

Mayor
Patricia Smith

Council President
Mark Clark

Councilors
Stanley Dirks

Timothy Clark

Scott Harden

**MEETING OF THE
WOOD VILLAGE CITY COUNCIL AND
SPECIAL JOINT SESSION OF THE PLANNING COMMISSION
October 14, 2014
MINUTES**

PRESENT: Mayor Patricia Smith, Council President Mark Clark, Councilors Stanley Dirks, Tim Clark and Scott Harden, Planning Commission Chair Craig Howard, Commissioners Jim Mott, Bruce Nissen, Chuck Rhoads, and Al Evans, City Attorney Jeff Condit, City Administrator Bill Peterson, Finance Director Peggy Minter, Public Works Director Mark Gunter*, and interested parties.

ABSENT: Planning Commissioner Mary Clark.

MAYOR SMITH CALLED THE MEETING TO ORDER AT 6:00 PM.

CITIZEN COMMENTS

Jan Minter of 22969 NE Arata stated that her and her husband have recently moved back to the City, and they enjoy living in the City. Miner explained that they appreciate the quick response to graffiti removal, and all the recent roadway improvements. Minter stated that her and her husband walk a lot, and are concerned about the safety of the new Wood Village Blvd extension. Miner explained that section is scary now, and is worried about the safety of pedestrians. Smith stated that she appreciates the comments, and explained that Multnomah County owns and maintains that section of roadway. Smith stated that the comments will be forwarded to the County.

PUBLIC SAFETY REPORT

Chief Deputy Jason Gates of the Multnomah County Sheriff's office presented the report. Gates introduced Deputy Hunter who is the new liaison deputy for the City. Gates stated that for the month of September the MCSO had 411 calls for service which resulted in 223 hours of dedicated service and 53 written reports.

Gates stated that there was a lot of talk about graffiti at the last meeting, and the MCSO has done additional work in that area. Gates explained that they are looking at the issue from three areas. The first area is prevention which includes landscaping to prevent access, and getting the word out about the prosecution of vandals. The second area is abatement, and the City has done a great job with removing graffiti and supplying no cost kits to residents. Gates stated that the last

area is prosecution. Gates explained that there are challenges to prosecuting graffiti vandals, but there are things that can be done to help reduce future incidents.

Gates stated that the recent graffiti events in the City were often associated with gang graffiti. Gates explained that the City had an increase in graffiti that had certain colors, words and phrases. By working with the East County Gang Team, the MCSO was able to identify and arrest a juvenile suspect. The suspect is still in custody, and graffiti has been significantly reduced since that arrest.

Gates stated that will not stop all the graffiti, and there are still taggers who are not organized or associated with any group. They tag just for the thrill of the event. Gates explained that there was an incident in the Riverwood neighborhood, and a resident was able to follow the suspect into the Fairview Oaks apartments. Gates stated that Deputy Hunter has conducted some follow up work on that event, but has been unable to locate the suspect.

Gates stated that a committee has been formed inside the MCSO to deal with graffiti. They are working on modifying an app that was created to track homeless camps to be able to track graffiti. Gates stated that the MCSO is also looking into options to use the inmate work crew to remove graffiti, and implementing some potential new laws. Gates explained that more information on their program should be available in November.

Smith asked what is happening to the suspect that was caught. Gates stated that the suspect is still in custody, but will be released. Gates explained that it still provides a contact, and the suspect knows he is being watched. Mark Clark asked how the MCSO identified the suspect. Hunter stated that the East County Gang Team was able to identify the symbols, and the group associated with those markings. Harden asked about the inmate work crew option for removing graffiti, and how that would work. Gates stated that in the past, cities would provide the materials, and the work crew would do the work. Gates explained that it was limited to public property, but the program could potentially be expanded with release forms.

The Council thanked Gates and the MCSO for their service and work.

PRESENTATION: EAST METRO MEDIATION

HR/Records Manager Greg Dirks introduced Tera Clealand the new Director of the East Metro Mediation program. Clealand stated that the East Metro Mediation program provides free mediation services to the residents in the three east county cities. Clealand explained that the services including mediation, conflict coaching, and other trainings and services. Clealand stated that the main purpose of the program is to bring people together in a neutral setting to allow them to resolve their issues.

Clealand explained that typical cases that they receive include loud neighbors, chickens, and messy yards. Clealand stated that these issues usually go to the City or police, and there is no real resolution. Even if the problem goes away, the people involved are not happy. Clealand explained that using East Metro Mediation the parties come up with their own resolution and the full process usually takes less than two hours. Clealand stated that they have been able to schedule a face to face mediation in the same day.

