



A place where families and businesses thrive.

Monday, January 11, 2016

City Council Regular Meeting Minutes

7:00 p.m., Community Auditorium

**Minutes are unofficial until approved by Council.
Council approved minutes as presented January 25, 2016.**

1. ROLL CALL:

Mayor Peter Truax called the regular City Council meeting to order at 7:13 p.m. and led the Pledge of Allegiance. **ROLL CALL: COUNCIL PRESENT:** Thomas Johnston, Council President; Richard Kidd; Victoria Lowe; Ronald Thompson; Malynda Wenzl; and Mayor Peter Truax. **COUNCIL ABSENT:** Elena Uhing, excused. **STAFF PRESENT:** Jesse VanderZanden, City Manager; Paul Downey, Administrative Services Director; Rob Foster, Public Works Director; Tom Gamble, Parks and Recreation Director; Jon Holan, Community Development Director; Dan Riordan, Senior Planner; Derek Robbins, Project Engineer; Michael Kinkade, Fire Chief (in the audience); Jeff King, Economic Development Manager (in the audience); and Anna Ruggles, City Recorder.

1. A. AWARD PRESENTATION:

Sheri Wantland, Clean Water Services, Public Involvement Coordinator, presented the City Council with the *Pacific Northwest Clean Water Association's 2015 Sustainability Award*, noting the award was awarded to Fernhill Wetlands NTS, Clean Water Services, City of Forest Grove and Fernhill Wetlands Council, in recognition of projects that showcase exceptional sustainable design elements in the Pacific Northwest region.

2. CITIZEN COMMUNICATIONS: None.

3. CONSENT AGENDA: Items under the Consent Agenda are considered routine and will be adopted with a single motion, without separate discussion. Council members who wish to remove an item from the Consent Agenda may do so prior to the motion to approve the item(s). Any item(s) removed from the Consent Agenda will be discussed and acted upon following the approval of the remaining Consent Agenda item(s).

- A. Approve City Council Work Session (Tokola Properties Project) Meeting Minutes of December 14, 2015.
- B. Approve City Council Work Session (B&C Interviews) Meeting Minutes of December 14, 2015.
- C. Approve City Council Work Session (Police COPS Grant) Meeting Minutes of December 14, 2015.

- D. Approve City Council Regular Meeting Minutes of December 14, 2015.
- E. Accept Community Forestry Commission Meeting Minutes of October 21 and November 18, 2015
- F. Accept Historic Landmarks Board Meeting Minutes of November 24, 2015.
- G. Accept Library Commission Meeting Minutes of November 12, 2015.
- H. Accept Parks and Recreation Commission Meeting Minutes of November 9, 2015.
- I. Accept Planning Commission Meeting Minutes of November 2, 2015.
- J. Accept Public Safety Advisory Commission Meeting Minutes of October 28, 2015.
- K. Community Development Department Monthly Building Activity Informational Report for December 2015.
- L. **RESOLUTION NO. 2016-01 DESIGNATING CITY OF FOREST GROVE CITY COUNCIL MEETINGS FOR YEAR 2016.**
- M. **RESOLUTION NO. 2016-02 MAKING REAPPOINTMENT TO COMMUNITY FORESTRY COMMISSION (Reappointing Lance Schamberger, Term Expiring December 31, 2018).**
- N. **RESOLUTION NO. 2016-03 MAKING REAPPOINTMENT TO LIBRARY COMMISSION (Reappointing Pamela Bailey, Term Expiring December 31, 2017).**
- O. Accept Resignation on Parks and Recreation Commission (Todd Winter, SW, Term Expiring December 31, 2017).
- P. **RESOLUTION NO. 2016-04 MAKING REAPPOINTMENT TO PUBLIC ARTS COMMISSION (Reappointing Kathleen Leatham, Term Expiring December 31, 2018).**
- Q. **RESOLUTION NO. 2016-05 MAKING REAPPOINTMENT TO SUSTAINABILITY COMMISSION (Reappointing Edgar Sanchez-Fausto, Student Advisory, Term Expiring December 31, 2016).**

MOTION: Councilor Kidd moved, seconded by Councilor Lowe, to approve the Consent Agenda as presented. **ABSENT:** Councilor Uhing. **MOTION CARRIED 6-0 by voice vote.**

4. **ADDITIONS/DELETIONS:** None.

