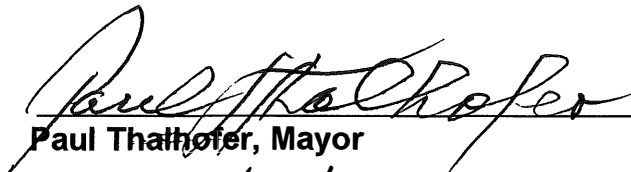


CITY OF Troutdale AGENDA

**CITY COUNCIL - REGULAR MEETING
TROUTDALE CITY HALL
COUNCIL CHAMBERS
104 SE KIBLING AVENUE
TROUTDALE, OR 97060-2099**

7:00 P.M. -- January 26, 1999

- (A) 1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE
- (A) 2. CONSENT AGENDA:
 - 2.1 ACCEPT MINUTES: Regular session January 12, 1999
 - 2.2 RESOLUTION: A Resolution opposing legislation creating a new board to regulate building code activities in the Portland Metropolitan Area.
 - 2.3 APPROVE LIQUOR LICENSE: Celebrate Me Home
- (I) 3. COMMENDATIONS, AWARDS, AND PROCLAMATIONS:
 - 3.1 Commendation: Ray Regelein
- (I) 4. PUBLIC COMMENT: Please restrict comments to non-agenda items at this time.
- (I) 5. PRESENTATION: A Presentation of Multnomah County's Annual Report.
Beverly Stein
- (I) 6. PRESENTATION: A Presentation of the Proposed Paragon - T.C.I. System Swap.
Norm Thomas
- (I) 7. PRESENTATION: A Presentation of the Audit Report for the fiscal year ended June 30, 1998.
Ray Barlow
- (A) 8. PUBLIC HEARING / ORDINANCE (Introduction): An Ordinance amending Chapter 3 of the Troutdale Development Code relating to size limitations for retail stores in certain commercial districts.
Faith
- (I) 9. COUNCIL CONCERNS AND INITIATIVES
- (A) 10. ADJOURNMENT


Paul Thathofer, Mayor

Dated: 1/21/99

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

January 26, 1999 7:00pm

Meeting was called to order at 7:03 p.m. by Mayor Thalhoffer.

1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE

Mayor Thalhoffer called on Councilor Daoust to lead us in the Pledge of Allegiance.

Mayor Thalhoffer asked for the roll to be called.

City Recorder Stickney called the roll.

PRESENT: Thalhoffer, Smith, Thompson, Kight, Rabe, Daoust, Ripma.

STAFF: Faith, Galloway, Gazewood, Kvarsten, Allen, Stickney.

GUESTS: Don Curtis, Scott Worthington, Ralph Yates, Norman Thomas, Bob Platts, Beverly Stein, Cliff DeGroot, Ray Barlow, Terry Tipsord, Donna Fish, Wendy Houston, Sandy Emrick, Donna & Bob Burlingame, Henry Fong, Bob LeFeber, Wendi Kellington, Carl Anderson.

Mayor Thalhoffer asked are there any agenda updates?

Kvarsten replied we have no changes to offer this evening.

2. CONSENT AGENDA:

2.1 ACCEPT MINUTES : Regular session January 12, 1999

2.2 RESOLUTION: A Resolution opposing legislation creating a new board to regulate building code activities in the Portland Metropolitan Area.

2.3 APPROVE LIQUOR LICENSE: Celebrate Me Home

Mayor Thalhoffer called this item and read the consent agenda.

MOTION: Councilor Thompson moved adoption of the consent agenda. Councilor Kight seconded the motion.

YEAS: 7
NAYS: 0
ABSTAINED: 0

3. COMMENDATIONS, AWARDS, AND PROCLAMATIONS:

3.1 Commendation: Ray Regelein

Mayor Thalhoffer presented Ray Regelein with a plaque and stated that we appreciate everything you did for the City of Troutdale.

Regelein stated I would like to thank the City Council for the plaque. I have enjoyed being a member of the City Council.

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

Mayor Thalhoffer called this item.

Dr. Ralph Yates stated I am a family physician living in Gresham and I practice in Portland. Four months ago I was asked by several members of the community to seek one of the board positions at Mt. Hood Community College, specifically one of the at large positions. I have agreed to run for a board position, specifically for three reasons. Respect, trust and commitment. I will make you a couple of promises. You will not see me sending letters to the editor, you will not see me engaged in any activities that get in the paper and as much as possible I will avoid comment other than through other board members.

5. PRESENTATION: A Presentation of Multnomah County's Annual Report.

Mayor Thalhoffer called this item and asked Chair Stein to come forward.