Clealand explained that the mediation process works by having the resolution created at the table by the parties. There is no consequence if there is no agreement, and the program is future focused. Clealand stated that the program has a 77% success rate for the parties who meet at the table.

Clealand stated that the program is staffed with professional mediators who volunteers their time and services. The office is housed at Gresham City Hall, but each City has a representative on the advisory board. Clealand handed out information on the program, and stated there will be a free community based training on October 27th at the Wood Village City Hall.

The Council thanked Clealand for the presentation, and work on the program.

*Gunter left at 6:25pm.

PUBLIC HEARING: ORDINANCE 5-2014 TOWN CENTER TEXT AMENDMENT

The Planning Commission came to order at 6:26pm.

Smith read the hearings disclosure statement. Condit asked if there were any ex-parte contacts, personal biases, or conflicts of interest. There were none. Condit asked if there were any challenges from the audience. There were none.

Contract City Planner Carole Connell presented the staff report. Connell stated that the staff report is extensive, but will try to condense it into a brief presentation. Connell explained that there are also two new items for the record. Exhibit 10.14.1 is a letter from Fred Meyer in support of the project. Exhibit 10.14.2 is a letter from a resident in the Riverwood neighborhood in opposition to the project.

Connell stated that the Planning Commission met on September 22nd to hold a hearing on the two requests. Connell explained that the Planning Commission made a motion to have additional findings to support a mixed use development on the parcels. Connell stated that there was no recommendation to approve or deny the application, so the decision was made to participate in a joint hearing with the City Council.

Connell stated that WH Pacific is the applicant, and WVO Investments is the property owner for lots 18 and 19 in the Town Center. These lots are between Lowes and the Riverwood neighborhood. Connell presented an aerial photo of the site. Connell stated that there are two separate actions needed, even though there is one application. Connell explained that the first action is a text amendment to the code to remove the mandatory language regarding non-retail employment opportunities, and replacing it with softer language. Connell stated that if the text is amended, the applicant can move forward with their master plan amendment. The master plan currently identifies lots 18 and 19 for 73,000 square feet of non-retail employment use.

Connell stated that the text amendment looks at the legal requirements of the full zone, and it is not site specific. The master plan amendment is site specific for lots 18 and 19. Connell stated that in summary the text amendment eliminates the mandated percentage for non-retail employment. The code would be revised to promote those uses, but they would no longer be mandatory. Connell explained that other provisions in the code will remain the same. Those items include the current limit on big box developments and retail uses.

Connell stated that the criterion for the text amendment is put into four categories. The first is if the revision better achieves the goals of the comprehensive plan compared to the current language. The second is if the amendment is consistent with the purpose of the zone. The third is regarding the transportation impacts, and if the revision makes things better or worse. The final criterion is if the revision meets the statewide planning goals. Connell explained that zoning codes are meant to be revised because they reflect the needs and values of the community which change over time. Connell stated that the revisions should fit within the policies and plans of the community.

Connell stated that there some conflicts with this proposal and the code. Connell explained that if the non-retail mandate was removed, the zone may never achieve the level of non-retail uses that were envisioned. Connell stated that there would be a reduction in the traffic impacts for the proposed residential use compared to the current non-retail use. Connell explained that there could be some transportation related conflicts, but not impacts. Connell stated that the revision can meet the state wide planning goals for providing a mix of housing types.

Peterson stated that the developer could have used a different approach to get the requested designation. The developer could have identified another parcel in the town center to place the non-retail buildings. Peterson explained that this developer did not want to burden another developer, and wanted to have a discussion about the constraints of the zone. Peterson stated that when reviewing a code amendment, it is important to look at why the original code was adopted, and what the conditions were at the time of adoption. Peterson explained that a number of the provisions in the code were added because of a LUBA appeal by neighboring cities. The

City entered into negotiations with those cities, and an MOU was developed. Peterson stated that the MOU has since expired, but a number of the limitations in the code remain.

Peterson stated that another factor at the time was that Metro designated the area as significant employment and residential lands. The employment land provision has been removed by Metro, and the City is no longer required to get those kinds of employment opportunities in the zone. Peterson explained that there are 400 housing units planned for the town center, which is not a new requirement. While the requirements have been modified to allow the housing units to go anywhere in the City, there is limited space to build these units and some of them will have to be multi-family.

Peterson stated that another substantial change to the area since the creation of the zone is the development of Gresham Vista which is just north of the town center. Peterson explained that the town center first started building in 1999-2001. There was another development in 2006, and the last major development in 2009. Peterson stated that while there have been some tenant improvements; there has not been any new buildings in the zone since 2009. Peterson explained that there has been interest in developing in the zone, but the developers thought that there were too many restrictions to make their project work.

