



**City of Sherwood  
PLANNING COMMISSION  
Sherwood City Hall  
22560 SW Pine Street  
Sherwood, OR 97140**

**July 22, 2008 – 7PM (Business mtg.)**

**Work session – 6:00 PM**

The Planning Commission will hold a work session before the regular business meeting. Topics for the work session include: Sign inventory, Adams North Concept Plan update and I-5/99W connector update. Work sessions are informal meetings where the Commission and staff can discuss topics but no formal action is taken from these meetings. Work sessions are open to the public in accordance with public meeting laws.

**Business meeting – 7:00 PM**

1. **Call to Order/Roll Call**
2. **Agenda Review**
3. **Consent Agenda** – Draft minutes from 6/10/08 and 6/24/08
4. **Staff Announcements**
5. **Council Announcements** (Mayor Keith Mays, Planning Commission Liaison)
6. **Community Comments** (*The public may provide comments on any non-agenda item*)
7. **Old Business: Brookman Road Concept Plan continuation of discussion.** The Planning Commission will obtain information requested at the June 10, 2008 public hearing. This is the 2<sup>nd</sup> of at least 2 information gathering meetings prior to continuing public testimony and deliberation the Commission. The Commission will ultimately forward a recommendation on to the City Council. Specific items being discussed under this agenda include:
  - a. Transportation
  - b. Follow-up questions/comments on parks
  - c. Questions/comments on revised Hybrid Concept Plan
8. **New business – none**
9. **Comments from Commission**
10. **Next Meeting: August 12, 2008** - Verizon substation expansion in Old Town, Commercial/Industrial design standards work session, and *tentative* Brookman Road Concept Plan public hearing
11. **Adjournment**



## MEMORANDUM

22560 SW Pine St  
Sherwood, OR 97140  
Tel 503-625-5522  
Fax 503-625-5524

To: Planning Commission  
From: Julia Hajduk, Planning Manager  
Date: July 15, 2008  
RE: Brookman Addition Concept Plan

The meeting on July 22<sup>nd</sup> will be the second of two requested information gathering meetings on the Brookman Addition Concept Plan. The first meeting was held on June 24<sup>th</sup> and the focus was the Steering Committee materials, discussion with a parks board representative and discussion with the School District superintendant. This memo is to follow-up on some issues/questions raised regarding parks and to discuss the modifications to the Steering Committee Recommended Concept Plan in order to conduct the requested additional transportation analysis.

### Parks Follow-up

At the July 22<sup>nd</sup> meeting, questions were raised about the size of parks shown on the concept plan. This was addressed with the consultant and the concept plan modified, in part, to address this. This is discussed more below under the "Hybrid Concept Plan Updated" heading. The Commission also asked for information comparing existing Sherwood subdivisions' percentage of open space and park land with other jurisdictions such as Wilsonville and Happy Valley. Attachment 1 is a table comparing several PUD subdivisions in Sherwood. There are no non-PUD subdivisions where park or openspace was dedicated and, in general, the PUD is granted to allow greater flexibility or density in exchange for a public benefit such as openspace or park land. In Wilsonville and Happy Valley, there is a higher percentage of park dedication requirements; however the park dedication is not subtracted when calculating density. The proposed Comprehensive Plan policy regarding parks calls for modifying the code to require developers to dedicate a percentage of land for parks but does not specify the recommended amount. As it is proposed that implementation of the concept plan/comp plan policies occur once the concept plan is adopted, the exact details of what percentage of park dedication is appropriate can be addressed by the Parks Board and Planning Commission at a later date.

### Transportation

At this second meeting, the transportation consultant will be on hand to discuss the transportation system in general as well as focusing on specific areas of interest from the Planning Commission. Specifically, Chris Maciejewski from DKS and Associates will present answers to the Planning Commission questions previously raised as well as new analysis of the following:

- Traffic impacts if the "S" curves on the eastern end of Brookman Road are straightened out and move further south

- Traffic impacts with increasing the employment land to the high end recommendation from the market analysis and subsequent density increases further east to maintain a net residential density of 10 units per acre.

#### Hybrid Concept Plan Updated

In order for DKS to provide the analysis requested by the Planning Commission, an updated “hybrid” plan was created. In addition to modifications to reflect a “straightening” of Brookman on the eastern portion of the site and an increase in the employment land, the Hybrid includes parks sized more consistent with the Parks Board (and Comprehensive Plan) desire to have neighborhood parks of 2 acres in size or larger. A copy of the updated Hybrid and associated job/housing changes is included as Attachment 2. Attachment 3 shows the resulting changes to the proposed Comprehensive Plan map. A “dot” overlay illustrates locations where density increased compared to the current proposal. If the Commission determines that this hybrid is generally more in line with what they may consider forwarding to the Council for adoption, we will proceed with having OTAK prepare a revised analysis of infrastructure costs and diagramming, update the staff report and re-notice with the hybridized version so that additional public input could be obtained.

Also included in your packets (Attachment 4) are copies of the public testimony submitted between 6/17/08 and 7/14/08 which will be included as Attachment 6h to the public record.

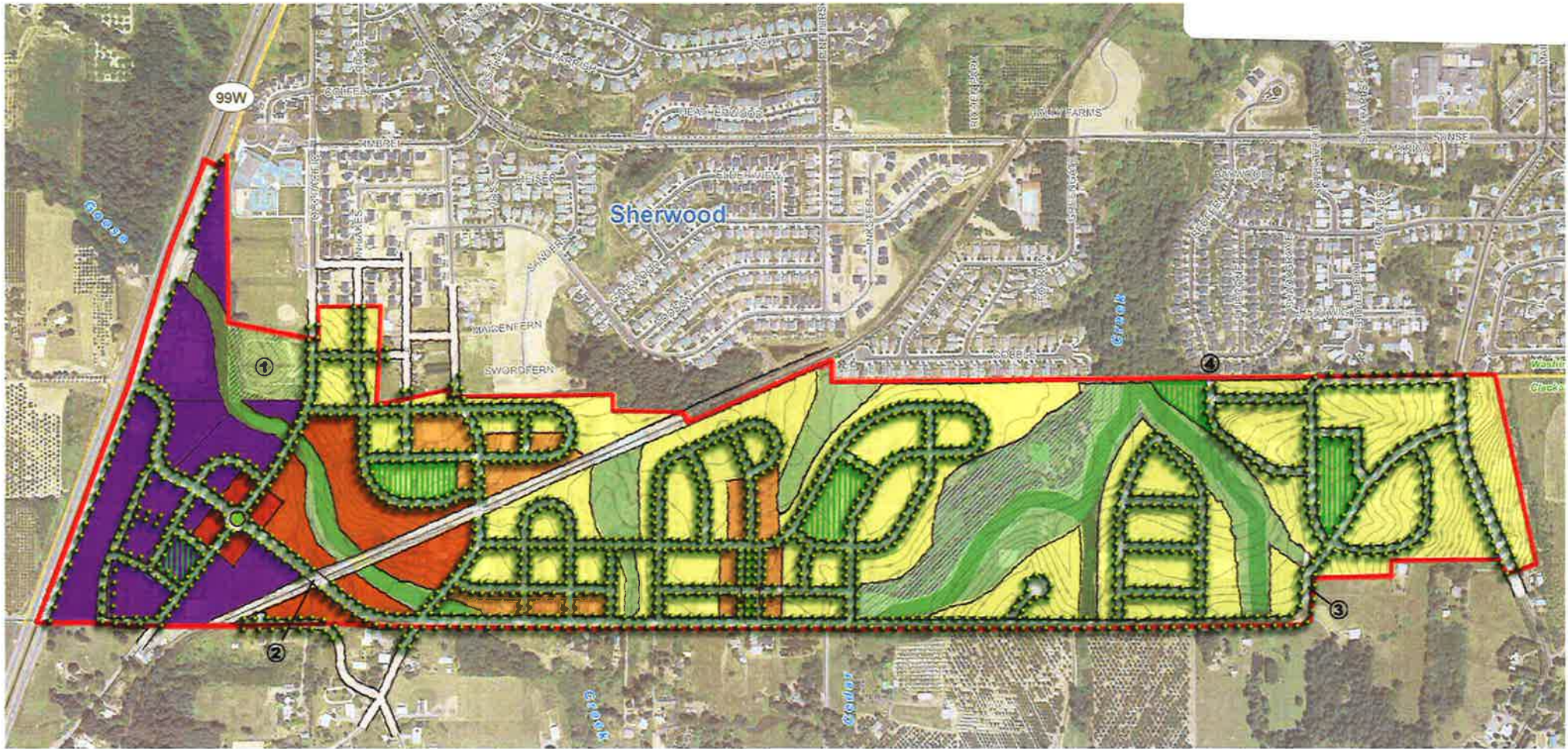
### Comparison of existing PUD subdivisions and percent of openspace and park acreage