Beverly Stein stated I want to briefly talk about the framework we are operating with in Multnomah County and some of the major initiatives and budget considerations that I want you to be aware of for the next budget process. Multnomah County is focused on three long term goals; reduce child poverty; increase school completion and reduce crime. We also have a fourth goal which is to provide a cost effective quality customer focus government. In terms of reducing crime we are really focused on juvenile crime. Our school attendance initiative is part of our way of reducing crime as well as making sure that we meet the goal of completing school. It is an initiative that is in every part of the East County. There is a team working with the schools in the East County to make sure young people stay in school. We identify kids who are missing a lot of school and we go out to their families and convince the families to meet their responsibility. If they aren't able to meet their responsibility then we have resources to connect them up with. In addition to the East County Team, Multnomah County funded a transition school through the Educational Service District so that there is a place for east county children who are needing to come back through a transitional kind of school experience when they aren't able to go directly back into their school room. We are also working on a "schools to careers" program in Multnomah County, we will make the librarians, nurses and correction officers available to students to be able to do job shadows and internships. The Board of County Commissioner is working on developing a plan for how we will deal with jail space in the future. We are looking at a model to project what we will need in terms of jail space but also in terms of transitional housing, alcohol and drug treatment. I also want to mention the area of good government that I believe we are pursuing through our quality initiative at the County. We have over one-hundred process improvement teams that have been looking at county functions to figure out how we can save money and provide better service. My favorite example is in our health department. They were able to reduce the time that someone would have to wait to talk to an advice nurse from two to four hours down to three minutes by looking at what they were doing and consolidating. This was done without any additional resources. In terms of infrastructure, we are creating a very strong platform in the County. We are about to buy the US Bank Building on the east side of the Hawthorn Bridge as a county administration building. We are also upgrading many of our libraries and building some new libraries. In Gresham we will have a new health center, senior center and public safety building. We have been working with the One Stop Career Center in east county. Our correction staff have been meeting on a regular basis with Gresham, Fairview, Troutdale and the Sheriffs Office to exchange information. Looking to next years budget we believe that we will probably be able to maintain current services. Do you have any comments, questions or concerns?

Councilor Kight stated you mentioned juvenile crime, unfortunately one of those components is incarceration. Has

the Juvenile Detention Center reached capacity at this time?

Stein replied I believe we are at about capacity.

Councilor Kight asked is there any plans in the future to expand the facility?

Stein replied we don't believe we need to at this point.

Councilor Kight asked is there any chance in the near future of Troutdale getting their own library?

Stein replied there are no plans now.

Councilor Daoust asked are there plans to keep the anti-truancy program and the family center diversion program in next years budget?

Stein replied yes.

Councilor Daoust asked does Multnomah County have much activity with students at-risk in the Troutdale area compared to other areas?

Stein replied I could find out for you.

Mayor Thalhoffer stated we need early intervention with the juveniles.

Councilor Rabe stated in regards to truancy, has the County examined there infrastructure as to how they plan to get school input?

Stein replied the program that we have designed was with the school personnel at the table with us.

Councilor Ripma stated that there are a couple of County programs that are very important to the citizens of Troutdale that haven't been mentioned and they are; the Sheriff's Patrol and the County Roads Department they are very important to us. Multnomah County does provide very good service for the citizens here.

Mayor Thalhoffer asked will the current level of service of the Sheriff's patrol be maintained?

Stein replied there is no intention of cutting the budget.

6. PRESENTATION: A Presentation of the Proposed Paragon - T.C.I. System Swap.

Mayor Thalhoffer called this item and asked Norm Thomas to come forward.

Norm Thomas stated I represent the City of Troutdale as your appointee to the Mt. Hood Cable Regulatory Commission. The commission is currently working on several things; a community access capital grant program; 1999 legislative platform; Paragon System rebuild; rate regulations; and relationships with other regulatory agencies and boards. The TCI/AT&T purchase or merger has caused some eyebrow raising nationwide. We were the first regulatory commission to recommend to both the City of Portland and Multnomah County that the cable companies open up their modem access. At this point there is no transfer and AT&T has filed some legal proceedings. What they are asking for, as I understand it, is to see whether or not the cities or the local jurisdiction has the right to require them to open their modem up. The reason we have not had to deal much with the TCI portion here is because it does not affect Troutdale directly. Now that we are looking at Paragon/TCI exchange and the potential transfer of them to AT&T, it does make a big difference to the City of Troutdale. There is a 120 day process that began on December 22, 1998 and will end on April 20, 1999. The likely issues that may come from this are; open access to the cable platform for internet access and reimbursement of costs to process the transfer. The affect of this is one; if the TCI/AT&T purchase goes through before this process is complete, what

happens then. What concerns me is that we are working on a process now that involves Paragon and TCI and then in the middle TCI becomes AT&T, there is another issue we need to look at. We also want to keep the consensus of what has been agreed to with the Portland/Multnomah County portion as a countywide standard. We have a web page set up for the Mt. Hood Cable Commission; www.mhccrc.or where you can submit comments.

Mayor Thalhofer asked could you enlighten the Council on the Wall Street Journal Article.

Thomas replied we managed to get a front page article in the Wall Street Journal which is pretty good for an eight member citizen review board. They flew out here two weeks ago and the article was published on January 15th in reference to public access and the at home process and the cost that go with those.

Councilor Daoust asked could you tell me what the average citizen of Troutdale would care about, or how it would affect them so that they would want to come to the public hearing? Is it going to affect internet access?

Thomas replied if you are just talking specifically open access, if you are at home on a telephone line using 28k, versus buying into another platform, which you would be forced to go with as it stands now, you would be forced to go with the at-home product which TCI currently offers of getting up to 3million depending on how far away you are from the node. You are also looking at paying approximately \$60 per month versus the standard phone line which you pay \$30 per month.

Councilor Kight stated it makes me nervous when a large corporation like AT&T wants to absorb all the cable users within the Portland Metropolitan area. What is your position on that?

Thomas replied I agree with you.

Councilor Kight stated if AT&T were to take over all the cable users within the Portland Metropolitan area, you would probably see a decrease in service.

7. PRESENTATION: A Presentation of the Audit Report for the fiscal year ended June 30, 1998.

Mayor Thalhofer called this item and asked Bob Gazewood to come forward.

