



City of Tigard

Tigard City Council Meeting Agenda

February 18, 2014

1. WORKSHOP MEETING

- A. At 6:34 pm Mayor Cook called the City Council meeting to order.
- B. Deputy City Recorder Krager called the roll.

	Present	Absent
Council President Henderson	x	
Councilor Snider	x	
Councilor Woodard	x	
Mayor Cook	x	
Councilor Buehner	x	

- C. Mayor Cook asked everyone to stand with him for the Pledge of Allegiance.
- D. Mayor Cook asked the Council for any Communications & Liaison Reports. Councilor Buehner had two reports to give at the end of the meeting.
- E. Mayor Cook asked Council and Staff for any Non-Agenda Items. There were none.

2. DISCUSS FIELDS PROPERTY CONCEPT DEVELOPMENT SCENARIOS

Economic Development Manager Purdy introduced this item, an update on the process being used to develop project scenarios for the Fields site. He clarified that the area being discussed is the Fields industrial site and not the park area. He said this is part of the city’s economic development strategy and includes groundwork, business assistance and innovation. This site-specific opportunity could add businesses, jobs and potentially other activities such as multi-family housing to what is now a vacant and unused site.

He said staff has been working with private sector partners with expertise in local land use and development, and also public entities including Business Oregon, the Department of Land Conservation and Development, the Federal Department of Commerce Economic Development Agency and the State Infrastructure Financing Authority. To provide business assistance he said staff has collaborated with developers to identify projects that will bring this site to development and add employment locally and to the region. He said the process has been innovative as the team problem-solved to arrive at solutions supporting the public needs and the expectations of the private market. He asked the team to introduce themselves. In attendance were:

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Kelly Hossaini, Miller Nash Partner, representing the Fields Trust (property owner)
Mike Merino, Norris Beggs and Simpson, Sr. Vice President and Industrial Specialist
Christine McKelvey, McKenzie Consulting, Architect and Land Use Planner
Eric Sporre, PacTrust Developer
Matt Butts, McKenzie Consultants Civil and Transportation Engineer

Economic Development Manager Purdy presented a PowerPoint that has been added to the packet for this meeting. The Fields industrial site benefits from what many business leaders value about a Tigard location: affordable access to a regional workforce and transportation routes for their supply chain. He acknowledged the site has challenges. It failed to be listed as even a Tier 3 site on a recent regional survey of industrial lands. He said Associate Planner Pagenstecher summarized it well saying, "This is a complex site in need of complex solutions."

He said the proposed project unlocks the site for employment, connectivity through new roads, and potentially 120,000 square feet for new development, new businesses or expansion. He said the type of industrial or commercial development being considered typically employs 10-30 people per acre. A new addition to the planning team will be a consultant, paid through a DLCD grant, with experience in site scale public infrastructure finance. He said this presentation was given to the Planning Commission last week and they were receptive. He said the discussion is not part of the formal land use process but is an opportunity to explore issues, solve problems and ask questions.

Consultant McKelvey described the site location shown on a slide, and said the primary issues are slope and configuration. The trees along the east side are an asset for the site, but not particularly for the currently allowed uses. Transportation is an issue because there is only 300 feet of access off of Hunziker Street. Most of the access is on Wall Street. There is a low-grade wetland area that is not significant and can be mitigated.

Consultant McKelvey said the team divided the site into two Subareas. Subarea 1 is flat and would work well for commercial or industrial uses. Flex office development is in high demand currently and would fit on this site. Slides were shown of PacTrust projects similar to what is envisioned for the IP zone in Subarea 1. Subarea 2 is steeper with many trees and is not ready for cost effective, market-ready IP zone development. She said what may be a marketable use for Subarea 2 is a mix of commercial and workforce housing, up to mid-level housing, which could support the employment land in the surrounding community. She said the proposed zoning in Subarea 2 would allow mixed use employment development which would help buffer the existing residential area to the east from the light industrial uses at the lower end of the property.

Consultant McKelvey talked about development comparison costs and commented that several developers over the years have considered this site but walked away from it. She said PacTrust compared the business park part of the site with a similarly-sized developed property in Hillsboro and estimate a premium of 61 percent has to be compensated because of the site conditions. She asked council for their input on a zone change to mixed use for half of the site. Such a zone change is the first challenge of the envisioned development.