Subdivision	Total area of platted subdivision	acreage held in tract (openspace, wetland, floodplain, park, etc)	%	Acreage of active parks (public or private)	% "active" park *	comments
Heron Ridge	28.22	7.16	25%	3.36	12%	park is under powerline easement, open space is in floodplain - PUD
Woodhaven (all phases)	290	64.37	22%	14.92	5%	active park area includes YMCA property, Woodhaven park (both developed and undeveloped portion)
Arbor Lane	26.58	6.46	24%	1.82**	7%	**active open space is approximate - portion of Tract A that is outside wetland and floodplain - <b>no active play parks</b>
Arbor Terrace	14.2	1.68	12%	0.62	4%	
Wyndham Ridge	33.23	9.5	29%	2***	6%	***2 acre openspace is excluding wetland and floodplain, but <b>no "active" play park areas are included</b>
Medeira Terrace	6.65	1.94	29%	0.19	3%	basketball court and "active play area" determined from GIS - additional openspace/tract areas are present, but not active and not included in calculation
William Park	9.6	0.68	7%	0.68	7%	

\* - percent active is an estimate based on use of file information, aerial information and general knowledge. It is intended to provide a general idea of the amount of active openspace, but is not considered precise.

By comparison, Multi-family developments are required to provide 20% common openspace with at least 50% of that (or 10% of the total site) being suitable for active recreational uses and townhouse developments greater than 2 acres require 5% openspace with no specification that a percentage must be active.



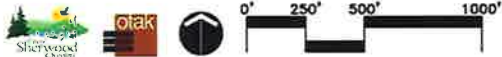


# Brookman Addition Concept Plan

## Steering Committee Recommended Draft

**Notes:**

1. Existing Cemetery (Constrained Land)
2. Railroad Crossing (Grade Separated)
3. All street alignments are conceptual.
4. Redfern connection to be considered only if traffic volumes will not exceed 1000 trips per day.



Draft - July 1, 2008

### Legend

High Density Residential	24 du/ac			Neighborhood Parks (Locations are conceptual)
Medium Density Residential- High	11 du/ac			Constrained Lands (Goal 5 resource lands, subject to on-site verification)
Medium Density Residential- Low	8 du/ac			Constrained Lands (Vegetated corridor proxy, subject to on-site verification)
Commercial / Mixed Use				Constrained Lands (Potential wetlands, subject to on-site verification)
Employment				Brookman Multi-Use Path
				Off-Street Trails



DRAFT HYBRID CONCEPT PLAN - METRICS  
BROOKMAN ADDITION 7/01/08

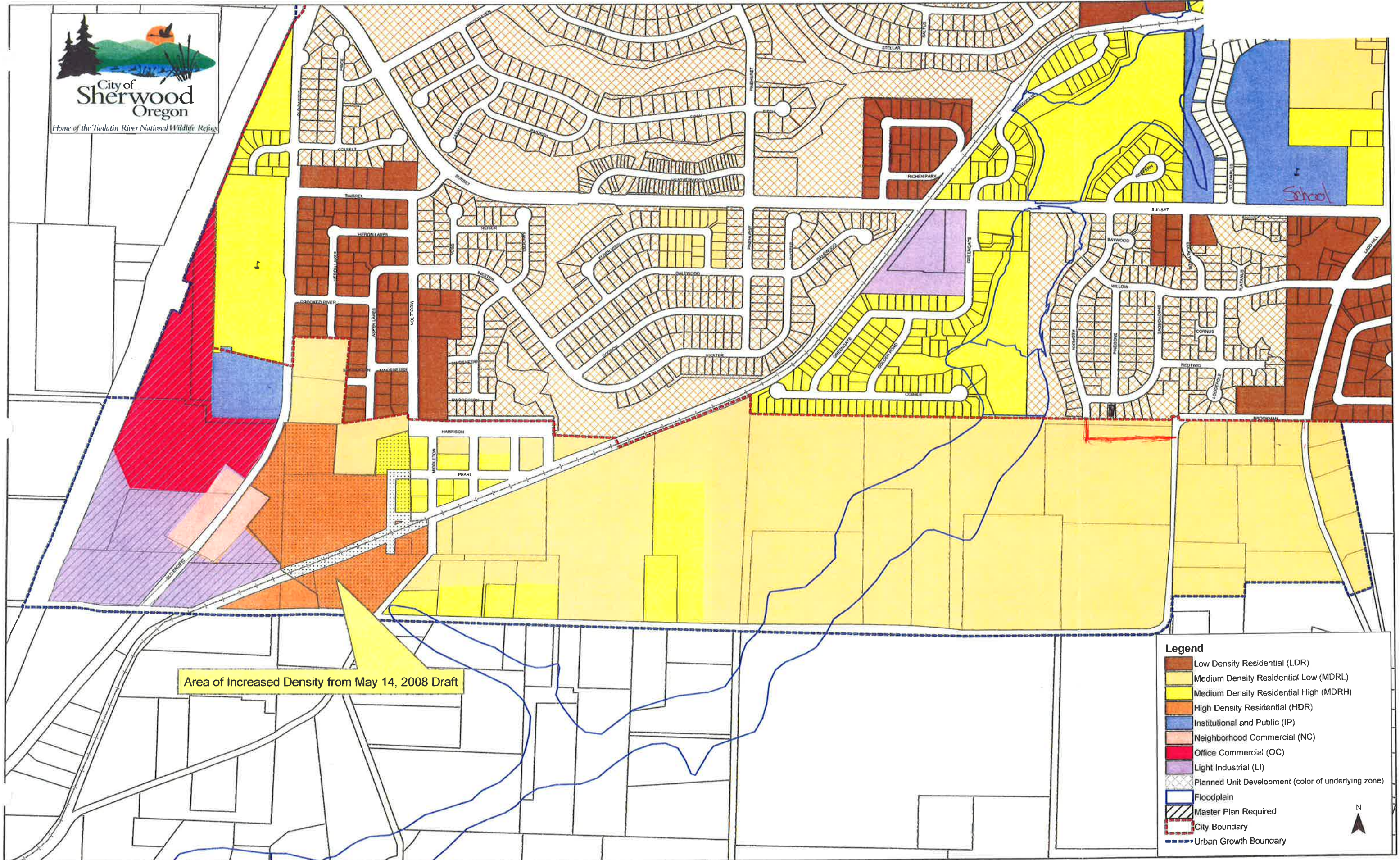
	Acres	Units/Acre	Estimated Households	Jobs/Acre	Estimated Jobs
<b>West of the Rail Corridor</b>					
Commercial - Retail	2.07			14	29
Employment - Office	13.32			58	774
Employment - Industrial	13.32			17	226
Medium Density Residential Low (MDRL)	8.13	8	65		
Medium Density Residential High (MDRH)	5.09	11	56		
High Density Residential (HDR)	7.25	24	174		
Park (Community & Neighborhood) <sup>1</sup>	1.99				
<b>East of the Rail Corridor</b>					
Commercial - Retail	0.00			14	0
Employment - Office	0.00			58	0
Employment - Industrial	0.00			17	0
Medium Density Residential Low (MDRL)	77.40	8	619		
Medium Density Residential High (MDRH)	5.30	11	58		
High Density Residential (HDR)	4.82	24	116		
Park (Community & Neighborhood) <sup>1</sup>	6.30				
<b>Total</b>					
Commercial - Retail	2.07			14	29
Employment - Office	13.32			58	774
Employment - Industrial	13.32			17	226
Medium Density Residential Low (MDRL)	85.53	8	684		
Medium Density Residential High (MDRH)	10.39	11	114		
High Density Residential (HDR)	12.07	24	290		
Park (Community & Neighborhood) <sup>1</sup>	8.29				
<b>Total</b>	<b>144.98</b>		<b>1,088</b>		<b>1,029</b>
<b>Net Residential Households</b>	<b>1,088</b>		<b>Net Jobs</b>		<b>1,029</b>
<b>Net Residential Acres</b>	<b>108</b>		<b>Net Employment Acres</b>		<b>28.71</b>
<b>Density (Households/Acre)</b>	<b>10.08</b>		<b>Density (Jobs/Acre)</b>		<b>35.83</b>

