

AGENDA
SCAPPOOSE CITY COUNCIL
COUNCIL CHAMBERS
33568 E. COLUMBIA AVE
SCAPPOOSE, OREGON 97056

TUESDAY, JANUARY 22, 2008
CITY OF SCAPPOOSE
SKATE PARK WORKSHOP
AT 6:00 P.M.
REGULAR COUNCIL MEETING
AT 7:00 P.M.



ITEM AGENDA TOPIC

1.0	Call to Order	
2.0	Pledge of Allegiance	
3.0	Roll Call	
4.0	Approval of the Agenda	
5.0	Public Comments	
6.0	Approval of the Consent Agendas	
6.0	January 7, 2008 Workshop and City Council Meeting Minutes	Action
7.0	Old Business	
7.1	Ordinance No. 795, an Ordinance Relating to Land Use and Amending Municipal Code Chapters 17.96 (Lots-Exceptions and Additional Setbacks) and 17.152 (Land Division--Major and Minor Land Partitions and Property Line Adjustments) Staff: Varricchione	Second Reading Approval
8.0	New Business	
8.1	City Hall Carpet Bid Staff: Herr	Action
8.2	Resolution 08-02, A Resolution Petitioning Multnomah County to Install Guard Rails along the Entire Eastern Side of Cornelius Pass Road from Highway 30 to Skyline Blvd. Staff: Hanken	Action
8.3	Proposals for Airport-related Legislative Amendments (Comprehensive Plan Text Amendment CPTA1-07 and Development Code Text Amendment DCTA1-07) Staff: Varricchione	Public Hearing
9.0	Announcements	
9.1	Calendar	
9.2	Police Chief, City Manager, Councilors, and Mayor	
10.0	Adjournment	

TTY 1-503-378-5938

This meeting will be conducted in a handicap accessible room. If special accommodations are needed, please contact City Recorder, Susan Pentecost, at (503) 543-7146 ext 224 in advance.

**CITY OF SCAPPOOSE
CITY COUNCIL**

**SKATE PARK WORK SHOP
JANUARY 22, 2008
AT 6:00 P.M.**

Present at the Skate Park Workshop: Mayor Burge, Council President Ingham, Councilor Gedlich, Councilor Bernhard, Councilor Meres, Councilor Heerwagen, City Manager Hanken, Police Chief Greisen, City Recorder Pentecost.

City Manager Hanken explained in late October a representative from CCIS (City's liability insurance company) came and did a regular inspection of the City grounds/building for the annual insurance audit. He explained one of the things CCIS noticed when they were out was the condition of the skate park. He explained one of the issues the insurance company has with the condition of the skate park is it poses as a liability risk for them. He explained what CCIS has asked the City to do to come up with some sort of a long term solution for the skate park. He explained in a letter that was given to the City by CCIS there were a number of issues addressed. He explained the solutions go from all various ranges from closing the skate park to totally rebuilding it. He explained CCIS also recognizes the financial realities that municipalities have. He explained what CCIS is looking for is what is the City's long term solution to the skate park and how are we going to get to that long term solution in terms of a time frame. He explained we wanted this workshop to have the users of the park involved to help discuss these issues. He wanted to lay out the options: they can range from tearing it out and rebuilding the facility at the current location, going with a modular type skate park in the current location, rebuilding at another location, build at the same size, build it smaller, build it larger, do modular, do concrete. He explained there are a ton of options when it comes to a skate park and what can and needs to be done. He explained from Councils standpoint we need to come up with some sort of an action plan to move this liability to an acceptable risk for the insurance company. He explained the insurance company knows it may take us a few years to do that, but they want to see what our action plan is, the time frame and how we are committing money to make that happen.