Peterson stated that the zone is intended for a mix of uses including commercial, residential, and employment. Housing was included as part of the zone from the beginning. Peterson explained that the purpose was to have open spaces, pedestrian access, and dense housing within walking distance from commercial and employment areas. Peterson stated that the vision statement for the town center includes creating a vibrant mixed use development of employment and residential opportunities. The amenities provide for a sense of place, and includes a variety of housing types. Peterson stated that the 2030 plan has a balance between single and multi-family homes. Peterson explained that there are conflicts with the code and vision statements. Connell stated that the Planning Commission recognized that there may be some conflicts, and some revisions to the code may be needed.

Connell stated that the second action for this evening is the master plan amendment. Connell stated that the current plan calls for seven structures for non-retail use with a central public plaza, and several connections. Connell explained that the uses could include apartments if the bottom floors were used for non-retail employment uses. Connell presented a map of the current master plan. Connell explained that of the four community features planned in the town center, only two of them have been built. Connell stated that one was supposed to be located at the current Goodyear location, and the last one is at lots 18 and 19.

Connell presented the proposed revised master plan, and stated that there is no identified community feature, and it leaves the site open for any kind of residential development. Connell

stated that when an application comes in, it is easy for people to focus on what will be built. Connell explained that in order to have the conversation about what would be built, the code and master plan needs to be revised first. Connell stated that the applicant has a preliminary application with the City, and draft concepts were included in the application. Connell presented the draft plans which include 168 multi-family units, green space, parking and draft access points. Connell explained that the full details are not known because the text and master plan need to be revised before the developer submits specifics for the site.

Connell presented the Transportation System Plan update from 2012, and explained the conceptual connections through lots 18 and 19 to the adjacent neighborhoods. Connell stated that the TSP did not define what the connections would be, and they could include pathways, trails or streets. The connections could also link to 223rd.

Peterson stated that the staff report goes through the details of the staff's review, as well as the details of the applicant's submittal. Peterson explained that Housing Policies 4,5,6, and 9 of the Comprehensive Plan are met by the proposal. Peterson stated that the Council has provided significant emphasis for single family homes, and housing for families. Peterson explained that Economic Development Policies 4, 5 and 8 are met by the proposal. Peterson presented a matrix of code conflicts with the Comprehensive Plan, and the applicant's response to those issues. Peterson stated that there is always a dynamic between policies, and some aspects affect others.

Peterson stated that nothing in the proposed amendment would change the array of uses in the town center zone. The amendment would remove the mandate language for non-retail employment uses. Peterson stated that the original intent of that designation was to have higher wage jobs in the town center. Peterson explained that the applicant asserts that lots 18 and 19 are not marketable in today's conditions for those uses, and the staff agrees. Peterson stated that does not mean those lots will never develop in that manner, but it will not be right now.

Peterson stated that the Comprehensive Plan encourages the redevelopment of underutilized lands. Peterson explained that the applicant feels that this revision is needed to make these parcels developable, and staff agrees.

Peterson stated that the Metro Functional Plan had mandates that drove a lot of the decisions that were made for the town center. Peterson explained that those mandates are gone, but other kinds of employment still may hold a higher value. Peterson stated that the proposed Master Plan lacks specific detail for the transportation system and connectivity.

Peterson stated that the housing policies aim to strike a balance between housing types. Peterson explained that all that has been received is a concept plan for 168 multi-family units. There is no site plan or any obligation for that use. The Master Plan amendment would allow for residential

use on lots 18 and 19. Peterson stated that 400 residential units are planned for the town center zone. Some of those units will have to be multi-family because there is not enough space for 400 single family homes in the zone. Peterson explained that there is a conflict of the goals with encouraging single family homes, and achieving the density goals of the zone. Peterson stated that the Planning Commission and Council will have to determine which will better serve this specific site and circumstances.

Peterson stated that there are decision alternatives, and the alternatives are not meant to limit the options or decisions can be made. Peterson explained that the Master Plan amendment is a quasi-judicial matter. Following the public testimony the Planning Commission will discuss the matter, and make a recommendation to the City Council. Peterson stated that that Planning Commission can affirm the previous decision, modify it, or make a new recommendation. Peterson explained that the Planning Commission discussion is not open to the City Council, and the Planning Commission may not participate in the Council discussion. Peterson stated that all members can participate during the public hearing, and may ask questions of staff, and applicant until the close of the hearing.

Peterson stated that if no action were taken, then nothing would change. Peterson explained that the Planning Commission and Council can adopt the applicant's Master Plan revision as is, or adopt the text amendment but not the Master Plan. Peterson stated that they can also make modifications to both amendments. Peterson stated that the text amendment is not tied to a specific parcel, but would impact the entire zone. The Master Plan amendment deals with the specific parcels.