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Councilor Woodard was favorable to the proposed layout but expressed concern about train engine noise and diesel smoke originating in the railroad switchyard. He said residents living above the area say this is a hardship and asked if the residential area could be built away from the switch yard. Economic Development Manager Purdy pointed out on the map how three-story, significantly sized buildings placed near the tracks could help buffer the noise from the switch yard.

Councilor Buehner asked whether the trees on the east edge of the property were high enough to shield existing neighbors up the hill from the units on the top floor of the multi-family housing development. She commented that it is difficult to obtain financing for mixed use projects. Developer Sporre agreed somewhat with her comment but said the proposed scenario is different because the mixed use would be in the same area but not the same building. Subarea 1 with IP zoning would stand alone from Subarea 2 which would have apartments and potentially office space.

In response to a question from Councilor Snider about the turning radius for truck traffic on Hunziker Street, Mr. Sporre said the necessary turning radius cannot be accommodated due to the 10 percent grade on Hunziker which leaves Wall Street as the only truck access. Councilor Snider asked if the property is overvalued because its highest and best use may not match its IP zoning and site conditions. Mr. Sporre agreed that those are the main issues and the other overriding factor is coverage, which means the percentage of buildings on the land. He said focusing the industrial park development on Subarea 1 helps raise the coverage percentage for the industrial park and makes the development more rational. He added that if this property was flat it would have been developed by now.

Council President Henderson asked how this project affects Tigard's low inventory of available industrial land. Economic Development Manager Purdy said it commits only 20-plus acres out of the site's 37 acres to industrial. He said Tigard does not have enough industrial land to meet Metro's future expectations. He said he struggled with giving up any but if the type of activity and uses are not changed at the top of the hill, the city will not be able to unlock any use for the entire 37 acres. Mayor Cook added, "We are not giving up anything if there is nothing there." Consultant McKelvey said there are creative ways to make the site developable as employment land but they must look at ways to balance and offset some of those costs to help that happen.

Councilor Buehner said the critical issue for council is to identify future industrial land and recommended the large, flat parcels on the south end of River Terrace's urban reserves be considered for employment land.

Mayor Cook asked to hear the opinion of Fields Trust Representative Hossaini on this proposal from the perspective of the property owner. Ms. Hossaini said, "This has been a great process. It's been very productive. The Fields Trust wants to maximize value on the property while the city gets what they need." She said the same issues were repeatedly mentioned by developers over the years. The Trust could not sell the property because industrial developers are only interested in the front section. She said Economic Development Manager Purdy unlocked the economic

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potential on these properties and if zoning changes can be made, PacTrust is eager to develop. She commended the city staff for working towards a solution. Councilor Buehner asked if the Trust is considering selling or leasing on a long-term basis. Ms. Hossaini said it would be a sale and noted that this is the last piece of Mr. Fields' properties. She commented that Mr. Fields would have been thrilled with this resolution.

Council President Henderson said the best thing about this collaboration "is the smile on everybody's faces."

Councilor Buehner said this gives Tigard the potential for some needed moderate income workforce housing.

Mayor Cook echoed Councilor Woodard's concerns about the train noise and fumes. He said some kind of barrier needs to be created.

Councilor Buehner asked Associate Planner Pagenstecher what the Development Code says about height limitations in an IP zone. He said he will research this for council. He commented that the city should consider a development that meets the specific site conditions. He said there is flexibility in the process because Tigard has a Comprehensive Plan policy which stipulates a zone change can be made for a specific development design.

Councilor Woodard said he was pleased with the cost savings created by splitting the property. He asked if the development would include pedestrian walkways through the treed area. Councilor Buehner said this is another opportunity to contact the railroad about gaining pedestrian access to the city's new park land.

Consultant McKelvey said they are very interested in hearing any further comments from council and these can be given to Economic Development Manager Purdy.

3. RECEIVE ANNUAL TIGARD MUNICIPAL COURT REPORT

Administrative Services Manager Robinson and Municipal Court Judge O'Brien presented an overview of Tigard's municipal court program which was the fifteenth annual court report to council. Judge O'Brien gave some highlights:

- There was a 21 percent caseload decrease. The court is efficient, taking care of 97 percent of cases within 90 days of filing. Only nine percent of cases are docketed for trial, which is a relatively small amount.
- There were not as many juvenile or adult misdemeanor cases this year. The vast majority of cases were traffic infractions.
- Officers are using electronic tickets which are more efficient.
- Videos used more frequently in the courtroom saves time because the judge does not have to weigh one side's statement against the others. Actual footage is viewed.
- Technology advances include online ticket payments.