<sup>1</sup> Tot lots are assumed to be part of residential developments

	SqFt/Empl ye	Emp./ 1000 SqFt	Emp./ Acre (Gross)	Emp./ Acre (Net)*
Retail	950.00	1.10	46	14
Office	225.00	4.40	194	58
Industrial	770.00	1.30	57	17



# Brookman Addition Zoning- DRAFT July 10, 2008



Area of Increased Density from May 14, 2008 Draft

**Legend**

- Low Density Residential (LDR)
- Medium Density Residential Low (MDRL)
- Medium Density Residential High (MDRH)
- High Density Residential (HDR)
- Institutional and Public (IP)
- Neighborhood Commercial (NC)
- Office Commercial (OC)
- Light Industrial (LI)
- Planned Unit Development (color of underlying zone)
- Floodplain
- Master Plan Required
- City Boundary
- Urban Growth Boundary





**Julia Hajduk**

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**From:** stephanie.austermann@fredmeyer.com  
**Sent:** Thursday, June 12, 2008 12:57 PM  
**To:** Julia Hajduk  
**Cc:** Kevin.Austermann@nike.com  
**Subject:** Brookman Road Plan

Julia,

I am sorry to write you from work but I was unable to attend the meeting on Tuesday and wanted some additional information. My husband attended but I am really unclear as to what we are truly facing. We live at the entrance to Arbor Lane on Red Fern Drive so the proposal to expand the road is deeply concerning. I have 2 children that are not yet school age and want to bring them up in a small, family-friendly community which we have now.

Should the connection take place, would Sunset and RedFern Dr be a 4 way stop or stop light? I would like to believe that it is unlikely but I already have a sinking feeling. Can you give me a timeline on when a decision will be made and then approximately how long the project would take to complete? If this looks like it will occur, I will push to put our house on the market and hope we may be able to afford to re-locate somewhere else in Sherwood. I am concerned that should we wait to move, we will lose value in our home if the road connection goes through.

I just read in the latest posting of the Brookman Expansion plan on page 22 pasted in this email below. Is this really the case? This is the first I have heard that our street would only be considered if traffic volume is at or below 1,000 trips a day. With the addition of 1200 new homes, that would be unlikely yet how will the city respond should they add the connection and the traffic is above 1,000 trips? Would the connection be closed after the fact or we be told that the city anticipated a different outcome?

Connectivity to Sherwood

- Connect to the City's existing street system via Brookman Road, Middleton, and Old Pacific Highway.
- Identify a local connection to Redfern Drive as an "area of special concern." This street extension will be considered only if the traffic volumes can be maintained within the range of a typical local street, defined as 1,000 trips per day. Keep as an option the possibility that the connection will be pedestrian and bicycle only with emergency access capabilities.

Please advise. I do not intend to be abrupt and hope you understand that when your place of living, home is potentially going to be impacted negatively the reaction is both logic and emotion.

Sincerely,

Stephanie

Stephanie Austermann

Buyer - Ladies Hosiery, Sleepwear & Robes Fred Meyer Inc.

Phone: 503-797-5867

Fax: 503-797-5859





Submitted to work session



**Date:** July 22, 2008

**To:** Sherwood Planning Commission

**From:** Tom Nelson

**RE:** Cannery Update

As most of you know the City and the Urban Renewal Agency have been working toward a goal of redevelopment of the Old Cannery Site in downtown Sherwood. I have listed below the primary steps that have been accomplished, as well as the process envisioned to bring this project to fruition.

1. City purchased Old Cannery and cleaned the site.
2. City asked Leland and Associates to develop a concept plan for the site.
3. City prepared and circulated a RFP to address the concept plan.
4. City sold the property to the URA
5. The URA signed a MOU with Capstone Partners, LLC to develop the site. The City's attorney and real estate broker were involved in the process.
6. Through a series of negotiations and meetings, the URA and Capstone should be ready to finalize a Development and Disposition Agreement (DDA) at next week's URA meeting.
7. Throughout the process Capstone and the URA/City have been proceeding in good faith.
8. City staff is working with DEQ and environmental consultant to do final clean-up and prospective purchaser agreement which will result in a NFA (No Further Action needed) from DEQ.
9. Capstone has engaged Ankrom Moisan architectural services.
10. Capstone prepared and solicited a RFP for design engineering services for the public and private portions, received three responses and has submitted the public portions to the City. (Note: As a part of our MOU and DDA, the URA is responsible for the development of the public plaza and public infrastructure (streets, water, sewer, storm, etc.) for the project, and will pay Capstone to manage the separate contract for this part of the project.)
11. Capstone has developed a site concept (attached), and the URA has contracted with DKS to prepare a traffic analysis.
12. The URA has also contracted for an Alta and Topo surveys.
13. The attached Working Schedule projects next steps.