City Manager Hanken asked members of the audience if they are familiar with the skate park on Cornelius Pass Road and Francis Street. Several of the members of the audience were familiar with the site. He showed photos of that skate park for Council to look at so they kind of have an idea as to some of the things he would like to do for a skate park. He in addition he talked about the possibility of modular units and he handed out information on them. In Pendleton the estimated cost for their 12,000 square foot skate park is around \$400,500.00. He explained if we were to look at construction costs and building a concrete skate park it would be in the \$30.00 to \$33.00 range per square foot.

Councilor Bernhard explained he doesn't have a problem supporting a new skate park, he thinks it is a great idea, but he is just curious where the City would come up with the funding for this. Councilor Gedlich stated maybe we can talk about this during the budget process and dedicate more funds. City Manager Hanken explained you would already have an existing facility so in order to repair or rebuild to the same standard it would be coming out of general funds. He explained Oregon Parks Program does a funding cycle once every two years and there would be no funding available until two years from now.

City Manager Hanken explained what the insurance company wants to see is a plan. He explained when the insurance representative was here he pointed out that we would not be able to do it in one funding cycle and the representative was ok recognizing it may take us a couple of years to put money in a fund in order to do this. He explained we are under the gun with the insurance company but they understand and want us to come up with a plan to resolve that issue permanently.

Mayor Burge discussed the issue that there is some indication that a modular is less preferred.

Scott Warneke explained the thing about modular skate parks is the surfacing is not optimum for skate board because it is a urethane finish and the skate board wheels are urethane and together it kind of sticks too much. He explained they are prefabricated so they are kind of limited by the kinds of obstacles that can be added.

Jeff Erickson explained he brought the Public Skate Park Development Guide for Council to look at. He explained he actually builds custom boards here in town. He explained what the Council is discussing it is in the book.

Scott Warneke discussed the issue of possibly high lighting the bad areas on the skate park.

Councilor Gedlich feels the cost of repairing would be a waste of funds.

City Manager Hanken explained the insurance company isn't looking for short term fixes, they want long term fixes. He explained from his standpoint the skate park is beyond minor repairs. He explained he does believe from a recreational standpoint the skate park is the most widely used recreational facility that we have. He would hate to see it shut down and he would hate to see where we get to a point where we have to make a decision between liability insurance and recreation. He explained what he is hoping to get out of tonight's workshop is what does Council want to do long term.

Councilor Heerwagen asked about fund raising. Councilor Bernhard was hoping that Jeff Erickson could answer that question and also discuss corporate funding.

Jeff Erickson explained a lot of companies will grant money but you have to put your proposal on paper to present it to the corporations. He explained there are a lot of community fund raisers.

Councilor Gedlich asked Scott Warneke what size of a skate park they are looking for. Scott Warneke replied probably in the 8 to 9 thousand square foot range.

Jeff Erickson explained a lot of times in terms of design some of the builders who are skaters themselves they will assist a lot of times in the actual design work. He explained also the City should talk to the skaters to help design the park so there are not issues when the park is complete. He explained you can build something small and if it is designed well it will be a world class park.

Councilor Judd arrived at 6:30 p.m.

Councilor Gedlich asked if there is a new facility built are the people in the audience that use the park going to help maintain it? A lot of people in the audience replied yes.

Mayor Burge asked how many people in the audience would be interested in committing their time to be on a committee. He explained we want you involved, but we also want your parents involved. Several people in the audience are willing and there was a sign up list past around and 21 people signed up.

City Manager Hanken explained as we are moving forward with the new park on JP West we have additional ongoing expenses that will need to be incurred and they have to be put in to the budget as well. He explained he understands the need for the parks to get done but he also has to make sure that all budgets balance and all the financials fall in to place.

Councilor Bernhard explained knowing the issues we have had at the skate park, the last thing he wants to see is the skate park moved to an uncontrolled area, from a security and safety standpoint.

Some one in the audience stated having the skate park in front of the police station is pretty uncomfortable. He explained it really shows the distrust in the youth of Scappoose. He stated it is healthy for kids to have a semi secluded spot instead of worry about having the police around watching them. Councilor Gedlich feels they should be happy to have one no matter where the location is.

