

**PLANNING COMMISSION
WEDNESDAY, OCTOBER 10, 2012
6:00 P.M.**

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

Approved
November 15, 2012

Minutes

I. CALL TO ORDER - ROLL CALL

Chair Altman called the meeting to order at 6:02 p.m. Those present:

Planning Commission: Ben Altman, Ray Phelps, Eric Postma, Peter Hurley Al Levit, and Marta McGuire.
Amy Dvorak was absent

City Staff: Barbara Jacobson, Daniel Pauly, Chris Neamtzu

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.

[1 space between sentences]

IV. CITY COUNCIL REPORT

Chris Neamtzu, Planning Director said the results of the joint work session with Council could be discussed later in the meeting. He reported that the work program that was presented was not modified. It appeared housing would be a priority for the Commission in 2013; Basalt Creek would be getting started, Development Code amendments related to density would be needed, and the Commission would be wrapping up the TSP update.

- At Monday's meeting, City Council would address a resolution related to the renaming of the Tonquin Trail. Tualatin Historical Society representatives came forward with a request of all the partner jurisdictions to rename the Tonquin Trail to the Ice Age Tonquin Trail with a focus on Ice Age because of the Missoula or Bretz Floods. The adopted resolution would be included in the Master Plan document to incorporate that name change. Renaming the trail would provide for better marketing opportunities to get more grant funding to build an Ice Age trail due to momentum at the national level.

V. CONSIDERATION OF THE MINUTES

The September 12, 2012 Planning Commission Minutes were unanimously approved with Line 17 on Page 4 corrected to state, "could *include* it in their TSP, if desired."

VI. WORK SESSIONS

A. Regional Industrial Site Readiness Project – Mark Clemons, Group Mackenzie

Chris Neamtzu, Planning Director, stated that Group Mackenzie and Johnson Reed were the primary lead consultants in this project where the City worked with a number of groups, including the Port of Portland, Portland Business Alliance (PBA), Business Oregon, National Association of Industrial and Office Properties

(NAIOP), and Metro on a two-phase, multi-year process to inventory and assess the readiness of the region's industrial lands, which was determined to be 25 acres and above. The completed report was unveiled at a presentation at the World Trade Center and included information such as marketing data and economic analysis. The report focused on a number of Wilsonville sites that would be of interest to the Commission.

Mark Clemons, Group Mackenzie, explained the study began in June 2011 and focused on industrial sites that would meet the needs of companies who are expanding in the region and/or are new to the region. These were parcels that were marketable and on which businesses could locate. Typically, the focus has been on industrial land with Goal 9, Economic Opportunities Analysis (EOA), buildable land inventories, etc. which identifies gross acres of land available within the urban growth boundary (UGB). The five main funders listed above also formed the project management team that worked on the project ending in August 2012. Phase 2 of the project was funded by the project participants.

- The key elements behind the purpose of the project were to:
 - Develop a tool to understand the market availability to determine the supply and readiness of large industrial sites within the Metro UGB.
 - Educate decision makers, the public, and the development community regarding the general availability of and challenges facing these industrial sites.
 - Lay a foundation for innovative financing tools to help bring land to readiness in the region.
- The study focused on 25-acre sites because capturing anchor companies, like Boeing and Intel, are key to the regional economy. Business Oregon advised that 80% to 90% of their recruitment interest by incoming firms over the last 5 years have been for sites 25 acres and greater. Additionally, Metro found a shortage of sites greater than 50 acres in the region during the last UGB process.
- The study included two phases:
 - Phase 1 involved reviewing an inventory of more than 4,000 vacant industrial parcels in Metro's database. Page 4 of 119 featured the Phase 1 Site Matrix, which he described.
 - Of the 4,000 parcels, only 95 were larger than 25 acres. A parcel is generally a single-ownership parcel. Because the need for industrial sites is market driven, the study also looked at the potential of aggregating parcels into larger sites.
 - A screening process was used to reduce the final inventory to 56 sites and included a scoring system for various features, like infrastructure, on-site issues like wetlands and brown fields, whether the parcel was available or listed on the market, the presence of overlays or other restrictions, a willingness to transact, and whether annexation was required.
 - Tier 1 sites were parcels that would be ready for development in six months, according to the State industrial site certification program. Tier 2 sites were those that would be ready in seven to 30 months; Tier 3 sites would be ready in 30 months or longer.
 - Phase 2 involved doing a detailed analysis of 12 of the 56 sites to consider development concepts more closely, as well as a detailed cost analysis and benefit analysis of what would happen if development occurred.
- He presented the Regional Industrial Site Readiness Project via PowerPoint, highlighting key industrial parcels identified in the Wilsonville area and reviewing next steps. The report was also included in the Commission's meeting packet.

