

**PLANNING COMMISSION
WEDNESDAY, JUNE 8, 2016
6:00 P.M.**

**Wilsonville City Hall
29799 SW Town Center Loop East
Wilsonville, Oregon**

**Approved as
Presented
07/13/2016**

Minutes

I. CALL TO ORDER - ROLL CALL

Chair Jerry Greenfield called the meeting to order at 6:04 p.m. Those present:

Planning Commission: Jerry Greenfield, Eric Postma, Al Levit, Simon Springall, Phyllis Millan, Kamran Mesbah, and Councilor Charlotte Lehan. Peter Hurley arrived after Roll Call.

City Staff: Chris Neamtzu, Michael Kohlhoff, Miranda Bateschell, Stan Sherer, Brian Stevenson, and Jeanna Troha

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

III. CITIZEN'S INPUT - This is an opportunity for visitors to address the Planning Commission on items not on the agenda. There was none.

Chair Greenfield acknowledged the receipt of a letter dated May 25, 2016 from Treasurer Mary Furrow of the Meridian United Church of Christ regarding the Meridian Creek Middle School Road Improvements and Frog Pond Master Plan.

IV. CITY COUNCIL LIAISON REPORT

Councilor Lehan updated the Planning Commission on recent City Council meetings and activities as follows:

- At the June 6, 2016 Council meeting, Council discussed issues related to the Basalt Creek planning area work with the City of Tualatin, which included concerns about the number of vehicle trips being used by each city in its planning. Tualatin was using a higher base number of trips for industrial than Wilsonville, leading Wilsonville to consider having higher jobs density assumptions reflected in its trip counts. Traffic from industrial development in Sherwood would impact the total number of trips available and Wilsonville's concurrency requirements. Negotiating the trip numbers with Tualatin would be challenging, especially since only two of the players were at the table.
 - Another issue discussed was whether the City should change some of its Basalt Creek land to residential using a kind of live/work arrangement. Wilsonville's long-term plan never included residential in the northwest area of the City, and there were no adequate services to serve children, such as parks, schools, or playgrounds. That quadrant of the City is in the Sherwood School District, so the City must be careful about the type and amount of residential approved in the Basalt Creek Area. Moving forward with significant amounts of residential in Basalt Creek would be a diversion from the City's long term planning.
 - Council also approved the expansion of Republic Services' food waste disposal operations. The Council was impressed with Republic Services' cutting-edge work and looked forward to seeing how the project progresses.
- On June 7th, several Councilors toured the French Prairie Area with the Department of Land Conservation and Development (DLCD) executive director, and representatives from the Governor's Office. Explained were the issues related to French Prairie, why Wilsonville was targeting the Basalt and Coffee Creek areas for

development and not French Prairie, and how Wilsonville's infrastructure worked. She noted the City received many compliments from the DLCD on the long-range planning and citizen involvement done over the years. DLCD was well aware that the City of Wilsonville was a standard-bearer for excellent planning. She explained that DLCD Director Jim Rue and other DLCD administrators were on the tour. The DLCD Board was the Land Conservation and Development Commission (LCDC), whose members are appointed by the governor.

Chair Greenfield asked how Basalt Creek and Coffee Creek trip capacities are determined.

Miranda Bateschell, Long-Range Planning Manager, responded the 2013 Basalt Creek Transportation Refinement Plan modeled the future out to 2035 and established a cap on the number of trips that could be generated within the Basalt Creek planning area based on the job and housing growth forecast. Various land use concept scenarios were being tested through the land use planning process of the Concept Plan. The assumptions made for certain building types and employment densities generate a certain amount of PM Peak trips for each use. That multiplier is applied to the number of anticipated jobs or households based on the land use concepts, which translated into trips. The trip caps were not constrained by the existing road system because the calculations assumed the road system improvements laid out until 2035 in the Transportation Refinement Plan.

Councilor Lehan reported that progress on the City logo seemed to have stalled. She would ask the city manager about the current status, but stated the direction from Council had been to look at several other options.

V. CONSIDERATION OF THE MINUTES

A. Consideration of the May 11, 2016 Planning Commission minutes

The May 11, 2016 Planning Commission minutes were accepted as presented.

VI. WORK SESSIONS

A. Recreation Aquatic Center (Sherer & Starr)

Scott Starr noted the last two Community Surveys showed very strong support from the citizenry for some type of recreation and aquatic center. In response, Council contracted to have an economic feasibility study done created a volunteer task force to review the study and make a recommendation to Council. In 2014, City Council decided to move forward with a vote in a presidential election year to ensure the greatest level of voter participation. The desire to have a recreation and aquatic center in Wilsonville has been discussed for more than 20 years and he was glad to give people the opportunity to vote on it.