Gazewood stated tonight is the presentation of the City's Comprehensive Annual Financial Report which is reflective of the audit review and financial statements and the audit letters. Mr. Ray Barlow, the audit manager of Grant Thornton's local office in Portland will review the Comprehensive Annual Financial Report and the auditor who is responsible for the lead review of the City's financial records is Cliff DeGroot. Cliff will present the Performance Report.

Ray Barlow stated I am with Grant Thornton the CPA firm that performed the annual audit on the City of Troutdale for the fiscal year ending June 30, 1998. I am here tonight to present to you our audit report which is contained in the Comprehensive Annual Financial Report referred to as the CAFR. Some of the significant procedures we perform during our field work during the audit are; confirmation of balances and transactions with third parties; confirmed property tax with Multnomah County, confirmed your investments with the LGIP and confirmed your bonds payable. During the audit we found the books and records of the City to be in good order and based upon our audit procedures performed we were able to issue our audit reports. On page three of the CAFR, the third paragraph is our opinion paragraph which is called an unqualified opinion or a clean opinion. The rest of the document contains financial information of the City. On page six is a document called the combined balance sheet. This represents the assets, liabilities and fund equity of the City at June 30, 1998. On page 7 is a combined statement of revenues and expenditures. Pages 10 - 24 of this document sets out the notes to general purpose financial statements. Note "A" is a summary of significant accounting policies that the City used in preparing the financial statements. Pages 27 - 68 provide information on the individual funds, the budget to actual comparison for revenues and expenditures. On page 99, there are two additional reports that we issued. The first one is a report on the City's compliance with certain items based on an audit of general purpose financial

statements performed in accordance with Oregon Auditing Standards. In the lower part of the page we identify the specific areas that we looked at. The results of our tests indicate that with respect to the items tested, the City of Troutdale complied in all material respects during the year. With respect to items not tested nothing came to our attention that caused us to believe that the City had not complied in all material respects with those provisions. The second report is on internal control structure. On page 102 we noted that no matters involving the internal control structure and its operation do we consider to be material weaknesses. I will answer any questions you have.

Councilor Daoust asked on page 77 we list one of the larger debt services for what is called Oregon Special Public Works Revenue, could you refresh my memory on what that loan was for?

Gazewood replied this debt is from the loan in 1990 that the City of Troutdale received from the State of Oregon, OEDD for the expansion of the existing sewer treatment plant. That particular loan was about \$2.8 million dollars.

Councilor Daoust asked on page 93, when I look at the property values, the total assessed value in the City of Troutdale appears to have gone down \$40 million dollars from 1997 to 1998. Why would that be?

Gazewood replied that is due to measure 47 and 50 and that moved the assessed values back to the 1995-96 level plus ten percent.

Councilor Daoust stated as a financial manager myself, I find it very rewarding that this City continues to get a clean opinion year after year. It is a tribute to the way that this City keeps our records straight and understandable. We have a huge asset in this City by the way our Finance Department is ran. By the results of our bid opening on the \$16 million dollar general obligation bond, our rating has improved which causes us to save \$1 million dollars over the period of that bond.

Mayor Thalhoffer stated that we were fortunate that our bond measures failed on the first two tries due to the double majority. The interest rate was higher at that time and we didn't have the higher bond rating at that time.

Kvarsten stated I would like to comment on the improved bond rating that the City received from Moody's which certainly assisted us to achieve that lower interest rate on the \$16 million dollars. A real important factor to Moody's, if I could direct you to page 8 of the CAFR, second column under general fund, it shows the actual amount. If you look at the bottom two lines of that column, fund balance July 1, 1997 at \$1.9 million, fund balance June 30, 1998 at \$1.6 million. We would expect that number at the end of this fiscal year to drop to between \$1.4 and \$1.5 million. A real critical component to Moody's was that we have maintained over the years a pretty good ending fund balance in the general fund. The challenge will be to continue to provide the high quality of general fund services, Police, Parks, Administration and Recreation and still maintain that ending fund balance.

Cliff DeGroot stated I am a supervisor with Grant Thornton. I have been associated with the City's audit for the last three years. My purpose today is to walk you through the Performance Review. On page 3 is the report of Independent Certified Public Accountants. The second sentence of the first paragraph reads; our observations were formed as a by-product of our audit procedures, which did not include a comprehensive review for the purpose of submitting detailed recommendations. On page 6 are some comments that we arrived at during our audit. The first comment is a perspective comment, it does not affect this years CAFR, it will affect future years CAFR. It relates to the Y2K issue. The next comment is in regards to the untimely clearing of checks. During our review we noted several checks that had not cleared within 180 days. We recommend that the City develop a written policy to periodically review for checks not clearing the bank beyond the 180 days of issuance. The third comment is in regards to the maintenance of appeals-bail account. During our review we noted substantial increase in this account. This is due to a number of reasons. We feel that if this balance continues to grow it is going to create more of a problem then if you take care of it now. We recommend that the City implement a policy of reviewing and reconciling that account on a regular basis.

Councilor Kight asked how often is that being done now?

Gazewood replied this is an issue that since it has been brought to our attention we have been working very diligently with the appropriate staff to adjust and bring down those balances. We expect that within the next 60 to 90 days that the accounts will be totally cleaned out.

DeGroot stated that the final comment deals with the City's compliance with ORS 279 pertaining to the awarding of public contracts and construction of public improvements. We noticed that the City does not maintain a list of all the outstanding contracts issued nor do they number the contracts issued. If the City would implement a policy to maintain a listing and also number the contracts it would enable us to audit the compliance with that revised statute.

