amendments.

Councilor Kight stated on page 3 of your staff report, the second paragraph, second sentence reads, "The Planning Commission was concerned that the broader range of industrial uses in the LI district presents a greater potential for development that is incompatible with adjacent residential neighborhoods." We are talking about the property that is immediately to the east of Mount Hood Community College along Troutdale Road. How would this change affect that?

Faith replied the property is now zoned IP and in the proposed amendments it would be zoned LI. All the uses that are being proposed for the LI zone could be permitted on that property.

Councilor Kight asked does that provide more protection or less protection for the residential neighborhoods that abut that property?

Faith replied if the secondary manufacturing and processing types of activities were to be established there, that would probably be undesirable to the adjacent residential neighborhoods. That was the concern the PC had.

Councilor Kight asked can that happen currently?

Faith replied no. That would be allowed under the proposed amendments.

Councilor Kight asked give me some examples of what would be allowed? Would an RV park be allowed there?

McCallum replied that would be a conditional use.

Council discussed the types of uses that would be allowed in the LI zone, in particular the property just east of Mount Hood Community College.

Councilor Kight stated could you look at that parcel of property and come up with some options that would maintain the integrity of the adjoining neighborhoods?

Faith replied we could look at the different zoning districts within the city to see which one(s) we think are compatible.

Erik Kvarsten, City Administrator, stated I think there should be some discussion with the folks at the college about possible uses and development. It might also be helpful for the Council to ask the college what their vision is for that parcel.

Faith stated if the Council is uncomfortable making this change for the Mount Hood Community College property, I would suggest that we not change the zoning for that particular piece of property at this time.

Councilor Daoust asked everything that is allowed as a permitted use and a conditional use in the LI zone is allowed as the same permitted use or conditional use in the GI, is that true?

Faith replied no. Every permitted use in the LI is allowed as a permitted use in the GI, that does not hold true for conditional uses.

Councilor Daoust asked what is your reaction to making permitted uses in the LI zone conditional uses in the GI zone? In other words to address the concern that we don't want everything that is permitted in LI to be permitted in GI. What would your reaction be to changing the category of permitted uses in LI and making them conditional uses in the GI?

Faith replied personally I don't think that is sensible. There are uses that are listed outright in the LI that are completely consistent with the purpose and intent of the heavy industrial and are compatible with other activities that would be listed as permitted uses there. There is no reason, in my mind, why you should subject someone to a conditional use process.

Councilor Daoust asked the Pig Farm across from McMenamins zoned GI?

Faith replied no, that is IP.

Councilor Daoust asked so under the proposed amendments it would become LI?

Faith replied yes.

Councilor Ripma asked isn't it true that putting something as a conditional use, for example RV parks, does not allow us to turn down an applicant for an RV park just because we don't want another RV park in town? If it is a conditional use we can impose conditions, but they have to be reasonable, isn't that true? We can't just say we don't want another RV park, so putting it as a conditional use is a major step in allowing them.

Faith replied that is correct.

Councilor Ripma stated I take no comfort in it being a conditional use. The annexation process, what is wrong with the existing ordinance? I am concerned with streamlining the process and not allowing a citizen that would be greatly affected to have any other body to go to other than the Council. I am concerned about arbitrary action in favor of a property owner who stands to benefit.

Faith stated this is staff initiated to streamline and expedite annexations simply because I have felt that going through the PC hearing has proven to be unnecessary in the past.

Allen stated if the City were to leave its current annexation ordinance in place, to the extent that there are additional requirements in the Metro Code, the City would have to comply with

those. This isn't a proposal from Metro for a model ordinance; this is mandated by State Statute that they adopt uniform criteria and a process that all jurisdictions have to comply with. There are several criteria in their code and a process that is uniform in their code that all jurisdictions must comply with. What that means is you need to try and make your code work with their code. The process in the Metro Code does not dictate planning commission and city council reviews, that is something that can be left up to you. The approval criteria and some of the other factors you have to address in the process just to comply with state law.

Councilor Ripma asked is there anything in our current ordinance that violates state law?

Allen replied you could interpret and apply your current ordinance in a way that is consistent with Metro's Code; you may just have to supplement the information that is required and the approval criteria.

Mayor Thalhoffer asked could conditions be attached to an RV park proposal that would make it different from the RV park that we have now?

Faith replied conditions could be imposed but the question is can they be enforced. Enforcement is really the problem.

Mayor Thalhoffer asked couldn't we set it up so they could be enforced? If we have conditions that can't be enforced then we shouldn't have conditions.

Faith replied I agree. We certainly learned a lesson and we would be more careful in how we would structure conditions to be sure that they are tight.

Mayor Thalhoffer called for a 15-minute break at 9:30pm.

Mayor Thalhoffer reconvened the meeting at 9:44pm.