Mr. Starr presented an update on the Recreation Aquatic Center via PowerPoint with additional comments from Parks Director Stan Sherer. The general obligation bond measure to levy property taxes for land acquisition, design, and construction of the recreation and aquatic center (Center) would be on the November 2016 ballot. He and Mr. Sherer responded to questions from the Planning Commission as follows with additional comments as noted:

- The operating cost models showed that the Center would be feasible over a long period of time. The idea was that the citizens would be responsible for building's construction and getting the facility up and running, and then after a few years, Center would be self-sustaining. A city in Illinois similar to Wilsonville projected the income from their facility would sufficiently cover operational costs at the 3.5-year mark because membership was so far ahead of schedule.
- Compared to the swim center in Sherwood, which was not making money, the makeup and amenities of the Wilsonville facility were conceived with the idea of covering operational costs. Wilsonville's Center would have much larger swimming facilities than Sherwood and more diverse alternative/non-aquatic amenities with an eye towards cost-recovery. The pro forma and conceptual design did a great job determining cost recovery pieces in the non-aquatic amenities in the facility. The pro forma achieved high play value and low cost. In researching management models, one's respondent's cost estimates were incredibly conservative and that same firm did the pro forma for Wilsonville.

- The Sherwood YMCA had only one pool at first, and it seemed to be doing well enough that a second pool was added, but Mr. Starr did not know how the YMCA was doing after that addition.
- A national consulting firm with broad experience across the country was assisting the City with the Center proposal.
- The net effect of the 20-year bond might not be as steep as expected since other City bonds were retiring soon, such as the Library bond. The proposed bond was a little less than \$4 per \$1,000 valuation.
 - If the Center reaches the break-even point before the five-year mark, the City's commitment would stop at that point. The City would pay a set fee to the management company and use the additional income to ensure the facility was self-sustaining with money also being set aside for ongoing maintenance repairs.
 - While the City's five-year commitment would average \$300,000 per year, the costs would be front-loaded as more than half of the \$1.5 million cost would come in the first year. For example, the Center's staff would need to be trained six months prior to opening. The first year's loss would be about \$750,000.
- Councilor Lehan noted citizen groups have been pressing for a pool for decades. Approximately ten years ago, the City hired a similar consulting firm that determined Wilsonville did not have the population and demographics to make a pool feasible, so the City did not move forward with the project. She believed one difference with Sherwood was that City had jumped the gun and proceeded with their facility without supportive numbers. Wilsonville took a more conservative approach and now that the feasibility study yielded different results, the City was moving forward with placing the issue before the voters.
 - Mr. Starr added the consultant said that 75 percent of the time, the feasibility studies did not indicate support for having a facility, but this time, the results were positive for a facility in Wilsonville.
- Commissioner Postma concurred that feedback from the business community through the Chamber of Commerce had been very positive, noting their perspective would be different than the citizens who would bear a greater burden for paying for the Center. Businesses saw the Center as a great amenity for attracting people to Wilsonville such as swim tournaments or other activities, and people coming to use the fitness center. The Center was the type of amenity that both the Chamber and City Staff use to attract prospective businesses, citing the facility would be available to their employees.
 - Mr. Starr noted the City's population almost doubled in size because many people working in Wilsonville did not live in town, and many would likely use the facility as well. This factor also influenced the consultant's recommendation to move forward.
 - Mr. Starr clarified the Tourism Committee was considering a different type of facility that allow for indoor sports like soccer, lacrosse, or flag football, not swim meets.
- Membership benefits would be determined by the management company. However, those benefits are likely to include pool access only for certain things like parties or special events, and full access to facilities and classes, including the fitness center. Up to two hours of free daycare would also be provided for each user as well.
- Positive comments were made about the addition of a lap pool for the high school, which was not in previous plans.
- The pro forma included line items and contingency funds to address major repairs and long-term equipment replacement, in addition to the day-to-day maintenance. While pumps, filters, and chlorinators generally accounted for the biggest expenses, their lifespan was much greater than 10 years.
- Assuming a "yes" vote on the bond measure, the Center was expected to open in Spring of 2019. The design phase would take close to a year and then construction would follow.
- The City had issued requests for proposals (RFPs) and the Center's management company would be selected from the three submittals that were received, as well as related interviews and background checks. In comparing the submitted proposals to the City's own submitted proposal, the Task Force found that the City could not operate the Center as efficiently as independent management companies, primarily due to City salaries and benefit packages. A recommendation regarding the selection of a management company would be made to City Council on July 7th. The management company would be under contract for a specified, flat annual fee and offer up to 5 percent of the annual operational costs as an incentive. If

the City paid the management company based on a percentage, the City would not be able to issue the tax-exempt bonds it wanted

- The key element of this structure was that the City would retain control of the facility; it would not be turned over to an outside company. The City would have weekly meetings with the local manager and monthly meetings with the national management company. The management company would probably also have some input into the design of the facility itself.