**Sherwood**  
Mixed Use Development



ORCUTT PLACE

S.E. HIGHLAND DRIVE

CAPSTONE PARTNERS  
ANKROM MOISAN ARCHITECTS  
JUNE 23, 2008



## URA RESOLUTION 2008-011

### A RESOLUTION DIRECTING THE URBAN RENEWAL MANAGER TO SIGN A MEMORANDUM OF UNDERSTANDING FOR THE REDEVELOPMENT OF REAL PROPERTY

**WHEREAS**, the City of Sherwood Urban Renewal Agency wishes to develop the property known as The Old Cannery at what was previously 220 SE Willamette Street in Sherwood; and

**WHEREAS**, the City engaged a consultant to recommend redevelopment plan that would be in the best interest of the City; and

**WHEREAS**, the City has requested proposals for said redevelopment; and

**WHEREAS**, the City Council has decided to dispose of the real property and use this process in keeping with ORS 221.725;

**WHEREAS**, the City has subsequently transferred ownership of the property to the Urban Renewal Agency; and

**WHEREAS**, Capstone Partners, LLC has responded with a proposal that most closely reflects the aforementioned redevelopment plan; and

### NOW, THEREFORE, THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. The Urban Renewal Manager is directed to sign the attached Memorandum of Understanding (MOU), Exhibit A negotiated with Capstone Partners, LLC.

Duly passed by the Urban Renewal Agency this 15<sup>th</sup> day of April 2008.

  
Keith S. Mays, Board Chairman

ATTEST:

  
Sylvia Murphy, District Recorder



**MEMORANDUM OF UNDERSTANDING  
REGARDING THE DEVELOPMENT OF REAL PROPERTY**

**OLD CANNERY SITE REDEVELOPMENT  
Portland Oregon, Walnut Park Addition, Block 10, Western 30' Feet**

This Memorandum of Understanding (“**MOU**”), is entered into this \_\_\_ day of April, 2008, between the City of Sherwood Urban Renewal Agency or the City of Sherwood (“**Agency**”/”**Seller**”), Capstone Partners, LLC (“**Developer**”), Capstone Partners, LLC and/or Assigns (“**Purchaser**”). Capstone Partners will remain the manager and/or managing member of any entity to which it may assign its interests. Seller and Purchaser are referred to herein individually as “**Party**” and collectively as the “**Parties**”.

The purpose of this MOU is to outline the intent of the Parties for the redevelopment of the Old Cannery site, and describes the Parties respective objectives and the manner in which they propose to contribute to the preliminary design and preconstruction work necessary for the redevelopment of 6.06 acres of real property intersected by Pine Street with frontage along Willamette Street and bordered on the north by the Union Pacific railroad right of way. Said property consists of parcels R0555599; R0556017 and R0555615 with a combined land area of approximately 6.06 +/- gross acres in total, Sherwood, Washington County, Oregon (“**Property**”). In addition to the development of the project design as herein defined the Developer shall also pursue the goals of the Agency herein described, and will in concert with the Agency, conduct a community outreach and involvement process to secure the support of the surrounding community. The Agency also wishes to engage Developer to provide development advisory services to conduct pre-acquisition due diligence, cost estimating and adaptive re-use assessments on the adjacent “warehouse” property (“Warehouse Site”) it is under letter of intent to acquire. If the Agency closes on the Warehouse Site, Developer shall act as a construction and development advisor to the Agency so it can incorporate this property with the overall Master Plan for the Old Cannery Site to insure a compatible and seamless integration of the two properties.

- 1. Development Agreement.** The Parties acknowledge and agree that the transaction will require further documentation and approvals, including the preparation and approval of a formal Disposition and Development Agreement or Purchase and Sale (the “**DDA**” or “**PSA**”) agreement setting forth the terms and conditions of the conveyance and development of the Property in accordance with the program of development set forth below (the “**Project**”). The Parties execute this MOU to evidence their intention to proceed in mutual good faith to complete work required to negotiate terms of a DDA that are consistent with this MOU. The DDA will contain representations, warranties and covenants, conditions, and understandings customary for the development of projects of similar size and type and will provide a schedule of the timeline within which the Parties shall complete due diligence and underwriting activities to confirm the feasibility of the Project. The DDA shall contain a schedule of performance which requires Developer to

commence construction of Phase I of the Project on or before July 1, 2009, subject to delays beyond the control of Developer which shall include force majeure, acts of terrorism or war, weather delays, public agency delays (including appeals) and unavailability of acceptable debt capital. The Parties intend to negotiate and enter into a definitive DDA on a date as soon as feasible.

**2. Program.** The Project development program is summarized below:

Developer shall be responsible for the design, implementation, and execution of a phased Planned Unit Development incorporating both retail/commercial, residential housing elements, and the possible redevelopment of the existing Warehouse Site being acquired by the City of Sherwood for public and potentially private uses more particularly described below.

**3. City of Sherwood Urban Renewal Agency Goals.** The DDA will, without limitation, reflect the following Agency goals and objectives of the Request for Proposals for the City of Sherwood Old Cannery Site dated July 5, 2007 and the Sherwood Cannery Development Strategy dated June 17, 2005:

- 3.1 The project shall have a medium-density mixed-use development for both residential and retail-commercial uses.
- 3.2 Primary goal of the development shall be the stimulation of new investment and development in Old Town and surrounding areas.
- 3.3 Project elements shall contribute to a “small town” feel and shall have a unified architectural character.
- 3.4 Character of the development shall be complementary to the major investment the City of Sherwood has made in new streets, sidewalks, and street improvements north of the railroad tracks.
- 3.5 The Redevelopment shall incorporate a public plaza or similar community gathering place, and, if acquired by the Agency and determined desirable by Agency for integration into the Cannery site project, a public/private use redevelopment of the Warehouse Site to be incorporated with the overall Master Plan and development of the Old Cannery Property.
- 3.6 Elements of the Project shall demonstrate substantial conformance with the Overlay District standards for Sherwood Old Town.
- 3.7 The Project will be constructed utilizing private financing secured by Developer. The Agency’s financial contribution shall be limited to donation of the land for and



funding the cost of the development and construction of Public Plaza as well as a contribution of the land for the street right-of-ways and funding the cost of the development and construction of the new public streets and related infrastructure. The Agency shall be responsible for the maintenance of the public plaza, streets and infrastructure when completed.

4. **Land Disposition.** The sales price of the property takes into account its fair market value and the nature of the Project being constructed by Developer.

Said purchase shall consist of the two phase at a takedown schedule and price as herein provided as follows:

4.1 The Parties acknowledge that the Area and resulting Gross Price for each of the Subdivision Sites is subject to change based on the final ALTA survey to be completed by Seller and affirmed by Developer on or before closing. For the purpose of this MOU, please reference attachment titled Sherwood Land Plan date 3/28/08.