8. PUBLIC HEARING / ORDINANCE (Introduction): An Ordinance amending Chapter 3 of the Troutdale Development Code relating to size limitations for retail stores in certain commercial districts.

Mayor Thalhofer called this item, recessed the City Council Meeting and Opened the Public Hearing at 9:04pm and asked Mr. Faith to come forward.

Faith review the staff report contained in the packet.

Councilor Ripma asked the Planning Commissions recommendation could be accepted is that correct?

Faith replied that is correct.

Councilor Ripma asked could you point out to me where the General Commercial districts are located.

Faith pointed out the districts on the map. The most likely candidates for stores in excess of 60,000 square feet are the cluster of properties along Stark Street, potentially along Frontage Road the property that was owned by Burns Bros. now Travel Centers of America and some adjacent property that has already been approved for a Comfort Suites Hotel. We have approximately six acres behind the Flying J Travel Center and the current sewage treatment plant site.

Councilor Daoust stated a lot of the discussion and letters we have focus on the property along Stark Street. As I understand it, there are three properties there, Burlingame's property is 16.4 acres, Fong property is about 9 acres, and Montecucco has 6 acres. On the Burlingame property, if I remember right, there is General Commercial zoning along Stark Street but does the 16.4 acres refer to just the General Commercial or does it include the residential zoning?

Faith replied the 16.4 acres is only that portion of the property that is zoned General Commercial. There is approximately five acres behind that zoned R-5.

Councilor Daoust asked why were the proposed amendments to limit the size of retail buildings in all the commercial zones brought forward to the Planning Commission in the first place?

Faith replied I will take responsibility for that. I initiated this change because of my read of the Council in general and concerns that have been expressed over the last several years that lead me to believe that the City Council may have some concerns of the siting of big box retail within the City. Two specific incidents that come to mind is about a year ago when we were discussing an appeal by D & D Manufacturing which they were requesting their property be changed from Mixed Office Housing to General Commercial a comment was made that there was concern about approving that because it would open the door for big box retail. Another comment that was made some time ago concerned the Cherry Park Market Center and the scale of that particular project. A comment

made by a Councilor that they didn't realize that is was going to be so big. Other comments that have been made from time to time that led me to believe that perhaps this is a policy issue that the City Council would like to discuss openly and make a decision whether or not they are in favor of these large superstores coming into the City.

Councilor Kight stated you indicated that one of the properties that has the General Commercial zoning is the Thriftway property is that correct?

Faith replied actually the Thriftway property has Community Commercial.

Councilor Kight stated if that property were to be vacated, and we didn't have the restriction for conditional use, would they be able to go ahead without going through a type three or conditional use process?

Faith replied that the two properties that encompass the Thriftway site total about 9.75 acres and if Thriftway decided that they wanted to scrap there approved plans for the 38,000 square foot store and wanted to level the site and use the entire 9.75 acres then I would say that they have an opportunity there for a superstore.

Councilor Kight asked what are the benefits to the community of going through the conditional use process?

Faith replied the conditional use involves a higher level of review because it goes to the Planning Commission for a public hearing. In giving notice to surrounding property owners they are informed of the time and place of the hearing and they are given the opportunity to come forward and present concerns that they might have.

Councilor Kight asked since you have been with the City has there been a conditional use process where the Planning Commission denied the applicant?

Faith replied there has been only one instance in the 4 ½ years I've been with the City and that was the expansion of the Columbia Gorge RV Park.

Councilor Kight asked as far as the conditional use process, are there any negatives from the developers perspective?

Faith replied from the testimony and letters that have been presented to the Planning Commission, they would contend that simply puts another hurdle in front of a perspective developer and many businesses simply do not want to have to go through that hurdle and it discourages them from looking at that site.

Councilor Daoust stated if a large store like a Home Depot goes in off of Stark Street, say for instance there is a traffic related concern and we do not have a size limitation of 60,000 square feet. What we have then is the site and design review process versus the public hearing process if it were a conditional use. How could we mitigate traffic problems with just a site and design review?

Faith replied in either instance whether we went through the site and design review process or the conditional use process for a project of this magnitude we would likely require a traffic impact analysis. From that we would try to craft conditions that we feel are necessary to minimize or mitigate traffic impacts. In the Development Code currently under Chapter 8 it talks about the requirements for site and design review and conditions that can be imposed.

Don Curtis stated I am here representing the merchants of Down Town Troutdale. Concerns that the merchants have is virtually there survival. The concern that I have is there survival and the amount of money that you have voted to spend to build what we have in Down Town Troutdale. (Don presented a slide presentation of Down Town Troutdale past and present). My purpose for being here is to ask you to honor what you have done, what the Planning Commission voted in favor of and that is to not let anything happen to Down Town Troutdale as has

happened to so many cities across our country. City after city have destroyed their down towns by allowing the strip malls to go in on the outside. If the property on Stark is not allowed to stay the way it is, if a conditional use is put on that property, the people who are looking at leasing that property will walk away. The people who are looking at it second are people who want to put in strip malls. You will hear from Mr. Fong, he has already been approached by strip mall people. We in Down Town Troutdale contend that if a strip mall goes in there it will hurt Down Town Troutdale. On February 11th the International City Managers Association international representative will be here from Washington D.C. to look at Troutdale for the second time, because Troutdale is known now all over the United States. My reason for being here is to ask you to remember what we have invested in Down Town Troutdale.