1. Public Comments

Chair Greenfield called for public comment regarding the Recreation Aquatic Center.

Sudeep Taksali, 7535 SW Schroeder Way, Wilsonville OR, 97070, noted he was a physician and asked the Planning Commission to consider the harmful health effects of chlorine exposure, especially to children, when choosing the pool's filtration systems. He reviewed a handout titled "United States: Clean Pools Can Still Pose Health Hazards", Asia News Monitor, June 07, 2016, which was circulated to the Commission, noting other options for pool filtration. He confirmed a 20-year bond meant taxpayers would be paying for the Center for 20 years at \$19 per \$300,000 valuation. He asked what the membership fees would be.

Mr. Sherer responded according to the pro forma, a family membership of four would range from \$65 to \$70 per month, depending on residency.

Mr. Taksali asked whether other funding mechanisms had been considered, noting that other municipalities bring in private/public funding or seek donations and support from local businesses, since the membership fee might be too high for some families and even for homeowners with average home values. The average house in Wilsonville was \$375,000, which would be \$25 per month or \$6,000 over the 20-year bond period; investing that money in the bank would result in \$10,000. In addition, there was the \$80 for a family membership. While \$25 per month did not seem like a lot, \$100 per month did and a lot of people in the community would not use the Center. He supported the project, but believed other funding mechanisms should be considered besides property taxes.

Mr. Starr noted there was no better time to borrow capital funds given the current low interest rates. He added the City was responding to the citizens' demanding for an aquatic center and providing them an opportunity to vote on the plan. However, if the bond measure was approved in November, the City was interested in finding ways to drive down the cost for taxpayers and other residents to make the Center as affordable as possible. He assured other funding options had been researched. For example, facilities within the Center would be available for hospital systems to lease long term, which would change the burden to the taxpayer.

Michael Kohlhoff, Special Projects Attorney, explained these various funding options could not be considered when going out with the ballot title because they had not been approved. The costs identified on the ballot measure would be the costs if no other funding sources were found.

B. Basalt Creek Concept Plan (Bateschell)

Miranda Bateschell, Long-Range Planning Manager, updated the Planning Commission on the Basalt Creek Concept Plan with these comments:

- In December, the Joint Council met and solidified a preferred jurisdictional boundary in relationship to a set of ten specific considerations that addressed things like transportation, sewer, water, stormwater, the canyon and natural resources. The Council concluded that if the Concept Plan included agreed upon, integrated solutions around these items, then the Basalt Creek Parkway would work as a jurisdictional boundary to support the vision of both cities in that area.
 - The preferred alternative and land use concepts were presented to the public via PowerPoint, included in the packet, at the public open house on April 18, 2016 where about 50 to 75 people attended. The presentation reviewed the process for reaching the preferred alternative, as well as the land uses and

infrastructure. The public was asked a series of questions about how transit, bike/pedestrian infrastructure, parks and open space were used now and what people might want to use if they lived, worked, or developed in Basalt Creek. People expressed interest in recreating by biking and walking as a preferred use. There was also a lot of support for conservation as well as neighborhood parks and pocket parks, which were more useful in employment areas. Not a lot of transit use existed in the area, but not much was being provided, since the area was outside the city.