5. **PRESENTATIONS:**

5. A. **Latino Summit Report:**

Brian Schimmel, Sustainability Commission Chair; Karin Pfeiffer-Hoyt, Vice Chair; Edgar Sanchez-Fausto, Student Advisor, and Araceli Román Peralta, Adelante Mujeres, presented a PowerPoint presentation and executive summary report recapping the Forest Grove Latino Community Summit, noting the summit was held May 20, 2015, and was organized by the Social Equity workgroup of the

Sustainability Commission, as well as partnering with Adelante Mujeres and Pacific University and support from the United Church of Christ and Sunrise Church, for the purpose of focusing on identifying and addressing barriers to civic engagements among underserved populations in Forest Grove, which is a target area of the Sustainability Commission's Action Plan. The group reported approximately 45 Latino community members attended, as well as Council members, Mayors of Forest Grove and Cornelius, City staff and Forest Grove School District representative, noting the summit was conducted in Spanish with English interpretation and the focus groups asked various questions and received feedback from attendees, which identified primary barriers to civic engagements as lack of voice; lack of bilingual/bicultural communications; feelings of deep separation between Latino community and the predominant culture; and wanting a better relationship with police. In addition, the group reported the recommendations identified were bilingual/bicultural communication and events to build trust and improve communication channels and education and outreach, such as increasing family and youth activities and volunteerism, connecting Latino community interests and values with advisory citizen boards and exploring the possibility of a Latino community liaison on City staff. In conclusion of the above-noted presentation, the group indicated the next steps are to plan a second summit in spring 2016 and seek a Community Enhancement Program grant to fund a pilot project to translate City-related written information into Spanish. The group addressed various Council inquiries and scenarios posed pertaining to social media and language barriers and student advisors serving on the City's boards, committees and commissions. In addition, Council commended the Sustainability Commission for their community outreach efforts. At the conclusion of the above-noted discussion, Mayor Truax mentioned potential legislation that would make English the official language of the United States.

5. B. Food Waste Composting Survey Results:

Downey presented a PowerPoint presentation recapping the Food Waste Composting Program Public Forum held on December 9, 2015, noting nine members of the public attended as well as City and County staff, Sustainability Commission members and industry representative, noting six of the attendees were in favor of implementing the program and staff received five calls opposing the program. Downey reported the City has been evaluating a program to combine food waste from the regular waste stream with yard debris so food waste is also composted, noting as part of the program implementation, the City with assistance of Washington County Cooperative Recycling Program has applied for a \$27,256 grant from the Oregon Department of Environmental Quality (DEQ) for kitchen pails to collect food waste before it is taken out to yard debris/food waste recycling roll cart. Downey indicated the objectives of the program are to reduce the amount of material the City sends to the landfill and reduce the life impacts of food by recovering food scraps for compost, noting Waste Management estimates 245 tons annually will be

diverted once volume builds up. In addition, Downey added after reviewing Waste Management's proposed costs to implement the program, staff is recommending a \$1.45 per month rate increase (instead of \$1.68 per month with the additional \$0.20 per month to fund education efforts as originally proposed) to single-family residential customers, noting Washington County Cooperative Recycling Program will partner with the City and is committing staff time and funds to develop, print and distribute educational material to help implement the program. In conclusion of the above-noted presentation, Downey advised if the Council affirms willingness to implement the program, staff needs to inform DEQ that the City is committed to implementing the program as part of the grant evaluation process and, if so, staff will bring back a rate increase proposal to Council at a later date to fund the new program and staff will begin working with Washington County Cooperative Recycling Program to develop educational materials so the program is ready for implementation by May 1, 2016. At the conclusion of the above-noted discussion, Mayor Truax asked for a motion and voice vote affirming the Council's willingness to implement the Food Waste Composting Program.