Terry Tipsord stated I am here tonight to offer my comments in favor of the City Council adopting one of two positions regarding case number 98-102 Text Amendment #26 to the Troutdale Development Code. I would urge the Council to approve the recommendation of the Troutdale Planning Commission to amend only the Neighborhood Commercial and Community Commercial districts regarding Text Amendment #26. I would urge the Council not to limit the retail businesses requiring more than 60,000 square feet of floor area to a conditional use permit in the General Commercial district. Or, if the Council does concur with the Planning Commission regarding this matter, in the staff report to the Council they are recommending rejection of the entire set of amendments and that would also be acceptable.

Curtis stated in Down Town Troutdale three years ago there was some twenty merchants total, now there are sixty and soon to be more. The property on the north side was valued at \$350,000 when it was purchased, it is now somewhere in the neighborhood of \$9 million dollars. Down Town Troutdale is considered by the appraisers to be the hottest property in Oregon.

Councilor Daoust stated one of the arguments most developed by the down town merchants is the "taking business away from down town" argument that a so called strip mall might do. When I think of strip malls I think of print shops, card shops, restaurants, laundry mats and ice cream shops. How do the down town merchants see a row of antique shops, gift shops and speciality shops having competition from what I just described as strip malls?

Curtis replied because of the attraction today of Troutdale and what is happening in down town, many of the merchants in down town believe that if a strip mall or a mall is put in that close to down town that it is not going to attract the kind of businesses that you just mentioned. It will attract the same type of businesses as are down town because those people are going to want to take advantage of what is down town.

Councilor Ripma stated I am a little puzzled at the conclusion you are drawing, I am not unsympathetic to the down town merchants. Not putting a conditional use on a particular zoning district doesn't guarantee a big box development. You have made an argument for us to put some sort of controls on strip malls. Are you asking for some other sort of controls on strip malls to guarantee a big box goes in along Stark.

Curtis replied no. We want a big box as opposed to a strip mall.

Tipsord stated my position is one of diversity and offering the community more choices.

Councilor Ripma stated you don't need to sell me on the merits of a big box, I actually think it would be popular and needed. I think Stark street is a very appropriate place. The question before us is should we impose some conditions, these are big traffic generators. With a City that is filling up, with limited land left and a desire to see that it be developed. Our desire and consideration of this is based on a motive to see that what is developed here is the best possible for the Citizens. Is your position, that the hottest property in the state, developers are simply going to turn right around and say no because there is a conditional use requirement?

Curtis replied that is correct.

Councilor Rabe stated on one hand we see a conditional use which we interpret as a hindrance. Had it occurred to you that the requirements and conditions that site and design review may put upon such a proposal could also be envisioned as a hindrance? Could that hindrance and that compliance to those conditions be even more formable than that which a conditional use might impose?

Curtis replied no. I think any business that would come in would expect site design review. Any business, especially a large business that builds all over the United States is going to expect to have to re-do some sidewalks and put in some grass.

Councilor Rabe stated it is your opinion that they would not expect a conditional use to be a hindrance as well, as common as that which would be imposed by a site design committee?

Curtis replied the conditional use would be a hindrance but not the site and design.

Councilor Rabe asked do you feel that maybe the two things may have a lot in common with the exception that the conditional use would have more public input?

Curtis replied I believe that the conditional use differs in the length of time that it would take for that retailer to find out whether they could build that building or not and the amount of money they would have to spend for the six months to a year prior in dealing with the conditional use.

Mayor Thalhoffer read a letter into the record that he received from Pertile Masters regarding the property on the corner of 257th and Stark Street. (copy of letter is in packet)

Frank Parisi stated I am the lawyer for Home Depot. I heard a lot of questions about the difference between a conditional use and design review and would Home Depot really take a walk if the Council choose to differ with the Planning Commission and impose a conditional use. I can tell you that I've done the land use and real estate work on almost two dozen of these stores and none of those were conditional uses. They weren't easy, finding twelve acres that you can build a store and handle the traffic impact is difficult. Let me explain the rationale for why a company like this does not want to go through a conditional use process. The trouble with a conditional use is there is no time-line. We never know when we can deliver a store. For the real estate department in a big company, delivering a store that is open for business is a mission critical job. If we tell the Wall Street analyst that we are going to open 150 stores this year and we in Portland who are on the real estate team have six or seven of those or maybe ten to fifteen and we tell our people that everyone of those or half of those have an indefinite time and you have that same pattern across the country, pretty soon nobody knows what is going on at Home Depot and Wall Street punishes us. The mode of operation that we have developed is, we will do a lot of things by way of financing traffic mitigation, cleaning up environmental contamination, buying out businesses or other things that we can put a definite time-line and a definite monetary amount on. If you put us in a process that says we don't really know when you are going to be done and the standards that you are going to be judged by are things like compatibility or if the local neighbors like you or that kind of thing, we will look at other sites. I have to be honest with you and say, I don't think this pattern will continue forever. When we get to the point that there simply isn't any land, they will probably be stuck with the conditional use process. Right now there are other properties and if we got into a situation where we weren't sure when we were going to get done we would have to look long and hard.

Councilor Ripma asked do you not engage in any process that asks for community input?

Parisi replied we do. For this particular store we have what we call a town hall meeting already planned. Citizen support has never been a problem for us.

Councilor Kight stated the store located on Airport Way, did you know going into that process when you looked at siting your Home Depot there, did you have any idea of the time-line involved?

Parisi replied we did, but we were wrong by six months.

Councilor Daoust asked how many of your stores have been surrounded by a residential neighborhood as is the case on the Stark Street property and if you had any, what mitigation measures did you put into effect to maybe alleviate some of the concerns of the immediate residential neighbors?