- Now that the preferred jurisdictional boundary had been determined, Staff confirmed with City Council at Monday's meeting their preferences regarding land use concepts that had been presented previously to ensure the map produced by the Planning Department reflected the Council's vision for the City. She distributed the Land Use Recommendations map that was presented to Council and reviewed Staff's recommended changes with these key comments:
 - Staff recommended keeping the High Tech District as presented due to its location near the freeway. The district would provide opportunities for higher employment density, such as offices mixed with manufacturing warehouses.
 - Changing the transition area west of the High Tech District across Boones Ferry Road to "Craft Industrial" was recommended. The area, which currently consisted of residential parcels, would remain as an employment use, but the parcels could include business development over time while maintaining the existing home. This was the live/work concept Councilor Lehan spoke of earlier. Potential craft businesses might include a tasting room, brewery, pottery or photography studio, for example. Such development would be a useful transition until the area developed further. Long term, the vision for this area included two- or three-story buildings with small tenant spaces for light industrial manufacturing and office uses, as well as more retail than modeled in other buildings. After much discussion and concern about the amount of Craft Industrial allowed and the lack of City services in an area, Council agreed to allow the change.
 - Council also approved Staff's recommendation to change the area south of the future Basalt Creek Parkway, near the Day Road/Graham's Ferry Road intersection, from Warehouse to High Tech Employment District, which Council also recommended extending along the Day Road frontage to that intersection. High Tech Employment District would include about half office and half industrial jobs.
 - Previously, Staff had modeled mostly one- to two-story buildings in the employment areas; however, Council wanted to provide opportunities for four- to five-story office buildings, particularly near I-5, so Staff would work with the consultant to increase the job densities in that area and modeling additional taller buildings in the High Tech Employment District along Boones Ferry Rd.
- With regard to next steps, the Tualatin's City Council would have a work session on Monday, June 13th; after which the project team would work to finalize the land uses and run one last scenario to yield outputs regarding the number of trips, jobs, and households, as well as potential revenue.
 - The main concern was the trip cap. Most scenarios had resulted in trips close to the upper threshold of the trip cap and hopefully, the last scenario would still be within that cap. If the scenario exceeded the trip cap, then further discussion about land uses would be required to see whether land use adjustments were needed by one or both cities. If the scenario came in within the trip cap or close, Staff anticipated having the plan ready for the Planning Commission's review in the fall.

Comments from the Commission and responses to Commissioners' questions continued as follows:

- Some analyses showed that Tualatin could build out faster than Wilsonville given the lack of residential land in Tualatin, but there also seemed to be a lot of demand for industrial use. Wilsonville was developing a Coffee Creek Urban Renewal Area Plan and would likely have infrastructure projects invested in the Coffee Creek area sooner than originally planned, which could result in development happening along Day Road sooner than was expected. While all this depended largely on the current property owners' plans, the high demand for industrial combined with infrastructure improvements to support that demand should attract industrial development quickly. She believed the areas of both cities along I-5 would develop rather quickly.
- Ms. Bateschell had not been informed of any aggregation happening in the Basalt Creek area, but some property owners already owned large parcels or multiple parcels, and other owners have expressed interest

in selling. All of those property owners have been participating in the planning process and most or all attended the public open house.

- Construction had already started on the Phase I of the Basalt Creek Parkway with the 124th extension to Grahams Ferry Road. The project was expected to take three summers , being completed in the summer of 2018, with the final portions of the project consisting of improvements to Tonquin Road and Grahams Ferry Road to Day Road.
 - Ms. Bateschell had requested an update from Washington County today about Phase II, which included the Parkway portion between Grahams Ferry and Boones Ferry Roads. The environmental work was supposed to start this year, but Staff had not heard anything further. Phase II was expected to be completed in about ten years, but the location and alignment for the I-5 overpass was yet unknown.
 - Following Phase I, access to the Basalt Creek Parkway from 124th to Grahams Ferry Road would include full intersections at Grahams Ferry and at 124th and Tonquin Roads. Improvements would also be made to Tonquin Road through this project so gravel trucks could take that route to access Grahams Ferry Road.
 - The Parkway would likely follow the existing Greenhill Road alignment. Housing already existed in the area south of the Parkway and just west of Boones Ferry Road.
- Office space was proposed near the BPA right-of-way rather than warehouse namely due to the size of the parcels and how buildings could be laid out. If enough aggregation occurred, warehouses were possible.
 - City Council also discussed how Wilsonville already had an incredible amount of warehousing and that they wanted the City to be on the cutting edge and accommodate the future trajectory of new industries and new building types of models.
 - Additionally, some of Wilsonville's existing warehouse uses had transitioned to other uses, so Council questioned whether additional warehouse uses would be needed in that area.
- If a neighborhood park was built in the Basalt Creek area, it would likely be located in Tualatin's residential neighborhoods. Wilsonville would consider the industrial waysides concept, which was in the Form-Based Code, to provide more pocket park types of facilities. Companies in the area would be responsible for upkeep and maintenance, so that the green spaces were not neglected.
- Given the potential competition for vehicle trips with Tualatin, the City should plan higher density areas to capture its share of needed trips, even if the area did not build out that way.
- Examples of Craft Industrial development could be found in many places. The Hood River waterfront was a particularly good example given the amount of redevelopment and industrial use. Now two- and three-story buildings were being used by Craft Industries with live/work spaces that were also adjacent to a beautiful park, natural resource, and industrial uses. Hood River's scenario was fairly comparable to Wilsonville given the City's ability to maximize the Basalt Creek Canyon as an asset, and having additional industrial employment nearby. Supporting services and retail would also be needed for employees. This land use designation could also enable young entrepreneurs to live and work close to the industries with which they would want to partner. Craft Industrial was also working well in southeast Portland, which was much less dense than other areas, with the blending of single-family residential within a block or two of Craft Industrial spaces. Hood River and southeast Portland were used as examples as Staff considered how the buildings would look and what the area would look like.
- Because the clientele for Craft Industrial space usually sought cheap tenant spaces they could transform or improve themselves, Staff and Council discussed how Craft Industrial could be achieved through new buildings. The idea was not to push the use. As the sites redeveloped, and possibly aggregated, with new buildings being constructed, Craft Industrial would probably not be developed. Craft Industrial could work on existing frontages given the current nature of the parcels today.
 - Incremental development and providing opportunities for current residential buildings to be used for craft businesses had been discussed during the planning process in order to address the concern. The idea was to provide more of a transformation period than before, allowing for interim uses before any wholesale development. For example, one parcel already had a shop, so could that building be renovated into something that produced value for the property owner while enabling them to work and live there? The Craft Industrial area would not likely be one of the first areas to develop. The residential