MOTION: Councilor Lowe moved, seconded by Councilor Wenzl, based on the City's Vision Statement and Council goals on sustainability efforts, affirming to proceed with implementing the Food Waste Composting Program.

VOICE VOTE: AYES: Councilors Kidd, Lowe, Thompson, Wenzl, and Mayor Truax. NOES: Council President Johnston. ABSENT: Councilor Uhing.
MOTION CARRIED 5-1.

**6. PUBLIC HEARING AND FIRST READING OF ORDINANCE NO. 2016-01
AUTHORIZING THE CITY MANAGER TO ENTER INTO A DEVELOPMENT
AGREEMENT BETWEEN TOKOLA PROPERTIES AND CITY OF FOREST
GROVE FOR FOREST GROVE MIXED-USE PROJECT LOCATED NORTH OF
PACIFIC AVENUE AND WEST OF A STREET; FILE NO. 311-000022-PLNG**

Staff Report:

Riordan and Holan presented the above-proposed ordinance for first reading, noting the proposed ordinance is requesting to authorize the City Manager to enter into a Development Agreement with Tokola Properties to allow for development of Phase I, a four story, mixed-use residential apartment and commercial development project comprised of 78-apartment units (including five live-work units), approximately 2,500 square feet of commercial space, 94 parking spaces, and a privately constructed/publicly accessible plaza area comprised of approximately 2,900 square feet on 1.53 acres located north of Pacific Avenue and west of A Street in downtown Forest Grove (former Times Litho property). Holan advised the matter before the Council this evening is on the Development Agreement, which is a Type IV land use review process requiring Council approval, noting the Disposition and Development

Agreement (DDA) is a separate action and should not be discussed as part of this evening's land use hearing (refer below). Holan added the Development Agreement is necessary to accommodate project density and other design features necessary to achieve the City's redevelopment objectives for the property. Riordan provided background information as outlined in the staff report, noting the City solicited requests for development proposals in 2014 and, as a result, entered into an exclusive agreement with Tokola Properties in 2015 in order to refine the project concept based on the City's objectives for the property. Riordan referenced the following attachments to the staff report: Attachment A., Application for Development Agreement, Site Plan Review and Design Review for Forest Grove Mixed-Use Building, dated November 20, 2015; Attachment B., Design Review and Development Agreement (Plan sheets and Diagrams), dated November 20, 2015; Attachment C., Staff Report to Planning Commission, dated December 7, 2015; Attachment D., Planning Commission Minutes, dated December 7, 2015; Attachment E., Planning Commission Decision 2015-05, dated December 11, 2015; Attachment F., Supplemental Traffic Analysis, dated December 15, 2015 (Kittleson and Associates); and Attachment G., proposed Ordinance Authorizing the City Manager to enter into Development Agreement (Exhibit A) with Tokola Properties. Holan and Riordan explained the land use review criteria addresses three relevant elements of submittal requirements as outlined in the Development Code Sections 10.2.350 (Design Review Criteria); 10.2.450 (Site Development Review Criteria); and 10.2.840 (Development Agreement Review Criteria), noting the approval of the Design Review and Site Development are required by separate Orders and will be scheduled on the January 25, 2016, Council meeting agenda, pending second reading and adoption thereof of the above-noted ordinance. In addition, Holan and Riordan recapped the Planning Commission hearing, noting the Planning Commission recommended approving the Development Agreement, Site Development Review and Design Review and not included in the Planning Commission's finding, the Commission also passed a motion recommending Council look at pedestrian safety around the site to require crosswalks for each leg of Pacific Avenue and A Street intersection for pedestrian safety and passed a second motion recommending Council make an agreement with developer for future egress on B Street. In conclusion of the above-noted staff report, Holan and Riordan advised staff is recommending Council approve the proposed ordinance and accept the Planning Commission's Conditions of Approval as stated in Decision No. 2015-05 (Attachment E). In addition, Holan and Riordan reported Tokola Properties is seeking public assistance to address project-funding gaps and to make the project feasible, noting any public assistance provided to the project will be addressed by the City through the Urban Renewal Agency (URA) through a separate DDA at a future URA meeting.