Parisi replied Beaverton, Hillsboro, Johnson Creek and Albany all have residential neighborhoods right up against the stores or in the vicinity. I think what you are ultimately trying to get at is, what is Home Depots interest in traffic access. Some people think of these big developments as being run by a developer that gets the development done and then leaves town. Our situation is not that way, if people don't like us and if traffic access is not good, the store does not work and we don't make money.

Councilor Daoust asked if you were to turn your back on the Troutdale property, are there other properties in East Multnomah County that you are considering?

Parisi replied there are a couple that I know of. One is the Wood Village dog track site.

Councilor Rabe stated you mentioned that there were a couple of the stores that did involve potential conflict with neighborhood residential areas around the store. You had also mentioned that a conditional use was not a requirement at those projects. Briefly tell me how could we feel that there would be some insurance that the public would have the opportunity before construction to give you input.

Parisi replied once we turn in a full site plan, if you have a planning director who has his ear to the ground and is going to convey to Home Depot what the Council wants and what the neighborhood wants, if it is things we have seen before, traffic mitigation, landscaping, good looking elevations and that sort of thing, we will do it.

Councilor Rabe stated you are still suggesting dialog between the company and the City but what about direct dialog between the company and the community?

Parisi replied as soon as we have a site plan we are going to have a town hall meeting that we will sponsor in the neighborhood.

Councilor Rabe stated awhile ago this exact same thing happened relative to a middle school that was constructed and it turned out to be a long drawn out process. With the conditional use process you have a fairly formal and regimented system by which everybody gets to have input. If you go to the open public forum, I begin to wonder how much faith the public may have in that because there is no mediator such as the Planning Commission or Council.

Parisi replied it has never failed in any of the stores that I have been involved in.

Mayor Thalhofers asked what kind of a buffer would there be between your store and the neighborhood?

Parisi stated I am the wrong person to ask. It will probably take us a month before we get a full set of plans to Rich and then we will start changing things.

Mayor Thalhofers asked what kind of buffers have you done in other areas?

Parisi replied usually it is fairly extensive. We usually have a site that is about seven to twelve acres with around ten to fifteen percent of that being landscaping.

Wendy Houston stated I live in the Troutdale neighborhood very close to this development. I don't see that there would be a big problem if you were to impose the 60,000 square feet conditional use. You have done a great

job over the years making sure that Troutdale is aware of the aesthetics of the City as well as the communities that are involved. I don't particularly want a big box behind my house. I am all for it somewhere else. As far as the strip mall is concerned, I don't see how that could possibly interfere with what Troutdale is doing. I spent some time in down town and it is such a nice place to be and it has great speciality shops and antique shops that you will not find in strip malls. I would like you to continue to keep tight control on development, citizen concerns, the aesthetics and traffic impacts.

Councilor Kight asked you indicated that you are not particularly excited about having a big box in your back yard. What do you see as the negatives to having a large retailer behind your home?

Houston replied that the traffic is a particular concern to me. With the new movie theater on the corner and the college and the extra off-ramp from I-84 there is a lot more traffic. Another concern is the school and neighborhoods right behind the site. You are talking about a lot of pavement and the lights that are on all night long. I would rather see several small shops than a big huge block of concrete.

Sandy Emrick stated my property is directly north of the subject property that we are talking about. I am also a business owner in Down Town Troutdale and a home builder in Troutdale. I knew when I bought my property 12 1/2 years ago and built all the homes in my neighborhood, I knew what that property was zoned for. I don't feel that at this point I have the right to tell the people who have owned the property for all those years what they can do with their property. The main thing we have to remind ourselves of is that whether or not buildings of 60,000 plus square feet are allowed with conditional use or whether they are allowed as an out right permitted use, there is going to be development there. As far as traffic impact a big box store generates less trips than several different stores. We are not in a position to decide who develops that, it is a market driven decision. As a homeowner that is going to be living adjacent to this property and looking at it, I have to be realistic and say if I am a fair person I can't change what someone else wants to do just because it is in my backyard.

Donna Burlingame stated my husband and I have lived here all of our life. We are second generation farmers and our children have been raised here. We own the property at 25135 SE Stark and in all reality is probably the major piece of property that will be effected by this amendment. My husband and I have been farming this property for fifty-four years. Many years ago Glenn Otto, former Mayor of Troutdale, came to us and said that Troutdale is annexing all of this property that you are farming and you are going to be forced to be brought into the City. That was the beginning of the end of our farming. You can not farm in an urban area, and we were forced out of the livelihood that we had for two generations. I understand your need to look over the overall plan of the City but I think you need to take into consideration all the information that is brought to you on this. Rich Faith stated that this originated not by any group of citizens that came forth and said we need to have this, it was within feelings that he felt that the Council had. We have brought these people into subdivisions and we have to give them places to shop. We have several commercial centers now, we have Down Town, Cherry Park Shopping Center, Thriftway, Frontage Road and the Factory Outlet Stores. Each one of these serves its own customer base and they all help each other grow. Development along Stark Street will not take away from their business. It is a fairness issue. If you pass this Ordinance it will devaluate our property and change what can go in there.