Discussion regarding the Readiness Project continued with key comments and responses to questions as follows:

- Mr. Neamtzu clarified that no action was required by the Commission. The purpose of the presentation was to highlight work done with industrial land and recognize that Staff would use the study with clients who show interest in the community. The report builds on infrastructure work done with grant received from the State and plays into the economic development strategy for the area. It was all part of the grand package to advance and continue discussion about the Coffee Creek area.

- He would see if Council was also interested in seeing the presentation, which is unique and creating momentum. The City was contacted by the governor's office this week about updating the infrastructure study from 2008.
- Mr. Clemons added the study has gotten momentum with an editorial in *The Oregonian* about industrial lands and the Elligsen sites. With 2,000 or 3,000 acres of industrial land in the UGB, no one sees a problem, but this level of data on the availability of industrial sites reveals the challenges.
 - The project management team would meet Friday to discuss how to continue momentum going at the governor's office, in the press and in the legislature.
 - This inventory is an ongoing effort as sites go on and off the market. Some sites One Tier 1 site needed to be removed because it was now being used by Intel and no longer available.
 - He noted the 56 sites in the study did not include sites owned by companies for expansion purposes. The industrial land inventory includes vacant land, which is available from a planning perspective. However, being vacant does not mean the land is available from a market perspective and should not be considered in the inventory. For example, vacant lands owned by Genentech, Intel, and Providence were in the report but were not part of the 56 sites identified.
 - The City of Portland and others closer inside the UGB want to discuss redevelopment sites, which was another element of the study that needed further work.
- People at PBA and the Port of Portland are involved in the Community Investment Initiative and the consultants are providing them data from the Readiness Project. A link definitely exists between this study and the Community Investment Initiative, which could provide a financing resource to bring the completed analysis into development.
- The legislation regarding the payroll tax was essential and long overdue. It made no sense for local government to finance economic development because the primary financial beneficiary of all local development done through property taxes is the State; the biggest amount of money created with economic development is a payroll tax. It was not a bad thing, but the State is not paying its fair share.
 - For example, property owners take a 20-year debt on their property to buy a fire truck that produces revenue for the State and who is able to use it immediately.
 - Commissioner Phelps offered to help, noting that without funding this was not going to happen.
 - Similar to tax increment financing, it was the "but/for" argument: without the site, there is no company and no payroll tax.
 - Another concept would be to use economic development revenues to get sites ready.
 - The Supreme Court ruled that eminent domain is illegal and can no longer be used for the purposes of private investment. The loss of this tool is a significant challenge to redevelopment.
 - While there may not be enough money to aggregate, other ways exist to get control of land other than ownership, such as options or very long-term leases.
- The legislative initiative essentially loans money to businesses and then takes only half of the income tax generated, so in theory, the State is giving money away; it is a big gift. For example, on a \$1 million loan, \$500,000 must be repaid and \$500,000 comes through the payroll tax paid by the state to itself.
 - It is not a big gift; it is the tradeoff for getting more payroll taxes. The \$500,000 is a one-time payback and the payroll tax continues long-term because the State exists forever.
 - The initiative will be controversial; it will not be easy.
- The study showed an 8-year wait period for the economic value of the Coffee Creek site to increase assuming an annual appreciation and that the land is aggregated; however, the increasing costs of putting in the infrastructure were not considered, which would extend the wait period beyond 8 years. The study only assumed inflation on land prices, but not the other side of the scale, which would change the balance.
- It was not clear where the average annual wage of \$97,000 came from with a State tax payment of only \$3,000. This was a pretty high wage.
- The Elligsen property was not removed from consideration. The statement about the property being above market rate was only a comment, nothing more.