Police Chief Greisen went over the hand out of statistics for the calls at the Skate Park. He explained in 2005 there was a total of 14 different activities that took place last year there was only 1. He feels the new park hours that took effect November 7, 2005 and the 24/7 police coverage has helped a lot with issues. He explained what he would strongly suggest if a new skate park is constructed on the Veterans Park have the Skate Park built right by JP West Road, were it is not in the back corner. He explained at McCormick Park there are drugs, alcohol and fights.

Councilor Gedlich asked if the skate park is to be located on the Veterans Park site will there be a way to lock it up after hours? Chief Greisen explained the gates could be lock were they open and close at a certain time. He feels if it was located right by JP West Road it would be easier to patrol.

Councilor Bernhard feels the park should be located were it is currently. He asked why do we even go down the road of the potential of having issues if it located at some other location. He is completely opposed to relocating it anywhere else. He feels it is safe, it is secure it gives them what they need.

Some one in the audience explained there are cops patrolling the area even up JP West.

Some one else in the audience stated he was thinking if the skate park was in the current location but larger in size what about the sauerkraut festival and everything else that takes place at the park? Councilor Bernhard replied that would be a design issue.

Kevin lives on JP West right by the park and if the skate park were to be built in the forward right corner that place floods every year and that wouldn't be good.

Some one else in the audience stated we need to find a way to ride bikes in the skate park because they have no other place to ride then on the side walk or in the bike lane and where they do ride they get kicked out.

Kevin stated one of the perks of a large skate park is more people can take turns to skate or ride bikes.

Scott Warneke explained he doesn't feel they as a whole are apposed of being by the police station as long as they can have some more room and also a skate park that will be multi use, possibly year round facility where maybe some of it would be partially covered.

Mayor Burge explained what it looks like we want to look at is replacement of the skate park, formation of a skate park advisory committee that will include 3 or 4 skate boarders or citizens and one member of Council. City Manager Hanken explained what he will do in terms of a letter is talk about a 3 year window of time. He explained he will right something up and bring it back to Council to review.

Mayor Burge adjourned the workshop at 6:55 p.m.

**REGULAR CITY COUNCIL MEETING
AT 7:00 P.M.
SCAPPOOSE, OREGON**

Call to Order

Mayor Burge called the meeting to order at 7:00 p.m.

Flag Salute

Roll Call

The meeting of the City of Scappoose City Council was held at 7:00 p.m. in the Council Chambers; 33568 East Columbia Avenue; Scappoose, Oregon with the following present:

City Council Members:

Scott Burge	Mayor
Judie Ingham	Council President
Jeff Bernhard	Councilor
Donna Gedlich	Councilor
Charles Judd	Councilor
Larry P. Meres	Councilor
Art Heerwagen	Councilor

Staff:

Jon Hanken	City Manager
Doug Greisen	Police Chief
Susan Pentecost	City Recorder
Brian Varricchione	City Planner

Cindy Phillips	Legal Counsel
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Press:
none

Approval of Agenda

Council President Ingham moved and Councilor Gedlich seconded the motion to approve the agenda. Motion passed (7-0). Mayor Burge, aye; Council President Ingham, aye; Councilor Bernhard, aye; Councilor Gedlich, aye; Councilor Judd, aye; Councilor Meres, aye and Councilor Heerwagen, aye.

Public Comments

none

Consent Agenda

Council President Ingham moved and Councilor Bernhard seconded the motion to approve the minutes from the January 7, 2008 Council meeting. Motion passed (6-0). Mayor Burge, aye; Council President Ingham, aye; Councilor Judd, aye; Councilor Bernhard, aye; Councilor Meres, aye; and Councilor Heerwagen, aye. Councilor Gedlich abstained.