Peterson asked if there were any questions for the staff. Smith asked to confirm that the text amendment affects the full zone, while the Master Plan is for lots 18 and 19. Peterson stated that is correct.

Harden stated that the Planning Commission discussed the balance of housing at length during the September 22nd meeting. Harden asked if staff could share some of those statistics. Peterson stated that the statistics are in the packet, and multi-family units as defined by Metro make up 15% of the housing stock in the City. Peterson explained that Metro defines multi-family as three units or more, and does not include condos or manufactured homes. Peterson stated that single family homes which include condos and manufactured homes make up 85% of the housing stock in the City. Peterson explained that the urban growth report has a mix of 60% single family homes and 40% multi-family homes in the seven county region. New construction is about split at 50% single family and multi-family development. Peterson explained that the growth report has about 39% single family and 61% multi-family development.

Dirks asked about the vague language in the Master Plan, and asked if that could include a manufactured home park. Peterson stated that it could not be a manufactured home park, but it would be open to single family or high density multi-family. Harden asked how many single family homes similar to the Riverwood subdivision could fit in the former dog track lot. Peterson explained that Riverwood is a PUD with relatively high density in the developed area, and a similar development at the dog track would allow for about 140 housing units.

Dirks asked if it is possible to have a mix of single family and multi-family homes, or if it has to be open. Peterson stated that it is not a requirement for the Master Plan, but a developer could bring in a separate plan. Dirks asked if that can be designated in the Master Plan. Peterson stated that a parcel cannot be sub-zoned from inside the town center zone.

Mark Clark asked when 400 residential units became mandated. Peterson stated that has been a requirement since the beginning of the zone. Peterson explained that there are 87 units built, but no physical location has been identified for the remaining units. Peterson stated that the former dog track facility is planned for a mixed use including residential, but there are no specifics. Mark Clark asked when the mandate occurred. Peterson stated that it goes back to the 1980's. Mark Clark stated that sounds like it would preclude the medical or non-retail uses. Peterson stated that is not necessarily the case as they could be developed on other parcels. Connell stated that is was assumed that multi-family units would be needed to get at the 400 units.

Peterson stated that this does not change the ability to revise the specifics of the lots in question. Howard stated that the 400 housing unit mandate could be reached without these lots, but it cannot be done with single family homes. Howard stated that public testimony has asked for single family homes, but the density goal cannot be reached.

Tim Clark asked what the next steps would be if the amendments were approved. Connell stated that if approved, the project would go into design review. There would be specific plans for parking, access, open spaces and the overall site plan. Smith asked if certain uses could be denied. Connell stated that aspects could be denied, but not an approved use. Mott stated that if the amendment is approved, multi-family use could not be denied. Condit stated that is correct.

Mott asked if lots 18 and 19 could have single family homes, and the remaining housing units built on another parcel. Peterson stated that could be done, but it would bring up other aspects. Peterson explained that there is no provision for single family homes in the zone. Mixed use with apartments could be built on the site today, but the Master Plan amendment can be rejected until single family homes are proposed.

Howard stated that the Planning Commission will have has less tools to use if a broad Master Plan were approved. Connell stated that specifics for a Master Plan can be done in a Master Plan

review. Condit stated that the difficulty is the Metro requirement to have a certain mix of housing throughout the City. If development is not done here, there is less flexibility in other areas to meet the mandate. Condit stated that the real question is where the units will go.

Harden stated that this land has sat vacant for the last 15 years, and is not confident a single family home designation would change that as there have only been three housing starts in the last seven years.

Dirks asked what the maximum density would be if this amendment was approved. Peterson stated that it could have the same density as the MR2 zone which is about 30 units per acre. Peterson explained that hundreds of units could potentially be developed at the proposed site, and others throughout the City.

Smith asked the proponents to present their case.

Greg Mickelson from GM Realty Advisors and Damian Hall from Ball Janik provided their presentation. Mickelson stated that a lot of their background is similar to past presentations, but some aspects have been updated. Mickelson explained that he has been personally involved with the development of the town center since the beginning.

Mickelson stated that the project site has been discussed, and the non-retail use is not a viable option for those lots. Mickelson explained that a mixed use development would not work at that location either. Mickelson presented a report from Cushman and Wakefield about the office market conditions in East County. Mickelson stated that according to the report there is a 15% vacancy rate for office space. That equates to about 300,000 square feet. Year to date there has only been about 1,000 square feet of net absorption with no new construction. Mickelson explained that there was a 10,000 square foot medical center built in Gresham, but that did not make the report.