- As a Tier 1 site, the Elligsen property would be dear to Metro as far as the ongoing discussion about trying to change its zoning, since very few Tier 1 sites exist. It seemed that changing the zoning would be a huge hurdle for a lesser use of the land.
- Basalt Creek was not included in this study, but Mr. Clemons said he would love to do that analysis.
- The driving force behind all Phase 2 sites seeming to be at the periphery of the UGB was that 25-acre vacant, not redevelopable, sites were hard to find. A map of all Phase 1, 2 and 3 sites was included in Volume 2 and showed the distribution of the 56 sites around the region. If sites below 25 acres were included, more sites would be identified.
 - The real estate brokerage community advised that the most transacted sizes in the marketplace over the last 5 or so years were less than 25 acres. Another step in the process would be to conduct a similar study on sites less than 25 acres.
 - Redevelopment was beyond the scope of this study due to costs. Local jurisdictions farther within the UGB were interested in redevelopment.
- The modeling tool used for the study could be used for other sites; however an analysis of the site's specifics, such as cost, time frame, methodology, etc. was needed in order to plug numbers into the model.
- The entire 32-acre Elligsen site is currently zoned residential-agricultural holding, and designated as industrial in the Comprehensive Plan. An old, broad master plan called the Parkway Center Master Plan contemplated 6 acres that included part of the Elligsen site, the old Burns Brothers site and property at Canyon Creek Road that would have been like the Wilsonville Business Center.
- From an economic development perspective, some out-of-state multi-national developers would be excited to find a site inside the UGB because those sites maintain their value over time, they allow for more density, and employees like to live in a more urban setting. However, large parcels of land in the region are hard to find. The inability to have 500 to 1,000 acres available for a master planned or huge campus was a challenge.
 - The study was not done to make the case for expanding the UGB, but from the perspective of making the UGB function for development. Land is available and ready for development within the UGB. The study helped identify what needs to be done within the boundary to get sites that meet company needs.
- Metro being a partner on the study was very innovative and very important. Metro Council President Hughes was taking this topic seriously and making a big difference. Metro has been at the table with the Port's lawyers helping draft the proposed legislation.
- Contextually after the urban growth report was written, the idea of having a just-in-time replenishment was discussed in the last UGB expansion where another site was ready to be brought right into the UGB if a site was used up.
 - Metro included consideration of this just-in-time UGB expansion project in its work plan. Group Mackenzie, in working with the Port, PBA, and NAIOP developed a scope of work.
 - At the breakout sessions of the regional meeting where infrastructure, aggregation and other issues were discussed, a Metro Councilor said Metro has a Greenspace Program where a bond was passed to purchase green space; what if Metro passed a bond to pay for industrial infrastructure and site aggregation. It was an interesting idea, so maybe there was hope.
- The map on page 6 of 119 of the packet showing the identified sites being on the perimeter ties back to the Transportation System Plan (TSP) and Regional Transportation Plan (RTP). The analysis looked at adjacent improvement off-site items, adjacent roads to the site as opposed to regional accessibility.

B. Banner Policy Revisions – Dan Pauly

Chris Neamtzu, Planning Director, explained this revision process stemmed from a request from the Oregon Technical Institute (OIT). The City's Decorative Banner Policy first pertained only to the rotating seasonal banners on Wilsonville Rd and Town Center Lp, but the program has grown as events in Town Center Park have increased over time. He confirmed that the banner policy was previously administered through Community Services and was not really part of the Sign Code. The City accommodated the banners requested

for the upcoming opening of OIT with a temporary use permit, noting that the banner policy would be updated. Feedback, input and comments were being requested before presenting the proposed policy changes to City Council for adoption.

Daniel Pauly, Associate Planner, presented the Staff report via PowerPoint, noting language was added to the Sign Code allowing the use of decorative banners. He reviewed the existing Banner Policy and the proposed updates.