Before proceeding with the Public Hearing and Council discussion, Mayor Truax asked for a motion to adopt Ordinance No. 2016-01 for first reading.

VanderZanden read Ordinance No. 2016-01 by title for first reading.

MOTION: Councilor Kidd moved, seconded by Councilor Thompson, to adopt Ordinance No. 2016-01 Authorizing the City Manager to Enter into a Development Agreement between Tokola Properties and City of Forest Grove for Forest Grove Mixed-Use Project located North of Pacific Avenue and West of A Street; File No. 311-000022-PLNG.

Public Hearing Opened:

Mayor Truax opened the Public Hearing and explained hearing procedures.

Written Testimony Received:

Cherie Sovioe Tintary, owner of Heritage Salon, 1918 21st Avenue, submitted an e-mail to Riordan dated January 7, 2016, regarding parking concerns.

Russ Dondero, Forest Grove, submitted an e-mail to Council dated December 30, 2015, asking to send the plan back to the Planning Commission for further review to persuade the developer to make the complex more inclusive of a range of incomes for the benefit of all residents because the plan does not mention any rental units for incomes below 50 percent of area median income (AMI).

Rhoda Markus, Cornelius, submitted an e-mail to Council dated January 3, 2016, asking to make modification to the current plan to include a percentage of affordable housing units as well as in any multiple unit projects.

No other written testimony was received prior to the deadline of January 11, 2016, 7:00 p.m.

Applicant's Proposal:

Dwight Unti, President/Owner of Tokola Properties; Jeff Edinger, Vice President of Tokola Properties; and Eric Gernard and Jim Walker, Studio C Architects, Applicant/Developer Representatives, who reported Tokola Properties is an Oregon-based real estate development firm and long-term investors, focused on designing quality, urban communities with a focus on sustainability and health, safe and inspiring communities. Tokola reported Forest Grove was selected for its authentic and charming historic main street district, strong community commitment to downtown revitalization, opportunity to make a difference, and a community with a bright long-term future. Tokola representatives presented a PowerPoint presentation highlighting the Design Review and development plans, noting Phase I is proposing a four-story, mixed-use development with 73 luxury apartments (studio to three bedrooms), five live-work units, common residential amenities and ground floor commercial space all choreographed in a well-crafted urban mixed-use building that

honors the historic downtown Forest Grove. Included in the design plan is an urban plaza facing Pacific Avenue, a large rain garden that will embrace the project's most public side, an innovative green roof structure that will function to shelter parking while providing a unique visual opportunity, a bike room, elevator access, a fourth floor community terrace for residents, and 94 parking slots with security entry gate access. Tokola reported they designed the building to the scale, materiality and articulation of existing buildings in the downtown area and windows and doors were shaped and designed as well as how datum lines and building heights interacted within a building and also between adjacent structures in a way that honors the historic design principles while not creating a false sense of history with new construction. In addition, Tokola highlighted a slide showing Phase II, massing plan, noting potential uses for Phase II may include 50 to 55 unit luxury apartments, 55 to 60 room boutique hotel, or office, retail center, condominiums, townhouse or other mixed uses. In conclusion of the above-noted presentation, Tokola reported the site development plan complies with all applicable development design standards and it ensures compatibility with surrounding uses, noting the project will provide new sidewalks between existing street curb and building along A Street as well as planting new street trees and promotes safe, attractive and usable pedestrian facilities that connect building entrances, public sidewalks, bicycle and transit facilities.

Proponents:

Dale Buck, 1526 Willamina Avenue, Forest Grove, reported she is the manager of Tokola Properties, located at Fourth and Main in Hillsboro. Buck indicated at the Planning Commission meeting on December 7, 2015, she heard concerns about traffic and parking, noting she urged commissioners to visit Hillsboro's site to get a better viewpoint. Buck added that street parking at the Hillsboro site is limited to two-hour parking, noting not all residents own vehicles and the few who do own vehicles park in the complex parking lot not on the street.