Mickelson stated that the Portland market is still good for new growth and development, but a lot of the new development is occurring on the West Side. Mickelson explained that there has to be a lot of density for mixed use to work. These locations include downtown locations and even some coastal communities. Mickelson stated that while Fairview Village is an overall success, the mixed use section is still not working. That is the same for Battle Ground Village in Washington.

Mickelson stated that the market will support a multi-family development. Mickelson presented sample images of similar developments that he is proposing. Mickelson explained that the buildings would have architectural features, open spaces, and good connectivity. Mickelson stated that he is not here to discuss the details of the project as that would occur later in the

process if these amendments are approved. Mickelson explained that the concepts that were presented this evening were from the original conversation back in January. Mickelson stated that he thinks everyone can agree that 72,000 square feet of office space will not develop at the site, and there are far better lots remaining at the town center for non-retail employment opportunities.

Mickelson stated that the benefits of approval include allowing a significant development in the town center. This would be the first large investment in the town center in over nine years. Mickelson explained that there would be several steps in the process including outreach to stakeholders already in the town center. Mickelson stated that about \$3.4 million would go to the City's Urban Renewal Agency based on the projected value. Mickelson explained that this project could also help the town center thrive, and have non-retail employment opportunities developed.

Hall presented the approval criteria and analysis. Hall stated that the main criteria is whether or not the text amendment better achieves the Comprehensive Plan. All the applicable policies and goals should be balanced to see if there is a better fit. Hall stated that he does not feel that each and every item has to be met or satisfied, but rather if in total there is a better balance of meeting the goals. Hall explained that it would be very difficult for any development to meet all the goals and values individually.

Hall presented the aspects of the development that they feel meet the policies and goals of the Comprehensive Plan. Hall stated that includes a multi-family development in the town center which will help achieve the desired housing units in the zone. Hall explained that non-retail uses in the town center would still be encouraged in the code, but it would no longer be mandated. Hall stated that that this looks at a viable project versus something that cannot be built.

Hall presented a matrix of housing types in the City and how 400 of the units were planned for the town center. Hall explained that is the only real numerical standard for the balance of housing types in the code. Hall stated that based on the census data and City tax records, apartments make up 6% of the housing stock. Hall explained that number would increase to 15% if the proposed development were built. Hall stated that 65% of the homes in the City are owner occupied, and this proposed development would not alter that number dramatically either. Hall explained that the Comprehensive Plan calls for more residential units, and some land may need to be converted to residential uses. That is what is proposed for lots 18 and 19.

Hall stated that an office park is not viable, and this proposal does not prohibit the development of an office park in the future. While the text amendment applies to the entire zone, it was designed to have a minimal impact. Hall explained that the text amendment does not change the current uses allowed in the zone, but it does lay the foundation for the change requested on lots

18 and 19. Hall stated that as a whole the amendment meets the policies and goals of the Master Plan. There are conflicts in some areas, but some conflicts are based on general or broad policy statements. Hall explained that the amendment achieves the housing goals of the town center which has a specific number of units needed.

Hall stated that amending a code should not be done lightly, and the proposed revision is the bare minimum needed to get a residential designation on lots 18 and 19. Hall reiterated the benefits of the development which include a more vibrant town center. The new residents will support new existing commercial activities in the zone. Hall stated that the project will also bring about \$3.4 million to the Urban Renewal Agency. Hall explained that a denial of the amendment will result on the status quo of vacant land.

Hall stated that this is also just the first step in the process. If approved, formal plans will be brought forward to determine exactly what will be built. Hall explained that those plans will be created with input from stakeholders to clear up any potential issues and impacts. Hall stated that the issues of safety, traffic flow, and parking are not before the Council and Commission this evening. The amendment is the first step to starting those discussions, and the final step is the design review of the formal project at some point in the future.

Mickelson stated that he wanted to address what is driving the multi-family developments. Mickelson explained that the traditional two parent household makes up less than 25% of the population. That is driven by Generation Y which in general has a different idea about their quality of life. Mickelson stated that Generation Y does not necessarily want to own a home, and they are looking for multi-family developments with lots of amenities. Mickelson explained that generation wants density, and the ability to move around without being tied down to a home.

Smith stated that the City tries to involve the community before large items are approved, and explained that she would have liked to have conversations with the stakeholders beforehand. Smith stated that she would also like to see more detail in the concept plan before anything was approved.

Mark Clark stated that is a chicken and egg issue. Mark Clark stated that he understands what the developers are trying to do, and that the land has been vacant for 17 years. Mark Clark stated that he remembers the workshop that occurred sometime ago, and the developer had a meeting with Riverwood. It is now about whether or not to take the next step in the process.