Bob Burlingame stated my wife and I own twenty-four acres on SE Stark. Sixteen and one-half acres are zoned general commercial. We have been talking to Home Depot about this property for the past six months. We were very close to a deal when this possible change came up concerning size of buildings on properties zoned general commercial. There are already requirements for landscaping, setbacks, lighting, parking and much more in the existing general commercial zone. How many more requirements do we need. Rich Faith commented at the last Planning Commission Meeting that he is comfortable working within the guidelines under the general commercial as it now is if the Planning Commission is comfortable. The Planning Commission voted five to one to leave the general commercial zone as it is. Our property is the only general commercial property in the City of Troutdale large enough to accommodate a building the size of a Home Depot store. I am sure that when the City planners zoned our property as general commercial they didn't envision forty or fifty small retail stores. When

were sixteen. I believe this development is well over one year old, this is a good example of a 55,000 square foot store with a lot of small stores that are not all rented. This is not good for the City and is not good for the business community. I don't believe Troutdale needs forty or fifty more small retail stores on our property. The types of businesses that go in these small stores are businesses that will compete with the Down Town stores, this is not true of a store like Home Depot. I can not think of one store in Troutdale that Home Depot would compete with. I am sure we all want good planning, but we shouldn't let the pendulum swing to far and cause a good company like Home Depot to settle elsewhere.

Councilor Daoust stated we do not have a preset determination much like the newspaper might say we do, that we are against big box retail. We want to seek all of the information and make a informed decision. Are you considering selling all twenty-five acres of you land or just the commercial section?

Bob Burlingame replied at this time just the commercial. We want to develop the commercial property before we develop the residential.

Mayor Thalhoffer asked the residential development that would go in after the big box development, if that happens, would it be a buffer area between the existing neighborhood and the big box development?

Donna Burlingame replied we are going to have to put in a major road that will connect 28th and 29th that will be a physical change of zoning. One side will be commercial and the other side will be residential. On the commercial side there will be certain design and landscaping reviews. On the residential side we have to do something that makes it desirable for someone to live there.

Henry Fong stated I own the site next to the Burlingame property that is also zoned general commercial. However this current issue will not affect me. I also have developers approach me and one wants to build a big box there and two want to build small shops. I believe in free enterprise system and I also believe government protection is necessary for citizen protection that is why we have zoning and building codes. Home Depot is a very responsible corporate citizen. We also have Burlingame's residential site as a buffer. If the building is ugly, the Burlingame's will be the first one to suffer, it won't affect me. I want the Council to consider not imposing the 60,000 plus square feet having to go through the conditional use process. This way things can work out between the developer, citizens and the planning department.

Bob LeFeber stated I am with the firm Commercial Reality Advisors. I am here today as a member of Commercial Real Estate Economic Coalition International Council of Shopping Centers. I spent a lot of time with Metro when they adopted Title 4 of the Functional Plan, and it was intended to prevent big box retail primarily from going into industrial areas. The fact that you want to go beyond it and apply it to general commercial zones clearly was unanticipated by Metro and goes against the grain of the compromise that we struck with Metro at the time. There is a severe shortage of land that can accommodate large scale retail within the Portland Metropolitan area. The few sites that are out there have a fair amount of activity on it, Home Depot, Wall Mart and many other retailers are pursuing those properties. You may ask if that is the case, why would a conditional use permit become such a problem for the development if these properties are so highly sought after. They become a problem in processing the original application, but then also what happens when the retailer wants to expand. Mr. Faith mentioned that currently in your City no buildings are greater then 60,000 square feet. If you grant a conditional use permit to Home Depot so that they can build a store, what would happen down the road if they decided that they wanted to use the store for some other use. That potential building may not be able to be used by other retailers because they wouldn't be able to use the conditional use that had been previously granted for Home Depot that was based on their traffic impact. You want to be able to allow those buildings to be able to be redeveloped and by adding conditional use requirements would make it more difficult down the road. You have heard tonight that this is not required by Metro and that it is not going to create competition for the Down Town area. You have the ability in your Code, if it becomes contentious or it looks like something very difficult the Planning Director can ask for a type 2 process and make it a public hearing. There is really no reason to require this conditional use process. I urge you to not limit the ability of this one great asset that you have, the site that is

this conditional use process. I urge you to not limit the ability of this one great asset that you have, the site that is over 16 acres. I recommend that you either adopt the Planning Commission recommendation or basically say we don't need Text Amendment No. 26 at all.

Wendie Kellington stated I am an attorney for the Burlingames. The first issue that has been raised has to do with whether or not there is an opportunity for adequate public input as the situation currently exists. I think there is a misunderstanding about that. The City Code that currently applies to design review states, that the planning director may refer a development proposal that is particularly complex in nature to the Planning Commission for a public hearing. Rich has that authority now, you do not need to impose a conditional use permit standard that allows denial of these precious economic resources. The other issue I have heard has to do with not having adequate authority to condition these proposed larger uses. As you can see on the display boards I have brought with me, if you compare the conditional use authority in your code that applies to conditional use standards versus the authority that applies to design review, you will note that they are nearly identical. The other concern we have has to do with this proposal is contrary to your Comprehensive Plan. Your Comprehensive Plan, just like it protects and cherishes and celebrates industrial uses it protects, cherishes and celebrates commercial uses. Just like you would have an industrial sanctuary where you don't allow evasive uses, you would have commercial areas where you don't allow evasive uses and there is a reason for that and that has to do with State Wide Planning Goal 9. The rule says that if a land use regulation is being amended and adopted that does not implement specific comprehensive plan policies that specific planning goals apply. Here State Wide Planning Goal 9 applies, Goal 9 explicitly requires that you have adequate variety of opportunities for suitable sizes, types and service levels for a variety of commercial uses that are consistent with your comprehensive plan policies.

Councilor Ripma asked are you saying under State Law we can not do what is being proposed? We are not allowed to propose a conditional use requirement on a big box?