<b>Subdivision Site</b>	<b>Area (SF)</b>	<b>Price (\$/SF)</b>	<b>Gross Price</b>
<b>Phase I</b>			
Site A - SWC Pine St. & Railroad	20,108	\$12.50	\$251,350.00
		\$15.00 for land area net of Plaza	
<b>Phase I</b> Site B & Plaza *	46,771	SF (TBD) *	TBD
<b>Phase I</b> Site C & D- N/S Willamette Street	79,390	\$8.00 - \$12.00**	\$635,120 - \$952,680
<b>Phase I</b> Public Rights of Way – Proposed Columbia Street extension, Proposed Highland Drive and additional S.E. Willamette Street dedication			
	60,201	No cost to developer	
<b>Phase II</b> Future Phase	50,171	\$16.00	\$802,736.00
<b>TOTAL</b>	<b>256,641</b>		<b>TBD</b>

*\* Note: The actual size of the Plaza is yet to be determined, but should be a minimum of 10,000 (SF) and not greater than 20,000 (SF). The Public Plaza land area will be netted out of the indicated site area to be purchased by Developer.*

*\*\* Note: The actual purchase price per square foot will be not less than \$8.00/sf and not greater than \$12.00/sf. The actual purchase price shall be a “Residual Land Value” to be determined by a mutually acceptable multi-family appraiser in the form a “Letter Opinion of Value”. Developer will share actual cost assumptions, revenue and operating expense assumptions to assist the appraiser in determining the Residual Land Value.*

4.2 **Phased Purchase.** Developer shall complete an initial Phase I purchase of Sites A, B, C, & D as Phase I of the Project. Total consideration for Phase I shall be determined based on the per-square-foot prices outlined above, net of the land area to be dedicated to the Plaza.. The purchase of Sites A and B shall be funded at Close of Escrow. The purchase of Sites

C & D of shall be funded when the completed apartment project has achieved stabilization after initial lease-up (95% occupied).

4.3 Product type for Phase I development as depicted in Attached Schematic Exhibit A shall be as follows:

- Site A – One 5,000 SF single story brick commercial building fronting on SW Pine Street (“Single story commercial”). The Parties agree that the development of Site A may change so as to allow for integrated and compatible Master Plan uses between the Warehouse Site currently being acquired by the Agency and the Old Cannery Site.
- Site B – One 14,000 SF two-story brick mixed-use commercial building located adjacent to the new proposed public plaza (“Two-story commercial”)
- Site C&D – Two, 50 unit (100 units total) three-story Class A apartment buildings with brick facades on public streets (“Multi-family for rent”)

4.4 Phase II development purchase shall consist of approximately 50,171 SF at an aggregate price of \$802,736. Phase II purchase shall occur not later than December 31, 2012.

4.5 If determined by Agency to be desirable for integration into the Cannery site project, redevelopment of the Warehouse Site to the highest and best use determined by the Agency and Developer. Agency shall compensate Developer with an advisory fee equal to 5% of the managed costs of the redevelopment. Managed costs shall include hard costs and all architectural and engineering costs related to the project.

**5. Development Principles.** In order to achieve the stated goals and objectives, the following development principles and guidelines will be applied to all negotiations and program and project development activities:

5.1 The Project will be subject to Agency’s design review and approval. Developer will submit schematic and preliminary design drawings to Agency at the appropriate stage of the development process.

5.2 Developer will be required to demonstrate the financial feasibility of the Project by submitting a preliminary project proforma not later than August 1, 2008.

5.3 The Project will demonstrate community support through a community outreach process.



6. **Due Diligence.** Agency shall grant Developer/Purchase a period of 150 days following full execution of the this MOU to complete all detailed due diligence it requires in its sole discretion, including, by not limited to title review, an environmental site assessment(s), geotechnical study, zoning and land use research, and development cost analysis. Seller shall grant Developer and Purchaser, as well as, their consultants, access to the Property for the purposes of performing due diligence. Developer/Purchaser shall bear all costs of their due diligence efforts, and in event of failure of Developer/Purchaser to complete Phase I and II purchase of subject Property copies of all studies, reports, and pertinent documents commissioned by Developer/Purchaser shall be provided to Seller at no cost provided that Developer terminates the MOU. In the event the Agency/Seller does not perform under the terms of the definitive DDA or PSA, the Agency/Seller agrees to reimburse Developer for their reasonable due diligence, architectural and engineering costs.

**To ensure all parties are aware of ongoing activity during the due diligence period, a monthly update report from the developer to the city's agents (or the city) is requested. While not meant to be a comprehensive report, the document should specifically reference the progress and action items being addressed.**

7. **Developer/Purchaser Contingencies**

- 7.1 Waiver of all items described in the Due Diligence paragraph above.
- 7.2 Full execution of the DDA and/or PSA by all Parties and approval from the Agency Board.
- 7.3 Final approval of the PUD, subdivision, proposed public improvements, and any other approvals required for the development of the Property.
- 7.4 Legal separation of the Property so as to form separate legal parcels for the Phase I development sites, Public Plaza, and Infrastructure and Remainder Site.
- 7.5 Commitment from the City of Sherwood Urban Renewal Agency for cost of development and construction of the Public Plaza and public right-of-ways and infrastructure, as well as commitment from the Agency for dedication land areas needed for the public right-of-ways.
- 7.6 Developer's receipt of a construction financing commitment for all Phase I development upon terms and from a lender reasonably acceptable to Developer/Purchaser.

- 7.7 Developer's obtaining pre-lease or pre-sale commitments for a minimum of 40% of the proposed Phase I retail, office, and/or commercial buildings, subject to approval by Developer's lender.
- 7.8 Developer's obtaining a financing commitment for the development of 100 +/- apartment units on a 100% speculative basis (no pre-leasing).
- 7.9 Title commitment for Phase I sites from a title company acceptable to Developer/Purchaser.
- 7.10 Receipt of all permits necessary for construction of the Phase I improvements, Public Plaza, and infrastructure as approval.

**8. Developer Responsibilities.**

- 8.1 Develop a preliminary master plan for the property including public roads, potential lot configurations, public plaza, and specific building site plans.
- 8.2 Create a new Planned Unit Development ("PUD") zoning on the Property.
- 8.3 Negotiate and document all separate agreements between Seller, Agency, and Developer.
- 8.4 Subdivide, partition, and/or adjust lot lines as required to meet the master plan and to respond to market demand.
- 8.5 Coordinate design, permit, and manage construction of Public Plaza, new streets and related infrastructure, and redevelopment of the Warehouse Site.
- 8.6 Purchase land from Seller/Agency in accordance with to be negotiated DDA or PSA.
- 8.7 Develop and finance buildings for sale or lease.
- 8.8 Provide Agency with schematic and design documents as soon as prepared by Developer's architect.
- 8.9 Provide Agency with financial information relative to letter of interest and/or commitment from commercial banks or private leading sources for Project funding.
- 8.10 Develop a marketing program for sale or lease of buildings, including the Warehouse Site provided private uses are programmed for the building and that

Agency determines it desirable to integrate said property into the Old Cannery site project.

8.11 Participate in Agency's community outreach/public input process.

**9. Seller/Agency Responsibilities.**

9.1 Provide all information in its possession related to environmental condition including environmental assessments and reports; zoning condition; soils; survey and preliminary title information.

9.2 Cooperate with Developer in facilitation of all required zoning approvals, design review, and other approvals necessary for development of the Project.

9.3 Fund construction of Public Plaza element and all public streets and related infrastructure including a fee for construction management to be paid to Developer. The actual fee shall be fixed and determined once construction costs have been determined based on the actual bids utilized for the construction of these public improvements, but shall not be less than five percent (5%) of project costs. The fee shall be paid on a monthly straight-line basis, starting at Closing and running through the estimated course of construction of the Phase I project.