Mickelson stated that he spoke with the Riverwood HOA prior to any formal discussion, and there was a lot of opposition. Mickelson explained that there was a lot of opposition to multi-family developments in general which he cannot overcome. Mickelson stated that they can work

out specific items such as parking, access and security, but explained that the use has to be allowed before he can have those conversations.

Mickelson stated that whether this amendment is approved or not does not change the fact that an office park would not be located there for a long time. Mickelson explained that he is willing to create a development that has buy in from the community, but he has to have reassurance that a residential development can locate on those lots. Mickelson stated that he feels it would be been arrogant of him to have a fully detailed plan of a development at this stage in the process.

Evans stated that it looks like more meetings with Riverwood are needed before a decision can be made. Mark Clark stated that will not occur if the designation is not revised. Harden stated that it would be a lot of resource for the developer to put into a project that may not be approved.

Smith asked for proponents of the project.
There were none.

Smith asked for testimony in opposition.

David Burks of 1463 Kokanee stated that he is at odds with the statistics that were used. Burks stated that mobile home owners do not own the property, just the box they live in which has the value of a car. Burks stated that there is low pride in ownership and does not consider them as homeowners. Burks stated that this development would increase problems for their on street parking, increase their maintenance costs for the common areas, and increase the traffic in the area. Burks stated that there are already a lot of apartments in the surrounding area, and this complex would cause further issues.

John and Jan Minter from 22969 NE Arata stated that they can tell this item is being taken seriously, and a lot of work is being done on the proposal. Miner stated that the issues are larger than just parking, and asked why more outreach was not done sooner. Miner stated that this is a multi-million dollar endeavor, and more outreach would have been better. Miner stated that this will impact the vision for the entire community. Miner stated that people put this vision in place years ago, and a lot of properties have sat vacant just like these two parcels. A lot of new developments are coming to the area which could change the dynamics. Miner stated that he understands the push to meet the 400 unit mandate, and asked if that could be appealed based on new market conditions. Miner stated that this issue is bigger than one application, and more thought, options and outreach is needed before a decision is made. Miner stated that more opportunities will come along, and all the policy questions and conflicts need to be resolved first.

Mark Clark stated that this proposal is just a small sliver of items that have come before the Council. A lot of other proposals have come before the Council that would have impacted and

changed the entire community. Mark Clark explained that the Council looks at the projections and options to make the best decision possible.

Jan Miner stated that that she feels that this proposal is premature, and the value and livability needs to be taken into consideration. Jan Miner stated that the Council and Commission represent the entire City.

Donna Wallace of 1150 NE 236th stated that she is a longtime resident and concurs with the Miners. Wallace stated that it should be the status quo for the time being, and there is no reason for this decision to be made quickly.

Susan Delray stated that this is about the livability of the City, and 168 units will have an impact. Delray stated that there will be more traffic, and this could bring down the value of homes. Delray stated that a home is usually the single largest investment for people in this area, but more poor people are being pushed out this way. Delray stated that she agrees with the Miners.

Micheal Burlingham of 1433 NE Coho stated that he concurs with the previous statements. Burlingham stated that he is the HOA President at Riverwood, and is against the amendment. Burlingham stated that the developer has made it clear that their intent is to build a multi-family complex and not single family homes. Burlingham stated that apartments are apartments, and they come with troubles and impacts. Even the apartments in Fairview Village have troubles and issues. Burlingham stated that he spoke with his neighbors and they all moved out here to get away from apartment complexes. A 168 unit development would be right next door, and would flow into their streets. Burlingham stated that he read the development code which only requires 1.5 parking spaces per unit which is not enough. Burlingham stated that tenants of the apartment building would park on their streets which are already crowded. Burlingham asked the Council to think of the residents and home values in the area.

Tim Clark stated that he has heard a theme of wanting more time to work out the issues. Tim Clark stated that if that were the case some of these issues may be worked out, and asked Burlingham if more time would help. Burlingham stated that it would not because his concern is with the apartment complex, and he does not want additional problems or issues in his neighborhood. Burlingham stated that you cannot guarantee the type of people who will live in an apartment.

Rhoads asked what Burlingham thought of apartments on the Westside of Wood Village Blvd. Burlingham stated that he is against apartments in general, but stated that it would be better to have them across the street then right next door. Burlingham stated that he is concerned with traffic and access.