The Commissioner discussion of the Banner Policy included:

- Staff had not started talking to major property owners on Boones Ferry Rd in Old Town yet. The Code update essentially enables the placement of banners and the City wanted to be flexible where possible.
- Other major property owners near Oregon Tech included Rockwell Collins and Jack Martin and no negative comments were received about the OIT's trial program. Those property owners are very supportive of Oregon Tech being there. A new tenant signed a lease in the building closest to Parkway Ave.
- Banners on Parkway Ave would be limited to the area indicated on Slide 5 to identify the area as a higher education district, which would generate additional pedestrian traffic. The area would not be expanded.
- Slide 6 delineated the potential banner locations in Old Town where the improvements lend themselves to decorative banners. Nothing specific was proposed as the City was awaiting proposals from those property owners.
- While OIT initiated the proposed policy update, Staff decided to consider a banner policy for the entire city to address potential applications.
- The design and color specifications on Page 4 of 10 apply to special event banners, although the requirements have not always been followed.
- A review process needed to be created to review design prior to other banners going up because the banners are being used on City property. The purpose of the banners was to enhance the environment as opposed to advertising.
- The Commission suggested that the use of banners also be considered in the following locations:
 - Along Memorial Drive a few hundred yards south of Wilsonville Rd due to special events at Memorial Park or the library.
 - On the small stretch of Town Center Lp near Memorial Park to complete that loop.
 - Staff would need to see whether the light poles were too far into the trees and might not accommodate a banner. Some light poles are also curbtight rather than behind the sidewalk so the banner would be over the street surface.
 - On Courtyard Dr behind City Hall from Town Center Lp E toward Town Center Park.
- Banners are advertising and should only be used for school or community events and not for business advertising purposes. Concern was expressed about how reviewing banner design might relate to freedom of speech issues
 - The policy identified the specific district and how each district should be identified, which addressed why certain messages would be allowed on those banners. If the banners were allowed everywhere and the City started picking and choosing content, then there could be an issue. However, because specific districts are identified and because the identified districts are within the public right-of-way, the City had control of that space and what was in it, including banner content and design.
 - Commercial issues would be dealt with through the Sign Code.
 - Ms. Jacobson agreed, adding that some thorny issues could be considered controversial, such as a religiously affiliated school within the district wanting to use a cross on their banner. Not all issues could be contemplated, and might have to be addressed later. Content cannot be regulated if banners are allowed in the area.
- The acceptable level of wear and tear could be subjective. A ripped or torn banner was more obvious, but the proposed language stated "when they begin to fade", which was subjective and could create

disagreement if the City was going to charge to take down a banner that the owner believes is still acceptable and the City disagrees.

- The issue came down to a reasonable person test; perhaps “*substantially* faded” could be used.
- Barbara Jacobson, Assistant City Attorney, advised the City has discretion because the banner would be on public property, not private property, and the owner would be getting some benefit.
- The policy could require vinyl banners with non UV degrading ink or materials suggested by a good sign company.
- Banners could be inspected every 18 months to 2 years or a replacement period could be defined where banners must be replaced annually or on a 2-year cycle. The cycle could be defined as suggested from a sign company.
- Schools would not have to change their school colors when designing banners. Special event banners are to be designed so as not to clash with the City’s seasonal banners because the two are interspersed.
- Pioneer Pacific College is a for profit higher education institution while Oregon Tech is a state institution. Pioneer Pacific College banners could be considered advertising, which could become a slippery slope when considering the pride employees have in their company, such as Xerox. It could become a potential legal issue in the future.
 - Staff discussed the matter with Oregon Tech, who wanted banners on each side of the road.
 - Pedestrians in that district would be from both schools. Students would be proud of the school they attend whether or not they attend a State or private school.
 - Identifying the district as a higher education district distinguished the schools having banners verses a business.

C. Joint Worksession De-Brief

Chris Neamtzu, Planning Director invited the Commissioners’ comments to update those unable to attend.

Chair Altman noted the Commission was still awaiting City Manager Bryan Cosgrove’s summary.