9.4 Provide ALTA Extended Owner's Title Policy to Developer at closing.

9.5 Pay brokerage commission due to GVA Kidder Mathews incident to sale of the Property as per separate agreement.

**10. Term and Exclusivity.** This MOU shall be effective when executed by both Parties. Developer/Purchaser, or its designated representative, will retain the exclusive right to negotiate a DDA or P&S with Agency, and Agency will refrain from negotiating with other parties for development of the Property until August 1, 2008, as long as Developer meets the Schedule of Performance under Section 11.

**11. Schedule of Performance.**

3/31/08	Execute MOU
6/30/08	DDA or P&S Approved and Executed by Agency
8/31/08	Developer Due Diligence Ends
9/01/08	Developer Provides Master Plan for Development to Agency
9/30/08	Agency Approves Master Plan
10/01/08	Developer Initiates PUD/Zoning Approval Process



06/30/09 Developer Acquires Land from Agency/Seller for Phase I Construction

07/01/09 Developer begins Phase I Construction. Developer shall have the right to extend the Phase I Construction Date for delays which are not in the Developer's control, which shall include force majeure, acts of terrorism or war, weather delays, public agency delays (including appeals) and unavailability of acceptable debt capital.

**12. Non-Binding Agreement.** This MOU is a statement of the current intent of the Parties, and does not create a binding agreement between the Parties, except as specified in Section 10 as it relates to Term and Exclusivity and except as specified in Section 16 as it relates to the Termination of this MOU and cure rights of the Parties. This MOU shall not be relied upon as a basis for a contract by estoppels or serve as the basis for a claim based on detrimental reliance or any other theory. The Parties understand that no Party shall be bound until the DDA or P&S has been negotiated, executed, delivered, and approved by the Members of Developer and the Agency Board. The Parties will make a good faith effort to negotiate the DDA or P&S as soon as feasible.

**13. Communications.** The Parties agree that all public communications concerning the Property, e.g., press releases or information provided to the media and all substantive discussions with public agencies having jurisdiction over the Property, will be undertaken jointly by Agency and Developer and shall be subject to the prior approval of the other Party.

**14. Notices**

14.1 All notices or other communications required by or relating to this MOU or the Property will be in writing, and sent by personal delivery, by overnight delivery, or by fax with a telephonic confirmation of receipt.

14.2 Correspondence concerning the Property shall be addressed to:

City of Sherwood:

Jim Patterson  
City of Sherwood  
22560 SW Pine Street  
Sherwood, Oregon 97214  
Phone: (503) 625-4260

For: Capstone Partners, LLC:

Chris Nelson  
Capstone Partners  
1015 NW 11<sup>th</sup> Avenue, Suite 243

Portland, OR 97209  
(503) 226-1972

- 15. Authorization.** Agency and Developer and its members will seek all approvals required by law, bylaws, operating agreements, and pertinent corporate documents in order to enter into this MOU.
- 16. Termination.**
- 16.1 Agency may unilaterally terminate this MOU with fifteen (15) days prior written notice if Developer fails to satisfy the following benchmark:
- Failure to remove Due Diligence contingencies by August 31, 2008.
- 16.2 Prior to the end of the Due Diligence Period, Developer may terminate this MOU by providing written notice to Agency/Seller of its election to terminate.
- 16.3 For reasons other than those described in Section 16.1, either Party may terminate this MOU (the "terminating Party") in writing for cause related to non performance stating the specific non-performance issue. However, the nonterminating Party will be given thirty (30) days to cure the reasons for termination given by the terminating Party, if cure is possible, and must notify the terminating Party in writing of its desire to cure. If the cure is not completed within such 30-day period, the terminating Party may thereafter notify the nonterminating Party of its failure to cure and this MOU shall terminate on the date of such written notice.

Upon termination, all of the respective rights and obligations of the Parties hereunder shall be of no further force or effect. In the event of termination each Party shall be solely responsible for their own expenses incurred during the term of the MOU.

- 17. DISCLAIMER OF CONSEQUENTIAL DAMAGES.** IN NO EVENT SHALL ANY PARTY BE LIABLE TO THE OTHER PARTY HERETO FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY OTHER SPECIAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, INCIDENTAL OR INDIRECT LOSSES OR DAMAGES (IN TORT, CONTRACT OR OTHERWISE) UNDER OR IN RESPECT OF THIS AGREEMENT OR FOR ANY FAILURE OF PERFORMANCE RELATED HERETO HOWSOEVER CAUSED, WHETHER OR NOT ARISING FROM SUCH PARTY'S SOLE, JOINT OR CONCURRENT NEGLIGENCE.

*Signatures on following page.*

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MEMORANDUM OF UNDERSTANDING: OLD CANNERY SITE

URA Resolution 2008-011  
April 15, 2008 Exhibit A

**AGREED AND ACCEPTED:**

**SHERWOOD URBAN RENEWAL DISTRICT AGENCY**

By: \_\_\_\_\_  
Jim Patterson, District Manager

Date: \_\_\_\_\_

**DEVELOPER**

**CAPSTONE PARTNERS LLC**

By: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_







# **APPROVED MINUTES**

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**City of Sherwood, Oregon**  
**Planning Commission Minutes**  
**July 22, 2008**

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**Commission Members Present:**

Chair Allen  
Jean Lafayette  
Matt Nolan  
Raina Volkmer  
Lisa Walker  
Todd Skelton  
**Council Liaison** – Not Present

**Staff:**

Julia Hajduk, Planning Manager  
Heather Austin, Senior Planner  
Karen Brown, Recording Secretary

**Commission Members Absent:**

Commissioner Emery

**City Attorney** – Not Present

1. **Call to Order/Roll Call** – Chair Allen opened the meeting at 7:05. Karen Brown called roll. Commissioner Emery was not present.
2. **Agenda Review**
3. **Consent Agenda** – Minutes not reviewed at this time. Deferred to next meeting.
4. **Staff Announcements** – None given
5. **City Council Comments** – None given
6. **Community Comments** – None given
7. **Old business** – Brookman Road Concept Plan continuation of discussion from public hearing opened June 10<sup>th</sup> 2008. Commissioner Allen asked for any exparte' contacts or information to be disclosed. He disclosed that he is a member of the Arbor Lane Subdivision. Commissioner Volkmer also disclosed that she lives in the Arbor Lane Subdivision, on Red Fern Drive.

Julia briefly discussed the Hybrid Concept Plan which was developed after receiving feedback from the public hearing and the last Planning Commission meeting. She explained the modifications that were made:

She stated that one of the main questions that arose from the public testimony was how straightening the eastern end of Brookman Road would affect traffic so the plan was modified to allow further study of this.

Also, in response to feedback from the Planning Commission when parks were discussed, OTAK was asked to re-look at the numbers of park area designated.

The last item of the Hybrid plan includes looking at how traffic would be affected if there were higher numbers of commercial and industrial employment land consistent with the high-end range provided in the market analysis. She asked OTAK to move more employment land in. This resulted in needing to increase the densities a little bit to make up for the loss of the High Density Residential. Changing that also helped make sure the parks numbers were more accurate.