parcels would likely remain longer than other vacant parcels. Once a high-tech employer was in place, these adjacent residential parcels might have more success developing into Craft Industrial or a mix of regular small tenant industrial.

- As part of its Economic Development Strategy, the City should consider developing specific innovation center or incubator spaces in the Craft Industrial sector that are subsidized for upstart entities, which would move to more expensive spaces as they flourished. Such programs would even be beneficial in attracting high-tech employment.
- While the Craft Industrial designation could protect the area near the canyon from some types of unwanted development or uses long term, it also provided more flexibility to both existing and future owners of the residential parcels.
- The eastward extension of Day Road shown on the map was part of the planned system and would be a second overpass to be constructed.
- Concerns were expressed about traffic from the Tualatin portion of Basalt Creek having nowhere to go as accessing I-5 to the north and south already had awful congestion issues.
 - DKS Associates did model where the traffic generated within the planning area would go and traffic split more than anticipated. The results of the next analysis, which would include the new trips and land uses, would be brought to the Commission for review.
 - At the open house, it was said that 15 percent of the traffic that would use I-5 to cross I-5 would use the new overpasses. The point was that traffic issues were very dependent on how much traffic would use I-5 to get across it by getting on and then off at the next exit. More information was requested about the nuts and bolts of the traffic data.
 - People are creatures of habit and one solution to help with traffic problems was to educate drivers about alternate routes.
- With regard to the trip cap issue, land use would be the variable because capacity was constant in the analysis. The project team's analysis would include the vision that each City had and if the trips exceeded the cap, further discussion, including potential City negotiation would occur.
 - In work session, City Council had discussed the potential of using up the City's trip cap in Basalt Creek and the importance of doing some speculative planning to accommodate the future development of the West Railroad Study Area. While a small amount of trips could be allocated to ensure some development, the trip cap was associated with the Transportation Refinement Plan, which had a 20-year planning horizon. Due to the number of development constraints and limited amount of potential development in the West Railroad Area, Staff did not believe the area would develop before that 20-year planning horizon, so typically no trips would be reserved within the trip cap assigned for the shorter planning horizon. Staff wanted to ensure to achieve the desired densities and vision for Basalt Creek, since the area had fewer constraints and was much more viable in the near term.
 - Reserving rights-of-way on either side of the Parkway for additional lanes was suggested to help alleviate long-term traffic issues in the future.
 - Councilor Lehan reminded that Wilsonville dealt with a concurrency issue that led to a moratorium on the trips at the I-5/283 interchange at one point, which required a lot of negotiation that resulted in Fred Meyer allowing Villebois to move forward. Unlike these developments, the cities of Tualatin and Wilsonville had concurrency constraints, and the likelihood that Tualatin would develop faster and use up the trips further another complexity to the negotiation process.

VII. OTHER BUSINESS

A. 2016 Planning Commission Work Program

There were no comments regarding the work program.

VIII. ADJOURNMENT

Chair Greenfield adjourned the regular meeting of the Wilsonville Planning Commission at 7:43 p.m.

Respectfully submitted,

By Paula Pinyerd of ABC Transcription Services, Inc. for
Tami Bergeron, Administrative Assistant - Planning