Vasiliy Prychyna of 1328 NE Coho stated that he has lived in the City since March of 2007. Prychyna stated that he likes the neighborhood, and his children grew up here. Prychyna stated that he heard that Generation Y cannot afford a home, but he arrived in the United States in 2003 with only \$200 and no job. In 2007 he was able to buy his wife and family a home. Prychyna stated that he does not agree that Generation Y cannot afford a home, and if they cannot afford a home they cannot afford high rent. Prychyna stated that the Riverwood HOA has had to spend thousands to clean up graffiti and repair damage. There are no apartments next door now, but those problems would only get worse with more people. Prychyna stated that renters do not care about property, but homeowners do. The best plan would be to build single family homes on those lots, and not apartments. Prychyna stated that there is no guarantee that crime and vandalism will not increase with this development. Single family homes are good, but if they cannot be built then he would like a gated community for his neighborhood.

Tim Clark stated that he would like to applaud Prychyna for what he has accomplished. Tim Clark explained that Generation Y seems to have a different mindset compared to other generations. They do not want to be tied down to a home, and prefer a different lifestyle. Harden stated that part of the issue is also that Generation Y has a lot of student loan debt which makes home ownership difficult.

Ivan Gabor of 22971 NE Pike stated that he does not have an issue with apartments, but does have an issue with the location. Gabor stated that he would prefer them across the street to the west. Gabor stated that he knows a decision has to be made, but right now the land should stay as is. Tim Clark asked why he feels an apartment complex would be better across the street. Gabor stated that it would be easier to not have the development right next door. Having the complex across the street would reduce traffic and parking issues. Howard stated that it could also have less impact on their private park.

1571 NE Kokanee stated that a complex across Wood Village Blvd. would be a better idea. Stated that he moved from California to Oregon to get away from the traffic and people, but now they are having similar issues here. Stated that he does not agree with the development, and it will be a big change for the City.

Smith asked for any applicant rebuttal.

Mickelson stated that there has been a lot of good feedback. Mickelson explained that he does take issue with the questions of changing the vision of the City. Mickelson stated that the 25% non-retail employment was not a vision, but a mandate that got worked into the vision.

Mickelson stated that the vision did include high employment and jobs, but it was not specified on specific lots. Mickelson explained that developing lots 18 and 19 for residential use could lead to additional non-retail employment opportunities.

Mickelson stated that Generation Y can afford to purchase a home, but 41% of those that can afford to buy a home choose not to. Mickelson explained that there was a good study put out about the myths and facts of apartments, and that was entered into the record at the last Planning Commission meeting. The study included items like parking, crime, property values and demographics. Mickelson stated that new projects require a high investment, and they are management and security intensive. They would create a sense of safety and community not only for the renters, but the surrounding areas as well.

Smith closed the Public Hearing.

Smith called for deliberations from the Planning Commission.

Howard stated that he is not a fan of the development, and from the City's perspective the taxes collected will be less than what it takes to sustain the development. The City will be subsidizing the residential development. Howard explained that in theory it would be better financially for the City to have the land remain vacant. Howard stated that he understands the residential unit mandate, and that the lots are not developable right now. There is an HOA that is actively against the project, and a developer with a bottom line to consider. Howard stated that he feels that the developer thinks they can push this project through as is. That mindset will not change until a decision is made stating that will not occur. Howard explained then maybe something new may come forward or not. Howard stated that the non-retail use is overbearing and does keep them from developing the lot, but mixed use does not stop them from putting apartments on top. That would be a better approach from the City's perspective as there is less tax revenue with residential developments.

Howard stated that a decision needs to be made on the text amendment, and having it as currently written does not make sense. Howard explained that changing lots 18 and 19 right now is a mistake as well. Howard explained that having a mixed use designation may not work for the developer, and it may not work for the HOA but it is better. Howard stated it would be different if all the units were full of Generation Y people that only had one car and worked from home. That will not occur, and there is no guarantee of what would happen if there were vacant units. Howard stated that there are conflicting statements, but maybe mixed use could work.

Mott stated that he agrees with Howard, and there is no timeframe to develop the 400 housing units. Mott explained that the future cannot be predicted, and the town center should not be jeopardized because of this push to develop. Mott stated that some changes may be needed, but they do not need to be made right now.

Rhoads stated that there is only so much property, and there is not enough for the world. Rhoads explained that he does not give fault to the developers or the HOA. We all live in one square mile, and this all has to come together somewhere. Rhoads stated that Wood Village has small

lots and big lots. If the revisions are not adopted, the town center should be reviewed to see where all the features will go. Rhoads stated that we can discuss these two lots, but a full vision is needed. Rhoads explained that he is not so much in favor with either action, but would like some mediation so the original plan can be amended. Rhoads stated that the Master Plan needs worked out before changes are made.

Howard asked if there was a motion.

Upon motion by Howard, seconded by Mott and passing 5-0, the Planning Commission elected to not take action on the proposed amendment.