Camille Miller, 2410 Pansy Court, Forest Grove, formerly-elected Forest Grove Councilmember, reported she is thrilled with the proposed project; however, she is concerned with retail parking, which she pointed out has been a concern of hers for about 40 years. Miller encouraged the City to enforce its parking regulations to encourage movement in retail areas.

No one else testified and no other written comments were received.

Opponents:

Jennifer Yocum, 1323 Hawthorne Street, Forest Grove, reported she is the pastor of Forest Grove United Church of Christ, noting they have been running a homeless shelter for about eight years. Yocum voiced concern of raising the benchmark on rental prices, noting her recommendation to Council is that they do all they can to

have affordable housing especially on city-owned property.

Russ Dondero, 1506 Limpus Lane, Forest Grove, submitted written testimony and a booklet titled "A Road Home, 10-Year Plan to End Homelessness, 2015 Homeless Assessment Report to Board of County Commissioners, Year 7: A Summary of Outcomes and Challenges". Dondero advocated for the homeless and need for low-income housing in Forest Grove, noting the development is designed for luxury apartments and does not mention any rental units for low-income residents at the 50 percent and below of AMI. In addition, Mayor Truax referenced the above-noted e-mail submitted by Dondero dated December 30, 2015.

Victoria Eaton, 2716 19th Place, #9, Forest Grove, advocated for the homeless and need for low-income housing in Forest Grove, noting she is concerned the development is designed for luxury apartments.

Barbara Malizia, 1620 22nd Avenue, Forest Grove, signed in but was not present when name was called.

Celeste Goulding, 3081 Sunset Avenue, Forest Grove, voiced concern regarding market rate housing, noting she encourages Council to develop a community-based consortium that is advising and taking into account affordable housing versus market rate housing.

Tom Beck, 1324 Hawthorne Street, Forest Grove, provided clarification as the Chair of the Planning Commission about the motions the Commission made at the Commission hearing (motions referenced in the staff report and staff presentation above). Beck reported the Commission was concerned about traffic flow and intersections at all four crossings at Pacific Avenue and A Street. Beck pointed out if the Commission had seen the proposal as one whole property, the Commission would have had conditions of approval instead of motions. Beck explained the Commission did not see Phase II, which the applicant presented this evening, noting he would like to see an agreement having an exit coming out on B Street to relieve pressure on A Street. In addition, Beck reported at the last Commission meeting, the Commission considered the Development Code and discussed the change in definition of net acreage, noting the vote was split two to two with four members present at the meeting. In addition, Beck indicated his personal opinion not that of the Commission is that he thinks the project as a standalone is a beautiful project; however, as a redevelopment project, using public money, on city-owned property, Beck stated he thinks it is wrong for Forest Grove and agreed that much more needs to be done for Forest Grove's population. Beck added that Phase II should have low-cost housing because that is what Forest Grove needs.

Sean Clapshaw, 2038 17th Avenue, Forest Grove, indicated he is not opposed to the

project and is looking forward to getting new businesses; however, Clapshaw noted because the project is city-owned property, he encourages Council to think about the property and perhaps having a community center, such as a YMCA.

Joshua Coleman, 2314 A Street, Forest Grove, supported comments heard regarding requiring affordable, low-income housing units.

No one else testified and no written comments were received.

Council Discussion:

Hearing no discussion from the Council, Mayor Truax recessed the Public Hearing until the next meeting of Monday, January 25, 2016.

Public Hearing Recessed:

Mayor Truax recessed the Public Hearing until the next Council meeting of Monday, January 25, 2016.