Old Business

Ordinance No. 795, an Ordinance Relating to Land Use and Amending Municipal Code Chapters 17.96 (Lots – Exceptions and Additional Setbacks) and 17.152 (Land Division-Major and Minor Land Partitions and Property Line Adjustments)

City Manager Hanken explained what is before Council this evening is a second reading of an ordinance related to land use. He explained there are no changes to the ordinance that was originally submitted to Council.

Motion passed (6-0). Mayor Burge, aye; Council President Ingham, aye; Councilor Judd, aye; Councilor Bernhard, aye; Councilor Meres, aye; and Councilor Heerwagen, aye. Councilor Gedlich abstained.

New Business

City Hall Carpet Bid

City Manager Hanken explained as Council will recall in the annual budget he has been putting money aside to do some improvements to City Hall and the Council Chambers. He explained what we have for you tonight is a very brief presentation of the carpet and painting that we want to have done in terms of brining City Hall and the Council Chambers up to a more professional standard. He explained tonight they will also have a request to approve a bid for the carpet.

Jill Herr went over the staff report. She showed samples of what staff would like to have placed in City Hall and in the Council Chambers. Several of the Councilors can't wait for it to be finished. Several of the Councilors thanked Jill Herr for her hard work.

Councilor Gedlich moved and Councilor Bernhard seconded the motion that Council approve the carpet bid from Columbia River Carpet One in the amount not to exceed \$14,118.40 as presented. Motion passed (7-0). Mayor Burge, aye; Council President Ingham, aye; Councilor Bernhard, aye; Councilor Gedlich, aye; Councilor Judd, aye; Councilor Meres, aye and Councilor Heerwagen, aye.

Resolution 08-02, A Resolution Petitioning Multnomah County to Install Guard Rails along the Entire Eastern Side of Cornelius Pass Road from Highway 30 to Skyline Blvd

City Manager Hanken went over the staff report.

Mayor Burge explained he was mentoring Taija for her senior class project which was political activist. He explained when this accident occurred he was affected by it as well and this resolution seemed like a good way for the City to start to look at over all more then just what we are doing in the City. He stated what happens in Northern Multnomah County does effect our City. He explained he went to a Metro Regional Meeting a week and half ago because he wants to start being there to make sure our voice is heard. He asked City Manager Hanken to prepare this Resolution to have before the Council.

Councilor Gedlich explained she too has known several young people who have died on Cornelius Pass Road and she is pleased that the City is trying to do something.

Jim spoke on behalf of the family and thanked Council for the opportunity to stand in front of Council this evening. He explained the phrase often heard during the days after losing Taija by people sending their condolences is I can't imagine. He explained the reality of those words can not be more true. Until you get that phone call, see the shock on her mothers face and hear the screams of a grandmother running down a dark highway and in to our arms, until you stand looking at a wrecked car laying in a creek and a tarp covering a 17 year old girl that was sudden gone, you truly can not imagine. Until you see the heartbroken faces of 100's of her friends by candle light, tears streaming down their faces you can not imagine. Taija was 17, a student, a seeker, an activist and a community volunteer. She has vision and depth, she touched many with kindness and her smile and her loss was truly a loss to the world. She dreamed of being a special

needs teacher and traveling to Africa and changing the World. In the days after her death and idea was put forward and that idea is the reason we are here tonight. Cornelius Pass is a public danger, its terrain turns, line of sight, lack of lighting, increasing use and lack of shoulders and barricades have lead to 95 crashes in 5 years. It is rank number one in crashes on the West side and fifth over all in Multnomah County, which spans from Scappoose City Line to Lake Oswego. Estimates range from eleven to fourteen thousand commuters daily from Columbia, Multnomah and Washington Counties. Simple put the road has out grown its physical and functional designation of a rural arterial road and with the double expected usage over the next 10 years by building in Washington County a change needs to be made and made now. We ask for guard rails yes but that is only a start. A survey was done in 1997 which highlighted the exact issues concerning this road and yet with the exception of repairing a slide area and making a hair turn corner easier for commercial trucks to negotiate, improvements have not been made. Now 10 years later deaths, dismemberments, disability, and painful and costly crashes continue to occur at an alarming rate why, because there is no margin for error on this road. Tonight they ask Council to pass a Resolution to pledge their support to approving the safety of Cornelius Pass and to urge Multnomah County to take steps necessary to do so, but he asks for more in addition to signing the resolution he asks Council to pledge their resolve. You resolve to use your personal and political network to what ever end is necessary to protect the families of the residence of the community of which you serve. Thank you from the family of Taija Belwood.