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- Sanctions are developed by statute. The court is given a range of fines by state law and Tigard's court stays within that range but attempts to give people a chance to be heard on their individual circumstances. Aggravating or mitigating circumstances are considered when determining a fine.
- The overall goal of Tigard's municipal court is to reduce recidivism and increase traffic safety. To that end, a limited diversion program is offered to teenage and senior drivers (60 and older) and for safety belt violations.

A new diversion program is being developed by the Tigard Police Department and will be put in place on a one-year trial. The criteria will be looser, which is one reason staff wanted to bring this to council for input. The eligibility period will be two years rather than the current five-year period, opening it up to many more people.

Councilor Snider clarified that diversion is the option to attend a traffic safety class in lieu of a formal action by the court. He asked if persons over 18 and under 60 are currently ineligible and Judge O'Brien said in most cases they are. Councilor Snider commented that this limitation to the city's diversion program is unusual in the region. Judge O'Brien said Sherwood and Beaverton offer it, with Beaverton's more liberal diversion program following the California model. A driver can have a citation once every two years but taking a traffic safety class keeps the ticket off their record. He said if council desires, staff could look at what other cities are doing.

In response to a question from Councilor Woodard, Judge O'Brien said disadvantages to the proposed diversion program include masked convictions from DMV records. It is Oregon statute that a court cannot place a note on a court record in Oregon. Frequent offenders may avoid license restrictions and suspensions. Generous diversions would allow people to avoid major consequences. He noted that the judges in Oregon support changing the law so a note could be placed on the DMV record. Mayor Cook suggested this change be submitted to the League of Oregon Cities legislative team. More staff time would be required to monitor compliance and there would be a cost to putting together the program.

Judge O'Brien said an advantage to diversion is that it is a way to extend the impact of the court. Drivers will be learning something they might not have otherwise learned. Traffic schools probably reduce recidivism. He said the distracted driver class is an advantage because many people still do not have an understanding of how dangerous cell and text use is while driving.

Judge O'Brien said for every violation we are remitting \$61 to the State of Oregon which is used for training. Beaverton passed a resolution authorizing their court to apply the full amount of the fee to diversion rather than sending the \$61 to the State. He said Tigard's City Attorney would be able to advise the city on this. Councilor Snider clarified that if the city was allowed to collect the \$61 diversion fee it would go into the General Fund.

Councilor Snider suggested it was time for council and staff to reconsider diversions and other policies. Judge O'Brien said that would allow time for the City Attorney to address the question of the city keeping the \$61.

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Judge O'Brien said Tigard Municipal Court has a Compliance Program which is similar to diversion but not formal. Insurance violations are dismissed under ORS if insurance was valid at the traffic stop. He said some jurisdictions have a formal "fix-it" program. Tigard's court accepts receipts as proof and if the driver has a good driving record, fines may be reduced.

Councilor Snider asked if in jurisdictions where a formal "fix-it" program is in force, a police officer has to personally view the repaired tail light, etc. Judge O'Brien said it would require someone going to the parking lot and viewing the repair. He said this program would not be popular with staff. Councilor Snider said he was not concerned about whether or not staff would like it; it is also expensive to have a judge hear it too.

Judge O'Brien said the number of violations fluctuates according to police department priorities and officer vacation schedules. Council Snider asked how many traffic officer FTEs are assigned each year and if there was a correlation between that and the number of tickets issued. Assistant City Manager Newton said she will get an answer from staff.

The top five violations include speeding, failure to obey a traffic control device, cellphone use, following too closely and driving while suspended.

Judge O'Brien said they use many ways to communicate with the public. He continues to write a monthly column for Cityscape. Assistant City Manager Newton noted that due to space limitations one month the judge did not get to submit his regular column and staff heard feedback from the public that they missed it.

Councilor Buehner commented that an analysis was done in the recent past about providing a general service court. She said it was decided at the time that Tigard was not a large enough city to justify it and the concept would be revisited in five-six years. Judge O'Brien said the report could be updated and presented to council for reconsideration. Councilor Snider asked which nearby jurisdictions have a criminal court. Judge O'Brien replied that Beaverton, Lake Oswego, and Oregon City do. Councilor Buehner said the city is paying for the county court and Tigard police officers spend a lot of time traveling to attend court in Hillsboro. Councilor Snider said Tualatin and Sherwood police officers are making the same drive and recommended staff consider this from a joint perspective and include Tualatin and Sherwood to employ economies of scale. Assistant City Manager Newton noted that a different kind of court facility would be required.