Ken Fletcher stated I own property just west of Sundial Road. In regards to sports complexes, typically the new facilities for soccer are in industrial type settings. The reason is because it is too expensive to buy commercial property to do that. There were comments made about that being the highest or best use; obviously it is not the highest or best use when compared to some uses but it is higher than others. What it does do is it provides a better place for people that live and work here to provide those types of facilities. Currently, I have a small business park in Wood Village that is zoned GI and there is an athletic facility that has been there for over ten years now and we peacefully co-exist and it provides a need for the community. I have received some location connections regarding ice skating, soccer, roller skating and aquatic parks. For some of these to be competitive they are not going to be able to buy commercial property. Some facilities can be used by employees that work in the area during their lunch hours. Some areas have daycare facilities. Daycare facilities have been allowed for the big businesses such as Nike or Freightliner. If there is a group of businesses why shouldn't those employees have the same accessibility to a daycare facility. We purchased our property in 1995 and we have sold one lot out of the seven. That was

sold to Good Year Rubber and Supply. They had an accountant that wanted to locate his business there and he went through the process with the PC and they said no you can't have that type of use there. Instead of having a CPA in Troutdale he went to Gresham to open his business. We are missing out on opportunities. There were other property owners that testified at the Citizen Advisory Committee and Planning Commission meetings in favor of the proposals in front of you. When I started this I looked at all four of the east county cities, to me Troutdale was the most restrictive. All of the cities out here are in competition for the businesses and so I think what you have in front of you tonight is progressive and it levels the playing field. I have turned down numerous businesses that have to do with asphalt, concrete, wood recyclers, metal and paper recyclers. I like to refer to those as dirty businesses although there is a need for them but Troutdale already has those. But if I don't get some more phone calls I can't keep turning those businesses down. I have no interest in an RV park. What I am trying to do is cater to small businesses. My plan is to sale one or two lots and keep the rest to develop myself. I would like to draw in clean well-paying businesses. There were comments made regarding the GI district being where the jobs are. The flip side to that is through the location connection program there was a proposal from a company that makes the concrete dividers that you see on the freeway, they wanted ten acres of property and they want to build a 50,000 square foot building, which would employ about fifty people. I didn't respond to that proposal but someone out here in Troutdale did and they have made the next list. In contrast to that, I did a SDR with Rich and Elizabeth last summer for one of my lots, which is four acres in size, for a 70,000 square foot building versus the ten acres with a 50,000 square foot building. One of the City Council's goals was to pursue the highest and best use of the commercial and industrial property.

Councilor Rabe asked do you feel that these proposed changes to the zoning would create more favorable business opportunities for you?

Fletcher replied yes and it would put you on a more even playing field with the other cities.

Councilor Ripma asked was there any particular business that you wanted to put on your land?

Fletcher replied what started this and what was particularly frustrating to me was the Location Connection Program. There was a biomedical firm that was going to build a 50,000 or 60,000 square foot building and would initially hire fifty people and that expected to grow to around one hundred and twenty employees. These were all going to be high paying jobs. My property was high on their list of properties that they were interested in but they had to take me off of the list because that use wasn't even allowed as a conditional use.

Councilor Ripma asked if we were to permit the research and development companies, experimental testing labs and trade or commercial schools, that would have made your property more attractive and possibly you could have had this prospective company.

Fletcher replied there are no guarantees but you get frustrated when you can't get your line in the water. I may never see a business like that come through again.

Mayor Thalhofler asked what other businesses were you interested in for your property?

Fletcher replied sports complex and daycare. I really do believe that this is a win win situation for the city. I think these proposed amendments are really progressive and will help the city economically.

Mayor Thalhofler stated traditionally we have thought of general industrial as creating family wage jobs and having a large employment base. Do you see that as something that we shouldn't be concerned about any more?

Fletcher replied Reynolds is a prime example. It provided family wage jobs but their employment goes up and down. Now we are getting into the high tech industry and it is doing the same thing. There are buildings that have been built that have never been used and they are not creating any jobs. Chasing all of the high tech jobs, in my view, isn't necessarily the best.

Mayor Thalhofler asked so what you are really after is some flexibility?

Fletcher replied yes.

Councilor Kight asked you made a comment that Troutdale is restrictive in allowing certain things to happen and yet at the same time you said we allow certain things that other cities don't allow. Can you tell us some of the kinds of businesses that you didn't want to allow in your development?

Fletcher replied asphalt and concrete plants...

Councilor Kight asked these are not allowed in Gresham, Fairview or Wood Village?

Fletcher replied I can't speak to that.

Mayor Thalhofler asked is there anyone else here that would like to speak to us on this issue.

No further testimony received.

Mayor Thalhofler closed the Public Hearing at 10:15pm.

Councilor Rabe stated I would like to see a more recent contact with the college to find out what vision they have for that property.

Mayor Thalhofler asked is there a consensus of the Council to give staff that direction?

Councilor Ripma stated if we decide to leave the zoning the way it is, which is IP, until the college comes forward asking us to change the zoning I think that would be good enough. I wouldn't favor approaching to the college if we are leaving it alone.

Councilor Rabe stated I think there is some warrant to Councilor Ripma's comments.

Councilor Daoust stated my reaction is to leave things the way they are and deal with it later.

Councilor Smith stated I favor leaving it the way it is and if they decide at a later date that they would like the zone changed we can look at it at that time.