7. PUBLIC HEARING AND RESOLUTION NO. 2016-06 FIXING WATER SYSTEM DEVELOPMENT CHARGES FOR THE CITY OF FOREST GROVE AND REPEALING SECTION 1 OF RESOLUTION NO. 2007-64

Staff Report:

Robbins and Downey presented the above-proposed resolution for Council consideration, noting the proposed resolution is increasing Water System Development Charges (SDC) from \$4,820 to \$5,478 (3/4 inch water meter or less) based on the City's update of capital improvement needs and consultant's financial analysis. Robbins reported at the Council work session held on April 27, 2015, Council raised the question of establishing specific areas to charge different Water SDC. Robbins advised at this time, staff is recommending postponing further discussion for area specific SDC until more work is done to analyze costs of providing services in different areas, noting future analysis will update information from the Westside Planning Study on the potential number and type of housing units in the David Hill area. In conclusion of the above-noted staff report, Robbins and Downey advised staff is recommending Council approve the resolution increasing the Water SDC as proposed.

Before proceeding with Public Hearing and Council discussion, Mayor Truax asked for a motion to adopt Resolution No. 2016-06.

VanderZanden read Resolution No. 2016-06 by title.

MOTION: Councilor Lowe moved, seconded by Councilor Thompson, to approve Resolution No. 2016-06 Fixing Water System Development Charges

for the City of Forest Grove and Repealing Section 1 of Resolution No. 2007-64.

Public Hearing Opened:

Mayor Truax opened the Public Hearing and explained hearing procedures.

Written Testimony Received:

No written testimony was received prior to the deadline of January 11, 2016, 7:00 p.m.

Proponents:

No one testified and no written comments were received.

Opponents:

Al Jeck, Venture Properties, 4230 Galewood Street, Suite 100, Lake Oswego, submitted written testimony, noting the proposed Water SDC increase is a 14 percent increase over the existing Water SDC. Jeck indicated they are currently developing the third phase of Pacific Crossing and hope to develop the fourth phase this spring; however, their biggest concern is affordability, pointing out the cost to obtain building permits, including the SDC fees, for most homes built in Forest Grove is over \$30,000, noting when taking into totality the other fees charged to build a new house in Forest Grove, it just further decreases housing affordability.

Jon Kloor, Home Builders Association, 1555 SW Bang Road, Suite 301, Lake Oswego, submitted written testimony, noting they appreciate the needs of communities having suitable infrastructure; however, everyone must be cognizant of the impacts, both individually and cumulative, of SDC and other associated fees on housing affordability. Kloor noted they would like to collaborate with the City in future discussions concerning development issues, such as SDC modification and future concept planning, as a way to avoid the fate of our counterparts to the north and south.

No one else testified and no written comments were received.

Public Hearing Closed:

Mayor Truax closed the Public Hearing.

Council Discussion:

Kidd voiced concern that he did not have convincing input for the proposed increase and comparison to other jurisdictions, to which Downey referenced the planned capital improvement projects. In addition, Kidd voiced concern about fire sprinkler requirements for single-family dwellings, to which Fire Chief Kinkade addressed, noting a 3/4-inch connection would work.

Council President Johnston noted the public needs to know the costs are for connectivity to the system not connection from the street.

Lowe referenced various projects the City is anticipating, spoke about the City's aging system and need for water, noting she would have liked to see the Water SDC cost higher.

Hearing no further discussion from the Council, Mayor Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors Johnston, Kidd, Lowe, Thompson, Wenzl, and Mayor Truax. NOES: None. ABSENT: Councilor Uhing. MOTION CARRIED 6-0.

8. WORK SESSION: MARIJUANA-RELATED ACTIVITIES (PROPOSED AMENDMENTS TO CITY CODE)

Due to time, VanderZanden postponed the above-noted work session to a date uncertain.

9. COUNCIL COMMUNICATIONS:

Due to time, Mayor Truax postponed Council Communications to the next Council meeting of January 25, 2016.

10. CITY MANAGER'S REPORT:

Due to time, Mayor Truax postponed City Manager's Report to the next Council meeting of January 25, 2016.

11. MAYOR'S REPORT:

Due to time, Mayor Truax postponed Mayor's Report to the next Council meeting of January 25, 2016.

12. **ADJOURNMENT:**

Mayor Truax adjourned the regular meeting at 9:57 p.m.

Respectfully submitted,



Anna D. Ruggles, CMC, City Recorder