In response to a question from Council President Henderson on the success of the administrative rules for nuisance complaints, Judge O'Brien said the number has gone from 400-500 nuisance cases in previous years to around 40 last year. He said many times a case is resolved by the parties involved instead of ending up in court. Council President Henderson commented that there are many signs and other junk in the right of way and Councilor Buehner said the city has not had a full-time code enforcement officer for a few years.

Councilor Buehner suggested the criminal court discussion be held at a summer workshop meeting. Mayor Cook and Councilor Snider recommended a discussion also be held on the diversion policy.

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4 RECEIVE UPDATE ON SOUTHWEST CORRIDOR PLAN PUBLIC INPUT

Senior Transportation Planner Gray gave an overview of the recent community meeting and said she will be providing a written report to council. 93 people signed in and there was overflow into the hallway. She said it was helpful to have speakers and posters in the hallway. She said the overview presented by Community Development Director Asher was complete, especially for those interested in how the situation got where it is now. Mayor Cook said he received comments that Mr. Asher's explanation was very clear and precise.

Councilor Buehner said it would have been helpful to project a copy of the ballot statement onto the screen. She said she met people who did not understand the measure.

Senior Transportation Planner Gray said there were two opportunities during the meeting for citizen input, including a graffiti board and comment cards. There were 21 written comments, the majority of which took a position on the ballot measure. She said there would be many more opportunities for public input on the SW Corridor Plan.

Senior Transportation Planner Gray said the second part of the meeting was convened to present a balanced view of the transit ballot measure. Councilor Buehner said it appeared most attendees supported the initiative. She said there were comments made about the vote the council took against the measure and it was explained that while city employees may not take a stand on work time, elected officials are allowed to express their political opinions freely. She said one person said Tigard's Council contributed a lot of money to the political action committee but she wanted to set the record straight and said each Council member put in one-fifth of the cost of a \$400 ballot argument in the voters' pamphlet.

Councilor Snider passed along feedback from a group of citizens adamant that no matter the cost, they want to see Highway 99W have a double decker level for car traffic, no matter the cost. Mayor Cook said he will forward this on to ODOT.

Senior Transportation Planner Gray outlined future opportunities for input on the SW Corridor and bus service, including a community planning forum on March 12, location to be announced. There will be a transit fair at St. Anthony's School on March 14, and on March 19 a meeting for Tigard citizens on alignments that will be held in Town Hall.

Council President Henderson requested that council be involved in a debriefing with staff after the March 11 vote. Councilor Buehner suggested adding this as an agenda item on the March 18 workshop.

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5. RECEIVE ENTERPRISE ZONE PRESENTATION

Economic Development Director Purdy presented a slide show on enterprise zones, a copy of which is in the packet for this meeting. He described an enterprise zone as an economic development tool that incentivizes investment and increased employment. Temporary tax relief (3-5 years) is given to businesses in a geographically targeted area of the city if they increase and maintain employment by ten percent. The area must be experiencing hardship to be eligible. He said an enterprise zone integrates into Tigard's 2014 Economic Development Strategy through the creation of a partnerships with the state, specifically Business Oregon; private businesses, and potentially with Beaverton. The State of Oregon is accepting applications for new zones and the deadlines for application are nearing.

Economic Development Manager Purdy said he would research a question asked by Mayor Cook regarding tax schedules on depreciation of equipment.

Councilor Buehner expressed concerns about reducing the amount of taxes paid to schools and said she doesn't want to look at this until a conversation is held with the school districts, which are hurting. Councilor Snider said having conversations with the city's partners is important but this is a simple situation: not have it at all or reap new taxes at some point in the future. He said if it was not going to happen in the first place, there is no loss. Economic Development Manager Purdy said the city's stakeholders will be invited to informational meetings.

Economic Development Manager Purdy gave examples of companies that could participate including manufacturers, shippers, processors, call centers and headquarters. He said facility upgrades are eligible and this could assist with Tigard Triangle redevelopment. Councilor Buehner said she needs to know how low the wages would be in a business such as a call center and said she had issues with supporting minimum wage jobs. Mr. Purdy said there is a stipulation that new employees must be paid above a certain threshold.