Councilor Thompson stated I favor leaving it alone.

Mayor Thalhoffer stated I would like to know what the college has in mind for the future but since I am the only one supporting that side we will not give staff that direction.

Councilor Kight stated instead of going directly to the college, what I would like to see happen is for staff to look into what other zoning could occur on that piece of property that would protect the integrity of the residential neighborhood to the east.

Councilor Ripma stated the current zoning does that.

Councilor Kight asked Mr. Faith, do you concur with Councilor Ripma's comment?

Faith replied looking at what is now permitted in the IP zone, there is nothing there that I would consider on its face to be in conflict or incompatible. Certainly it is not residential but it is the least obtrusive of the industrial type activities.

Councilor Rabe stated I would like to see the inclusion of the research and development companies into the light industrial.

McCallum replied it is already included.

Councilor Rabe asked is it excluded from GI?

McCallum replied no.

Councilor Rabe stated I would personally like to see RV parks excluded, even as a conditional use.

Councilor Daoust stated I would like to see RV parks removed completely as a permitted or conditional use. I would like to see self-service storage facilities moved from permitted to conditional use. I would rather deal with the annexation issue at a later date.

Councilor Ripma stated I favor the wording you have included for the research and development companies. That is something I think we need to do. The items that alarm me the most are the RV parks and self-service storage facilities. Those are not good uses for our industrial lands. I am willing to consider Councilor Daoust's idea of making the self-service storage possibly a conditional use, but I would need to think about that. I also strongly favor setting aside the annexation portion of the ordinance for now.

Councilor Thompson stated I would like to see self-service storage and RV parks deleted as permitted or conditional uses. I would also like to see us set aside the annexation process to a later date.

Mayor Thalhoffer stated there appears to be a consensus to eliminate RV parks and self-service storage uses.

Faith stated I would like to clarify that you want to eliminate RV parks altogether, meaning that they would not be allowed anywhere in the City of Troutdale and by eliminating self-service storage facilities than that use would not be permitted anywhere in the city except in the General Commercial.

Mayor Thalhoffer stated that is what the majority of the Council would like, yes.

Mayor Thalhoffer stated with the annexation process I am not sure why we would want to postpone that, why don't we just leave it the way it is and just not change it at all unless there is a change that needs to be made to comply with state law. Taking away public hearings bothers me a lot.

Councilor Kight stated I agree with what the Mayor just said regarding the annexation process. The self-service storage units and the RV parks, I agree that we should eliminate both those uses. Ken Fletcher brought up some interesting points about certain types of industry that we allow in Troutdale that is not allowed in other cities, for example, asphalt and concrete plants. Is there a way to make this more restrictive so these uses are not allowed in Troutdale?

Faith stated I don't know if I agree. I thought what Ken was saying was that they couldn't find property in the other cities. They may allow the use but they don't have available industrial land to locate that use, where Troutdale does have some vacant properties that are zoned GI.

Fletcher stated that what I was saying was closer to what Mr. Faith was saying. According to the realtors, it is hard to locate these types of plants.

Councilor Kight asked Mr. Faith could you look into what the other cities allow as far as concrete and asphalt plants.

Faith replied sure.

Mayor Thalhoffer asked is there a consensus of the Council to direct Mr. Faith to research that.

The Council all agreed to this.

Mayor Thalsofer stated that leaves the matter of the annexation process. Councilor Kight and myself favor just leaving the annexation ordinance the way it is. The other Councilors want to set it aside and consider it at a later date.

Councilor Ripma stated I hadn't thought about just leaving it alone and I am okay with that also.

Councilor Kight stated like the Mayor mentioned earlier, unless there are changes needed to comply with state law.

Marnie Allen stated I will work with Mr. Faith and if there are some changes that have to be made we will bring those back to you.

Faith requested to hold the second reading of this ordinance on October 8, 2002.

## **9. COUNCIL CONCERNS AND INITIATIVES:**

Councilor Daoust stated the Life Guard Program at Glenn Otto Park has just concluded its fourth successful year with no drownings. There were twenty-six assists this year at Glenn Otto Park.

Councilor Smith stated there will be a memorial service to remember September 11, 2001 at 8am tomorrow at the Fire Station on Cherry Park Road and then at 11am there will be a service at the Police Station. The new sidewalk on Troutdale Road looks real nice.

Mayor Thalsofer stated it has been brought to my attention by several citizens that the intersection of Buxton Road and Columbia River Highway has real traffic problems. They are having a hard time seeing to the left or right to pull out onto Columbia River Highway. It has been suggested that either a stop sign or a traffic light should be placed on Columbia River Highway at that intersection. Mayor Thalsofer asked staff to look into this situation.

## **10. ADJOURNMENT:**

**MOTION: Councilor Thompson moved to adjourn. Seconded by Councilor Kight. Motion passed unanimously.**



Meeting adjourned at 10.37pm.

**Paul Thalhofer, Mayor**

**Approved October 8, 2002**

**ATTEST:**

**Debbie Stickney, City Recorder**