Comments and discussion regarding the Joint Worksession with City Council were as follows:

- The outcome was still uncertain. Identifying priorities was a complicated process because of the interactivity between multiple items on the Commission’s work program. The mindset was that Staff needs to be involved in the process to pull work program topics apart.
- Two Council members and the Mayor made suggestions about they believed were priorities; however, Council must agree on priorities before the Commission could act.
- Attachment A to the 2012 Annual Planning Commission Work Program was a good tool and could be used to shuffle the Commission’s work plan priorities. The chart could be sent to Council regularly, perhaps quarterly, to get direction or feedback about any needed adjustments.
 - The inactive projects in Attachment A could be either separated out completely or a third category created within each section because combining the inactive/upcoming projects made their status unclear.
 - The challenge was that the list changes daily.
- There was a brief discussion about the Community for Citizen Involvement (CCI).
 - With this level of work, there was not much time other than the normal interaction when the CCI actually engages the community on specific items like Comprehensive Plan amendments.
 - The Commission did suggest that Council might want to create a separate CCI.
- Many projects on Attachment A regarding the Park Master Plan could be transferred to the Parks and Recreation Committee.
 - City Manager Cosgrove had indicated the City was considering hiring a Parks Director to review Park Master Plan items. The Commission would only consider the items relative to an actual amendment or for adoption.

- It was good meeting in general as Council was acknowledging that it needed to do something for the Commission and that joint worksessions should be held more frequently. Now, Council had to create a list of work priorities.
- Having the Commission create a list of top priorities might be helpful. The TSP update, Goal 10 analysis, finishing the Old Town Code, and resolving Comprehensive Plan/Development Code conflict issues regarding density are all top priorities.
 - The remaining items can be worked on in parallel. Inactive and upcoming items could be worked on as time allows.
- From a timeframe standpoint, the priorities should be addressed over the next 12 months.
- Defining a specific list now could be futile because there would be a new Council in January who could change the priorities.
- Two years was a typical timeframe for the Frog Pond Concept Planning; however 18 months is preferred because people start losing interest if the process extends too long. The timeframe provided in Attachment A was based on the deadline, which prompted work to begin on Goal 10 today.

VII. OTHER BUSINESS

A. 2012 Planning Commission Work Program

B. Commissioners' Comments

Commissioner Phelps inquired about a conversation he overheard at the Charbonneau Golf Course that the golf course owners were convinced the City of Wilsonville was going to buy the golf courses for open spaces.

Mr. Neamtzu replied golf courses have been financially challenged over the past couple of years and had a significant deferred maintenance list. The golf course had been looking at several things, making inquiries to the City and discussing how to get financially solvent. The golf course has a Charbonneau-based website where they have been raising funds from the district's residents. Some time ago, there was a general inquiry to Ms. Jacobson and him about whether to sell the golf course to an investor, become a non-profit, and if any interest existed from the City. He had advised that the City was not interested at this time and that he did not believe Council had discussed the matter. The issue was not discussed further.

Ms. Jacobson said the golf course had asked Staff to research whether the golf course was satisfying the open space requirement for the development and should be treated under the HOA with the open space being maintained by all the residents, not just members of the country club. Staff could not find much in the old records to support this. She understood the golf course was looking for private investors to buy the course.

Commissioner Levit asked about signage on I-5 indicating the Wilsonville had two exits, which excluded Charbonneau, which has a separate exit.

Chair Altman explained that the City worked to get signage for Wilsonville on the freeway in the mid-1980s and requested three exits. ODOT stated that the three exits were not consistent with highway signage standards. Because the city could not be accessed from Charbonneau other than by I-5, the Charbonneau District was created in order to get a third sign on the freeway.

VIII. PLANNING DIRECTOR/CITY STAFF COMMENTS

A. Wastewater Treatment Plan Upgrade Quarterly Report

B. Transportation System Plan Update

Mr. Neamtzu confirmed that three Commissioners had done an interview with Public Affairs Coordinator/Communications Director Dan Knoll for the TSP website and asked for at least one more volunteer to interview within the next two weeks. He anticipated that the website would go live in November.

- DKS & Associates was working on the financially constrained list, which the Commission would see in draft form at the November meeting as Staff worked to the TSP update ready for public review.

Commissioner Phelps suggested the interviewee be informed about their discussion topic ahead of time. He believed Mr. Knoll might be working from a predetermined outline.

Chair Altman said he talked about the City adding a vision to try to tie it all together, the focus on connectivity and multi-modal and that the City was looking for public input.

C. Planning Division Quarterly Report

IX. ADJOURNMENT

Chair Altman adjourned the regular meeting of the Wilsonville Planning Commission at 7:55 p.m.

Respectfully submitted,

By Paula Pinyerd of ABC Transcription Services, Inc. for
Linda Straessle, Planning Administrative Assistant