Economic Development Manager Purdy said to meet the deadline to apply for a new Enterprise Zone, council would need to consider and approve a resolution at the March 25 council meeting. He said the city can compete for its own Enterprise Zone or collaborate with the City of Beaverton and be added to their zone. Mr. Purdy said the pros are leveraging the existing zone and its strengths and efforts, regional coordination and promotion. He said Beaverton already has a full-time staff administrator and 3-4 staff people. The zone administrator verifies each business in the zone, meets with them annually and makes sure they are meeting employment and investment goals. He said there is some work that Tigard will be doing, for example he would be assisting with marketing.

This can be discussed at the upcoming Joint Beaverton meeting. There is a timing constraint because the council would need to pass a resolution by March 25 if the decision is to apply for a targeted zone in Tigard by the April 11 deadline. If the decision is to join with Beaverton, the timeline is different because they would not be ready to expand their zone until August.

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Councilor Snider asked for Economic Development Manager Purdy’s recommendation, and he said coordinating with Beaverton would create an inclusive zone that allows a wider range of businesses to participate.

Councilor Snider asked about the costs. Economic Development Manager Purdy said the cost is .01 percent of the investment, which amounted to \$40,000 in fees for Beaverton. Tigard would forgo these fees if it does not have its own enterprise zone.

Councilor Buehner asked how much staff time would be required for this program. Community Development Director Asher said Milwaukie had five or six enterprise zones and Clackamas County was the zone administrator. He said Tigard would not add a zone administrator position and he would ask Economic Development Manager Purdy to add this to his regular job duties.

Council President Henderson asked how much Beaverton can expand their existing enterprise zone. Economic Development Director Purdy replied 12 miles. Council President Henderson asked if it would be possible under the agreement with Beaverton to leave the partnership early. Mr. Purdy said the zones last for ten years and can be renewed or dissolved at the end of that time. Beaverton has seven years left on their zone.

Community Development Director Asher noted that Tigard and Beaverton are in one economic corridor and draw from the same workforce, making the two cities more similar than different. He said, “Why wouldn’t we market and brand governments working together? Beaverton already has this going. We could learn a lot.”

Councilor Buehner said there will be more joint opportunities because of the large amount of adjoining property. She encouraged maximizing the opportunities and partnering with Beaverton. Councilor Snider advised making the zone more inclusive and continuing discussions with Beaverton. Mayor Cook and Councilor Woodard agreed.

6. COUNCIL LIAISON REPORTS

Councilor Buehner gave several liaison reports:

- Intergovernmental Water Board (IWB) - A briefing was given by Assistant Public Works Director Goodrich on the Willamette River Water Coalition. Councilor Snider asked if the King City agreement was on the agenda. Councilor Buehner was reelected as the IWB Chair.
- MPAC held a discussion on the long-term transportation plan policy. There was a “show and tell” on Climate Smart community projects and she suggested Tigard prepare a presentation to promote what the city is doing. There was a discussion about the urban growth boundary expansion and timelines. Population numbers will be released on April 14 and a draft report is due in July. Councilor Buehner suggested the Tigard council begin discussions on planning for UGB expansion areas. The Metro Council has to adopt a report and make a decision on acreage by the end of the year. She said MPAC will be more

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involved that they have been previously. Councilor Buehner said the 50 acres known as West Roy Rogers has not formally been brought into the city because it is caught in the Hillsboro expansion litigation. It is not known what actions the legislature will take on this and a decision may not be made in the near future.

- o Lake Oswego/Tigard Water Partnership - The drilling is no longer planned to go under the lake because of cost and alternative routes are being investigated. She noted that \$5 million was paid to the City of West Linn.

7. NON AGENDA ITEMS – None.

8. EXECUTIVE SESSION – None.

9. ADJOURNMENT - At 9:23 pm Councilor Woodard moved for adjournment. Councilor Snider seconded the motion and all voted in favor.

	Yes	No
Council President Henderson	x	
Councilor Snider	x	
Councilor Woodard	x	
Mayor Cook	x	
Councilor Buehner	x	

/s/Carol A. Krager
Carol A. Krager, Deputy City Recorder

Attest:

/s/John L. Cook
John L. Cook, Mayor

April 22, 2014
Date

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