Council President Ingham moved and Councilor Gedlich seconded the motion that Council adopt Resolution 08-02, A Resolution Petitioning Multnomah County to Install Guard Rails along the Entire Eastern Side of Cornelius Pass Road from Highway 30 to Skyline Blvd.

Mayor Burge explained he did receive a phone call from Senator Johnson before the meeting and she wanted him to announce that she had spoken with Senator Metsger and sounds like they are going to put together a hearing down in Salem regarding the safety of this road during the Special Session.

Motion passed (7-0). Mayor Burge, aye; Council President Ingham, aye; Councilor Bernhard, aye; Councilor Gedlich, aye; Councilor Judd, aye; Councilor Meres, aye and Councilor Heerwagen, aye.

Proposals for Airport-related Legislative Amendments (Comprehensive Plan Text Amendment CPTA1-07 and Development Code Text Amendments SCTA1-07)

Mayor Burge opened the public hearing.

Mayor Burge read the opening statement.

City Planner Brian Varricchione explained this is a proposal for amendments to the Comprehensive Plan and the Development Code. He explained these proposed amendments were submitted by Sierra Pacific Communities. The Planning Commission held a hearing on this and has recommended denial based on insufficient evidence provided by the applicant and staff also recommends denial. He explained for more detail he is going to turn it over to Frank Angelo from Angelo Planning Group. He explained Mr. Angelo was retained by the City to assist us with the evaluation of this application.

Frank Angelo went over the staff report. He explained this is a legislative plan amendment and it contains two elements. He explained the first element is an amendment to the Scappoose Comprehensive Plan to include an Airport Comprehensive Plan Designation. He explained the application itself clearly states the Comprehensive Plan Designation would apply to lands specifically near the Scappoose Airpark and that land is currently zoned public use airport with a comprehensive plan designation of industrial. He explained that if the Airport Comprehensive Plan Designation were adopted, one of the features would be to enable

residential development where the comprehensive plan Airport were applied. He explained the second part of the application is to amend the City's development code or zoning code to include a Mixed Use Airport (MUA) zoning designation. He explained this would be a brand new zone that would be included in the Development Code. He explained the applicant has proposed specific code language for the MUA zone and that is included in the application in appendix H. He explained residential would be allowed where the MUA zone was applied as a conditional use. He stated the applicant is not applying this to any specific property they are proposing to create and enable it in the City's Comprehensive Plan and Zoning Code. He explained since Council has received their staff report three other pieces of written testimony have been provided to the staff. He explained one is a transcription of October 24, 2007 comments of Daniel Clem, Director of Oregon Department of Aviation to the Port of St. Helens Commission. That information was submitted by the applicant. There was a letter submitted from David Bennett, Federal Aviation Administration Director of the Office of Airport Safety and Standards. A letter from Mr. Bennett to Daniel Clem responding to questions from Mr. Clem. The final piece is a memorandum from Kim Shade, Port of St. Helens, to Mark Greenfield that discussed residential through the fence operations at airports around Oregon. He addressed the concerns that are in the staff report. He explained the criteria does allow decision makers the opportunity to consider a substantial change in circumstances, a mistake or an inconsistency in the application of a plan designation. He explained the applicant in their application did not argue that a mistake had been made or that an inconsistency was present or applicable to their application. He explained the applicant appeared in their application to argue that there has been a change in circumstance because residential parks are a new and innovative development concept that has proven successful in other parts of the county. That was the extent of the applicant's identification of the change in circumstance. He explained the Planning Commission and staff didn't believe that discussion really rose to the level of a substantial change in circumstance that the City's criteria requires. He explained in summary based on the analysis and the application of the criteria staff found that the applicant did not meet the review standards and the Planning Commission agreed with that recommendation at the hearing in November and unanimously agreed with the recommendation for denial.