Kellington stated it may be possible. I don't think probably it would be possible and the reasons are that the goal requires that you protect commercial uses and that you protect a variety of commercial uses. You have to show that the conditional use process protects the opportunity for a variety and type of commercial uses. I guess the answer to that question is yes, I think you would have a real hard time doing that.

Councilor Ripma stated that I think our legal staff, I believe, has reviewed this and if you have another position I suggest you speak with our attorney.

Kellington stated I want you to understand what you can do, what your attorney will say she can defend is not what we are looking for here. I think what you want is some direction about what makes sense as a matter of Statewide Land Use Policy. I have been hired to explain to you the policy ramifications of turning your back on the general commercial zoning on this property that has been protected all these years.

Mayor Thalhofer asked due to the hour, is this something you could present at the next meeting?

Kellington stated yes. I have a letter from a citizen that I would like to read into the record, could I do that now?

Mayor Thalhofer replied yes.

Kellington read a letter from Edward Demott.

Councilor Ripma stated my suggestion that you speak with our legal staff based on your response to my question, are you challenging our right to do this and you said yes. You have kind of backed away from that, and I think you are saying that we could defend what we are doing. I don't want to waste lawyer to lawyer time, so I take that back as long as you are not challenging our right to do that.

Donna Fish stated I am a resident of Troutdale. I drive many miles to find competitive shopping opportunities.

as our Council will make adequate opportunities for shopping and for jobs. As a Citizen I hope you give the one piece of property, the Burlingame's property, which is at this time is the only property suitable for a big box , a chance to come here.

Carl Anderson stated I am a member of Commercial Realtor Advisors. I am encouraging you to adopt the Planning Commission recommendation to allow big box retailer within your general commercial zone. Your City has grown by about 77 percent from 1990 to 1997. You are now at that point in your history it is prime time to allow bigger retailers to come into your community. In your Comprehensive and Zoning Plan you have clearly acknowledged that there is primarily one area in your City that you want to see this kind of development take place and it is at the intersection of 257th and Stark Street. The impact of big box retail on all issues of planning is no different than any other type of retail development. Whether the current general commercial zone sites are developed as centers with numerous small stores or one large store should be a function of market demand. By allowing large format retail to develop in a general commercial zone you help to ensure that these larger sites aren't forced to develop as a speciality center which could pose a highly competitive threat to the existing redevelopment of down town. By imposing conditional use on the large format retailer, you will impose unnecessary layers of approval and expense to your development approval process. The present Development Code is more than adequate in dealing with the development issues in any of the larger retail projects. I would request that you allow retailers over 60,000 square feet as a permitted use in the general commercial zone.

Mayor Thalhofer closed the Public Hearing at 11:30pm and reconvened the City Council Meeting. This is the 1st reading of this Ordinance, action will be taken at the next City Council Meeting.

9. COUNCIL CONCERNS AND INITIATIVES

Mayor Thalhofer called this item.

Councilor Kight stated during a police ride-along I noticed on Marine Drive as you leave Frontage Road there is no posted speed limit . I would like to have our staff take a look and see if we can mitigate that problem and see if we can have a speed limit posted in that area.


10. ADJOURNMENT

Mayor Thalhofer called this item.

MOTION: Councilor Smith moved to adjourn the meeting. Councilor Kight seconded the motion.

**YEAS: 7
NAYS: 0
ABSTAINED: 0**

Meeting was adjourned at 11:34pm.


Paul Thalhofer, Mayor

Dated: 2-25-99

ATTEST:

Debbie Stickney, Acting City Recorder

CITY OF TROUTDALE PUBLIC COMMENT SIGN-IN SHEET

January 26, 1999
CITY COUNCIL MEETING

PLEASE COMPLETE THE FOLLOWING

PRINT NAME <small>(please print)</small>	ADDRESS	PHONE #
TERRY A. TIPSORD	743 SW 28 th Troutdale	669-0715
Donna Fish	337 SW 27 th Troutdale	492-0421
Wendy Houston	2719 SW Hope Circle	674-5307
Sandy Enrich	1714 SW 26 St	661-0699
Donna + Bob Pauline	4225 SE 302 nd Troutdale	665-8585
Henry Fang	P.O. Box 155 Portland, OR 97207	6459825
Bob LeFebre	50 SW Pine St #400 " 97207	274-0211
Wendie Klinger	1211 SW 5 th Ave #1700	796-2487
Carl Anderson	50 SW Pine	274-0211

CITY OF TROUTDALE PUBLIC ATTENDANCE RECORD

January 26, 1999
CITY COUNCIL REGULAR MEETING

PLEASE COMPLETE THE FOLLOWING

NAME <small>(please print)</small>	ADDRESS	PHONE #
Jim Galloway	City Hall	665-5175
Rich Faith	" "	" "
Bob Greenwood	" "	" "
Don Curdis	1440 SW 12 th	665-9874
Scott Worthington	4351 SE 43 Pl	492-3899
RALPH YATES	4553 AVONDALE CT. GRESHAM	256-3401 (OFFICE)
Norman Thomas	2751 SW CLARA CT Troutdale	667-4320
Bob Platt	2240 SW 29 th Troutdale	667-9931
Melody Klein	1120 SW 5 th #1515 PWT.	248-3308
CLIFF DEGROOT	111 SW Columbia, Suite 800, Portland	222-3562
Ray Barlow	✓ ✓ ✓	✓
TERRY TIPSORD	743 SW 28 th Troutdale	669-0715