Julia stated that these changes were made for a hypothetical discussion. DKS and Associates, analyzed these changes to see what would change, if anything, in the Transportation System.

Chair Allen asked for clarification about the density changes. His understanding is that the need for raising the density came from the fact that the residential units that were lost were higher density and therefore the density needs to be increased, not because there is a certain number of dwelling units that are required.

Julia confirmed his understanding was correct and went on to say that the remaining area zoned residentially had a minimum density of 10 units per acre.

Chair Allen also asked about the land that has been identified for employment. What is the time horizon for the market analysis and are they constrained by the top end of that analysis or is there a case that could be made to go further with the employment land vs. residential? He also asked about the school's needs mentioned in the previous meeting. If they (the Planning Commission) create a concept plan that doesn't specifically define a school site, will the last 10 acres developed, automatically get developed by the school, if the district has not acted sooner?

Julia responded to the latter question by stating that she met with Dan Jamison of the school district after the last Planning Commission meeting to get more clarification of what he meant as a "place holder." She indicated that Mr. Jamison conveyed to her that of the 3 areas identified as potential school sites in the draft concept plan, the most desirable area would be the one along Brookman Road. However, he does not want any institutional zoning applied at this time. They want to look at their options both inside and outside the Urban Growth Boundaries. Julia indicated her understanding was that the District would like to have it on the record though that there is a long term need for school land in the area.

Chair Allen noted that just by stating that "on the record" will not have much of an impact on the planning process. Julia responded that her understanding is that the District understands that will not affect the planning process but rather may come into play if land acquisition issues arise in the future.

With no further questions of staff on the draft hybrid plan, Julia introduced Chris Maciejewski from DKS Associates.

Chris Maciejewski from DKS Associates addressed the Commission by presenting a Power Point presentation in response to questions Julia had asked him that have come up



in recent Brookman Road discussions. He indicated that they have been working on questions about the recommended concept plan as well as working with OTAK on the Hybrid concept plan.

The first issue reviewed is whether the east end of Brookman Road and the 90 ° curves would be a better scenario for the transportation system versus a straighter connection to Ladd Hill. DKS and OTAK reviewed the topography and existing conditions and found an area that there may be a slot where they could run a collector street up to Ladd Hill with a more straight connection as opposed to improving/widening the existing "S" curves. He indicated that the new road alignment would not change circulation patterns greatly, it would not affect traffic on Red Fern greatly, and it would not affect off sight impacts or intersection requirements. He stated that, at this time, it looks like it would be roughly the same cost to build the collector as straightening out the S curves and widen Brookman Road. It is estimated to cost \$3,000,000.00 to build either scenario.

Commissioner Lafayette asked if the projected connector followed property lines.

Julia referred to a map in attachment 3 of packets to view the property lines and indicated that it did not specifically follow property lines.

Chris went on to speak about another modification DKS was asked to review and respond to. The hybrid plan changed to increase the amount of Office and Industrial land use (which, Chris reminded, is important to keep straight from the Retail/Commercial areas as RC is a much higher trip generator.) Chris indicated that increasing the number of employees by 500 to 600 people on the west end, with fewer houses, while maintaining the 10 unit per acre density resulted in a net increase of approximately 100 p.m. peak hour trips. The reason for this is that employment trips are traveling in the off peak direction as most p.m. commuters are coming home to Sherwood, the employment traffic will be going out. The surrounding intersections are less impacted even though there are more trips.

The third issue Chris was asked to look at was Red Fern. Chris indicated that looking specifically at Red Fern Drive there was not a significant change in the projected volume on Red Fern if it is opened to through traffic versus local traffic between the Steering Committee Plan and the hybrid plan. Vehicles per day are estimated at 1200 vehicles per day if no other measures were in place to restrict traffic. They were able to verify that it would remain mostly local traffic as it would not make a very attractive cut through route between Ladd Hill and Sunset Blvd. based on stop sign configuration and a circuitous route.

Julia had also asked Chris to provide examples of familiar roadways in the community with similar trips of 1000 per day. He was able to give 5 samples; Woodhaven on the south side of Sunset has about 1200 trips per day, Brookman Road currently carries roughly 1100 vehicles per day, the connection of Lincoln between Oregon Street and Willamette carries about 1000 cars per day, Pine Street just north of Sunset is approximately 1100 per day (prior to the recent paving improvements, but after Washington Street was closed.) Willamette Street just south of the Pine improvements is around 800 vehicles per day. The information they could obtain about Dewey Drive is

that it carries about 4000 cars a day. That count was taken before the cut through of Dow Drive was opened, so that number may have gone down some.

Chair Allen asked if the traffic from Red Fern is going left or right. Chris indicated that he would have to look back at his technical information to get that answer.

Chair Allen indicated that he felt that if 80% of the traffic is going west then there would be a benefit to opening the street.

Chris continue with his presentation and went on to say that with the shift in the traffic to more employment land rather than residential there would not be the need for turn lanes at the intersection of Hwy 99 and Sunset Blvd. as previously discussed in the Steering Committee recommended plan.

Chair Allen asked what would really be improved by opening up Red Fern Drive?

Chris that it will mainly be the trips coming out of the northwest corner traveling into the Woodhaven area. From an emergency response, it would add a second way into the area, which is always preferred. There would also be the connectivity for pedestrians and bicycles which people appreciate.

Chair Allen asked about the affects opening Red Fern would have on the Ladd Hill, Sunset connection.

DKS did not find that the Red Fern connection impacted the need for mitigation measures at Ladd Hill and Sunset as the trips per day would only be increase by 20 to 30 trips per day.

Chair Allen surmised that opening Red Fern would be an attempt to add connectivity that doesn't really buy much connectivity.

Chris agreed that often local street improvements are not about avoiding mitigation elsewhere, they are designed to help local circulation. Opening Red Fern won't have a major impact on the collector/arterial system.

Julia asked Chris how to limit the trips to 1000 trips per day. Is there something physically that can happen?

Chris indicated that the easiest path is to build the connection and then monitor the area. If the number of allowed trips is exceeded, then you turn it into an emergency vehicle access only, by installing breakaway barriers or removable posts. It is more difficult to build the area as a trail connection, then to come back and decide you now want a street. If you really wanted to build it, his suggestion would be to build it and put money aside for monitoring and then possibly constructing emergency vehicle access only later as a mitigation program.

Chair Allen asked about the potential benefit of stop signs.

Chris said that stop signs are more of a safety issue. When stop signs are placed in areas where they are not warranted, people begin to ignore them and when children are present that can create a significant problem. He would recommend speed cushions rather than stop signs. He agreed with Chair Allen that parked cars act as traffic calming devices as well. If the residents all parked on the street and it was very narrow, there probably would not be a lot of cut through traffic.

Commissioner Lafayette pointed out that this is ultimately a developer driven process. She feels it makes sense to allow the connection while having a back-up plan that says if it exceeds what it is supposed to be, then the access will be cut. She stated that, as a Commission, they try to ensure transportation connectivity in everything they do, and to take this out of the tool box now, just in case 20 years from now there might be more than 1000 trips seems like bad Planning policy to her.

Chris added that some sensitivity analysis was done which asked what if one of the connections did not exist would it still be likely that the trips would exceed the 1000 trip threshold. They found that if you only had one of the two connections, the trips would still be near 1000.