Council President Ingham asked about the Land Use Needs Analysis recommendation. City Planner Brian Varricchione replied the report was written with a 20 year analysis period. He explained the report is one step of analyzing the urban growth boundary which has not been completed. He explained you do a 20 year supply and demand assessment and increase the urban growth boundary by the amount specified in the analysis that would show what you need for the entire 20 year period. He explained that is more of the issue rather than looking at the target year, the land is meant to be brought in all at the same time.

Councilor Bernhard asked how short are we then if this zoning was to be changed and we are short on our industrial land size, how many acres are we short for the 20 year piece. City Planner Brian Varricchione replied part of that answer would depend on how large a site was proposed to get this zone. He stated at this point it is a little ambiguous but basically when the most recent set of annexations near West Lane Road was performed that did bring in approx 120 acres and that satisfied the immediate deficit for industrial land. He explained there was an identified need for sites total approx 200 acres and that has not been met.

Bruce Hugo, St. Helens, explained he works for Sierra Pacific. He explained picking up with a question that was asked. He explained quoting from the ordinance and the staff report for the annexation on West Lane Road "The City has reviewed a supply of buildable lands and estimated the demand for land to the year 2025 using stratified residential commercial industrial categories. The 2003 land use needs analysis found that the City should add more then 200 acres of industrial land to meet calculated long term needs. The deficit was 10.5 gross acres in 2003 not including a provision for large sites. Based on staff calculations that account for the 2003 deficit subsequent rezoning actions and annexation and de-annexation on West Lane, the City currently has a small deficit of industrial land of 8.1 gross acres (in 2003) not including a provision for large sites. Annexation of this site is consistent with the comprehensive

plan and would satisfy the immediate deficit of industrial land". He stated the question that Council President Ingham raised is answered in the statement "The City has reviewed a supply of buildable lands and estimated the demand for land to the year 2025". He stated what Sierra Pacific has done so far, what Council knows, is a 37-acre industrial park has been platted and recorded. Out of the 7 lots 5 are sold and the other 2 are pending. They have an additional 39 acres immediately north called Aero Business Center North. He explained the bulldozers are warming up for that. He explained Sierra Pacific has approx 30 acres fronting West Lane Road. He explained the needs analysis was done in 2003 and this is the end of 2007 so they are more then half way there.

Ed Freeman, Sierra Pacific, explained they have filed to rezone an additional 130 acres that they own in the County adjacent to the airport, they are applying to rezone that to industrial.

Council President Ingham asked when is the next process to bring to more property into the urban growth boundary. City Manager Hanken replied technically we are currently in the periodic review process. He explained there are Grants available from the State to do additional work. City Planner Brian Varricchione explained the City did apply for a grant but did not receive the funding in part because DLCD felt they already paid the City for that and we never finished the job.

Bruce Hugo explained they have been contacted by the Governors office. He explained the Governor would like to expedite urban growth boundary expansions and other things that will help economic development. He explained Mr. Denny Houle of the Oregon Economic and Community Development Department contacted him last week and would like to set up a meeting with LCDC, ODOT and Economic Development to see how they can expedite expansion of the urban growth boundary and start planning for the entire east side of the run way.