The Planning Commission adjourned at 9:19pm.

Smith called for the City Council deliberation.

Mark Clark stated that there is a support letter from Fred Meyer, but there are more people here that are against the project. Mark Clark stated that he would have the same viewpoint if he lived in Riverwood as well. Smith stated that Fred Meyer is a business, and they would benefit from the development.

Dirks stated that he agrees a lot with the Planning Commission about having a mix of uses. Dirks stated that the largest challenge is the push to move this forward quickly. Dirks stated that he feels this revision would allow the rest of the town center to develop as apartments, and does not foresee higher income people moving to apartments in the City.

Tim Clark stated that he understands the concerns that have been raised. Tim Clark asked about the tax revenue and urban renewal funds. Peterson stated that there have been studies about the relative cost of service for different land uses. Peterson explained that while none of these studies have occurred in the City, there is literature that indicates that it costs more to service residential properties compared to other uses. Peterson stated that the net value would be dramatic because of the tax increment financing of the Urban Renewal Agency. Peterson explained that while there would be a net cost to the City, there would be an overall financial gain because of the urban renewal agency.

Tim Clark stated that the issue is there is someone at the table that can make a development work. Tim Clark explained that while the City has a plan, the plan has not worked. While an empty field may be desirable for some, it was discussed that more time would not help this matter. Tim Clark stated that there are people who do not want this project, but he is in favor of it.

Harden stated that Tim Clark is correct about how more time would not matter. Harden explained that this process started over a year ago, and at some point 400 units will need to be built. Harden stated that the City has planned and built facilities for these people, but there are no homes for the expanded system. Harden stated that we have to put these people somewhere, and asked how much more time is really needed.

Harden stated that Generation Y makes up about 40% of the home buying market, but they also have a lot of student loan debt. Harden explained that you can build single family homes, but there may not be any buyers for them. Harden stated that the traffic analysis indicated that there would be less impacts with a residential development compared to the non-retail office complex. Harden explained that a lot of neighborhoods have parking issues, and not all renters are bad people. Harden stated that some of the current problems that were mentioned may be coming from their own neighborhood. Harden stated that you cannot always pick your neighbor with a single family home.

Harden stated that in making this decision he is trying to look at facts, and not look at emotions or anecdotal stories. Harden explained that he feels apartments may be a better choice. There are other options for non-retail use, and there is a surplus of office property in the area. More land is needed for housing. Harden stated that we need to create homes for people to live in Wood Village. This project would also put about \$3.4 million into the Urban Renewal Agency would could accomplish a lot of other projects.

Harden stated that we need to consider the text amendment, and remove the non-retail provision. Harden stated that section is no longer mandated, and he would rather the Council move forward on something. Harden explained that he would prefer to adopt both items tonight, and the City is ready for this development.

Smith stated that she can see both sides, and how it looks like a stalemate. Smith stated that she lives in a condo, and you can have good neighbors or bad neighbors. Smith explained that you cannot predict the future, and would like a little more time to change aspects that may need changed. Smith stated that the Council will vote, and the majority will carry the decision.

Upon motion by Harden, seconded by Tim Clark and failing 2-3 with Harden and Tim Clark yea, and Smith, Mark Clark and Dirks nay, Ordinance 5-2014 amending the Town Center Zoning and Development Code was not adopted.

CONSENT CALENDAR:

- a. Review of bills paid in September 2014

- b. Contracts \$2,500 - \$50,000

- Canyon Contracting – Reservoir Valve Replacement: \$26,363

c. Council Minutes:

- September 9, 2014
- September 25, 2014

Upon motion by Harden, seconded by Tim Clark and passing 5-0, the Consent Calendar was approved.

CITY FLAG CONTEST WINNER SELECTION

HR/Records Manager Greg Dirks gave the presentation. Greg Dirks stated that no entries were submitted prior to the deadline. Greg Dirks explained that the contest was advertised at City Hall, on the City's webpage and newsletter, at area stores, and directly to area schools. Greg Dirks stated that he heard today that there are some students at Reynolds High School who may have some designs, and explained that the contest could be extended to the end of the month to accommodate any additional entries. Greg Dirks stated that any new entries would be presented at the November City Council meeting.

The Council extended the deadline until October 31st.

ADJOURN

With no further business coming before the Council, and upon motion by Mark Clark, seconded by Dirks and passing 5-0, the Council adjourned at 9:45pm.

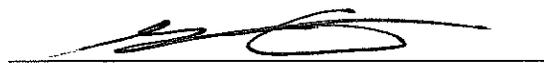


Patricia Smith
Mayor

11-13-14

Date

ATTEST:



Greg Dirks