Chair Allen asked Chris to speculate about who would be using the road. He was asking about the people living in the four block area just below the Red Fern connection. Chris would not anticipate them using the Red Fern connection. When they analyzed the connection to see who would use it, it was primarily the residents in the northeast corner. One of biggest factors Chris could see in decreasing the cut through traffic was to leave Ladd Hill as the through street. As an alternative, DKS tried taking Ladd Hill to Brookman as a through connection. If you are traveling north and have to come to a stop then the travel time was roughly the same as traveling through Red Fern. If you are allowed to travel down Ladd Hill without stopping it was much quicker and more likely to go all the way through to Sunset. He indicated that an important point to specify in a plan for the future is that Ladd Hill would remain a through street with Brookman Road stopping at Ladd Hill.

Commissioner Walker asked about the safety and feasibility of taking a left onto Ladd Hill from Brookman Road.

Chris referred back to the earlier information given about the location of the proposed connection to Ladd Hill from Brookman Road. The location of the connection is on the point of a horizontal curve. From a sight distance point of view is the best place to be.

A discussion ensued between the Commission, Chris and Julia about proving results of traffic counts. From past experience the Commission is skeptical about the traffic counts provided being accurate. Per Chris it is not typical to go back and redo traffic counts after something has been built unless there are complaints, so they don't have a lot of data to refer to showing their accuracy. Commissioner Nolan added that typically the traffic always end up being worse than what the traffic studies say they are going to be. Per Chris the difference between the 1000 count threshold and the 1200 counts could be just be a day to day variation. It could be 20 additional trips over the peak hour. If he were to video tape two different streets, one with 1000 trips and one with 1200 the

difference would barely be noticeable. The 1000 trip threshold is a planning threshold, not a hard engineering threshold.

Julia suggested a “traffic study 101” session to increase the comfort level of the Commission with the traffic consultants estimates. Chair Allen gave several examples of failures in the past where decisions were made based on traffic engineers estimates, and reassurances given to the Planning Commission that something would work only to find out once implemented the results to the traffic were terrible.

Chris suggested that DKS could provide information at a work session to assist the Commission on knowing: what questions to ask when the developers’ traffic engineer is saying one thing and the City’s engineer is saying something else, what parts of the traffic studies to look at and question the assumptions; which questions to ask to help increase the confidence level about the traffic information being provided.

Chair Allen then moved the meeting discussion onto parks.

Julia explained regarding parks, that once the residential densities were revised, that the parks numbers were also revised to now show 8.29 acres of neighborhood and community parks. This is more in line with what the Parks Board had asked for and more in line with the Comprehensive Plan with the parks now all being over 2 acres in size. Based on a request from Commissioner Lafayette at the last meeting Julia prepared an assessment of what percentage of parks we have per subdivision. (Attachment 1 of the PC packet).

Commissioner Walker asked if the 8.29 acres shown in the Hybrid plan would all be considered active under the guidelines used to produce the comparison chart.

Julia confirmed that it is all active.

Commissioner Lafayette calculated that the 8.29 acres would be 3.3% of the project.

Julia went onto say that the Planning Commission can recommend whatever they feel would be appropriate but that there should be some type of basis used. The basis the Steering Committee used and was recommended by the consultant was using the existing Comprehensive Plan and the acreages required based on the estimated population.

Chair Allen if it would be possible to receive color copies of the Green Play (a company that had done a park study for the City) maps showing the colored zones.

Julia agreed to get copies to all Commissioners.

Referring back to the minutes from the previous meeting, Chair Allen thought what he understood the Parks Board speaker to say was that they were not against Tot Lots, but that they didn’t want them to count against the total acreage, and that level of parks proposed met their requirements.

Chris from DKS found information to answer the earlier question about what way does the traffic flow from Red Fern onto Sunset. Chair Allen invited him back up to the

microphone. Per Chris the Northbound traffic on Red Fern under existing conditions using PM peak hour date, 2/3 of the traffic go left, (toward Hwy 99), and the other 1/3 turns right. If the connection is made between Red Fern and the Brookman Road land use all of the new traffic would also be turning left toward Sunset. The connection would only be attractive as an alternate route to people traveling toward Hwy 99.

Julia asked if the Commission wanted the hybrid plan to be the one used from this point forward and if that is the plan they would like people to comment on at the next public meeting. The Commission discussed that the hybrid plan is part of the iterative process but people can comment on anything up to this point as well.

Chair Allen reiterated his concerns about continuing with planning acting as if the I-5/Hwy. 99 connector does not exist. He is worried that Brookman Road may become **the** connector and how that would affect everything they are discussing. The other issue he is thinking about is not having enough jobs close to Sherwood.

Commissioner Nolan agreed with Chair Allen about the issue of the I-5 connector.

Julia will work on a plan to recommend proceeding with that in mind. Regarding the employment land, she would like more input from the Commission on how to base the suggestion for needing more employment land. There is a market study in place now that gives a range, there is an Economic Opportunities Analysis that may provide a better range, to base the suggestion on.

Chair Allen used the Lake Oswego/Kruse Way area as an example of the market analysis saying you could never pencil office space on Kruse Way, which has since been proven to be “spectacularly wrong.” It seems to him that the projection is at such a fine level of detail. In the future when we are really concerned about the cost of energy and driving miles to work, will we wish we had thought about that now and increased the amount of employment area beyond just retail/commercial?

Julia agreed to look into this further.

Commissioner Lafayette pointed out that the Johnson-Gardner numbers are based on Brookman Road not being the I-5 connector. What happens to their numbers if it does become the connector?

Chair Allen stated that a Sensitivity Analysis would be beneficial that considers what affects there would be if Brookman Road becomes the connector as well as the projection of significantly higher gas prices. There are some studies saying that the value of suburban residential lands will go down as people move away to be closer to their jobs. What if you put more jobs closer to where people live? The study by Johnson-Gardner was done nearly a year ago. Have things changed?

Julia will work on developing a process plan to discuss with the Commission at the August 12<sup>th</sup> meeting.

Julia is proposing inviting the public back to the 1<sup>st</sup> meeting in September, not necessarily to make a decision, but to have an opportunity to comment on the most current

information. She is planning on having questions answered and being able to clarify things with the Parks Board at their August meeting.

Commissioner Lafayette asked how active the original Steering Committee is in the process and the development of the Hybrid plan.

Julia indicated that the Steering Committee members are no longer convening as they have made their recommendation. That does not mean they cannot be asked to be re-convened but that was not in the plans.

Commissioner Lafayette would like the Steering Committee to be invited to comment on the Hybrid plan. Per Julia, they are on the interested parties list and will get a specific update with the Hybrid Plan attached and at Chair Allen's suggestion a note saying, the Hybrid represents the evolution of the plan in a direction that the members of the Planning Commission are comfortable with.

Julia wanted to clarify that the Hybrid Plan is the plan the Commission wants to use for the base line to be used and comments.

The Commission agreed.

Motion made to continue – all were in favor.

8. **New business** – No new business
9. **Commission Comments** - None
10. **Next Meeting: August 12, 2008.** – Verizon Substation Expansion in Old Town, Commercial/Industrial Design Standard work session, I-5/99W presentation work session and Brookman Road Concept Plan process update

Chair Allen closed the meeting at 8:45

End of minutes.