Bruce Hugo went over the five things that Frank Angelo listed. He explained if Sierra Pacific can bring in 100 acres of industrial acres in 2 years he feels they can make it by 2025. He explained he did a timeline of how they got here and frankly he is not too sure why there is so much controversy at this point. He explained the controversy is going to come when Sierra Pacific comes back to the City for a rezone of a particular property with a particular proposal for an airport residential airpark. He explained they are not going to do that until they are sure they have all the questions answered with the FAA, the Port of St. Helens, with the City of Scappoose, with ODOT, DLCD, and everybody else. He explained all they are asking Council tonight is to please adopt the zone so they can start that conversation with all those people. He explained the City of Scappoose received a letter from the Port of St. Helens' attorney Mark Greenfield on October 2. Earlier that morning on October 2 Jon Hanken called him and asked him to come visit with him and the topic was where is the Port on this application; are they going to support it? He explained the original idea was to be a co-sponsor on a joint application. He explained to City Manager Hanken that he hadn't heard and he didn't know what was going on maybe Mr. Freeman knows. City Manager Hanken called Mr. Freeman and Mr. Freeman reported that the day before he had called Mr. Meyer the Port's Executive Director and set up a meeting for October 3. He explained at 4:45 p.m. on October 2 the letter came in opposing it. He explained they had no notice they had even discussed taking a position. He explained they didn't do it at a regular meeting they did it at a special meeting because of the conflict with some of their members, they did it in executive session, there is no records of the minutes and they didn't notify Sierra Pacific. He explained Sierra Pacific submitted the application to the City and the Port on April 9. He explained on April 11 he went to the Port's regular meeting to make sure they received the application and he wanted to get everyone together to review the application. The Port Commission appointment was with Commissioners Tetreault and DeShazer, Airport Manager Kim Shade and one member from the advisory board to meet with City Planner Brian Varricchione, and Sierra Pacific's contract planner from OTAK to go over the application. He explained that meeting was set for April 20. He explained the written comments came from the Port's attorney Mark Greenfield on the 12th, which was very

helpful, unfortunately nobody from the Port was at the meeting. He explained the meeting went on with OTAK and City Planner Brian Varricchione. He explained there were some changes made due to suggestions from Mr. Greenfield they were incorporated and sent back to the Port. He explained on June 22 they actually had a meeting with staff but no Commissioner. They agreed to most of the amendments. The Port wanted final say on land use and they had to remind them that the City is solely responsible for land use. He explained the amendments came out the first part of July and to this day they never heard back about those amendments. He stated when people talk about lack of coordination it is really a sore point with Sierra Pacific. He stated all they are asking of the City tonight and they hope Council will take action, is put the zone in place and maybe the Port will talk with Sierra Pacific. He explained airport will not be an inhibitor it will be an asset. He explained people who own aviation companies are normally pilots. He explained they like the idea of having their own airplanes and they don't mind the noise. He explained it would be nice as another option of their marketing plan to be able to promote people locating their company with the offer a residential adjacent to the airport where they would be able to walk to work. He explained as far as economic development, he knows of CEO's that fly and have asked Sierra Pacific how much are the lots going to be, how big are they going to be and when are they going to be ready. He explained that will be an asset for aviation related businesses. He explained the letters from FAA and Washington D.C. would be more appropriate if Sierra Pacific had an application before Council to build airport residential. He explained all they are asking Council to do now is put the zone in place so they can find out if they can do it. He explained the real fight is between the State of Oregon and the FAA over Independence Airport. He stated one thing that is for sure is Sierra Pacific is caught in the middle between several different groups: FAA, ODOT, etc. He explained the City of Scappoose has exclusive zoning authority over the airport because the airport is in the City. He explained the Port of St. Helens has got to come to understand that it has to be a partner with the City just as Sierra Pacific has come to understand that. He explained the City needs the Port, the Port needs the City and Sierra Pacific needs us both. He explained together we have got to start working on some things because the big opportunity for all of us is on the east side of the runway. He stated if you are going to manufacture airplanes you need more then 200 acres. He explained in 2003 when the Airport Master Plan was being drafted there was a big issue over the Port including private residential property as targeted for future acquisition. The property owners were not amused because that devalued their property. He explained at that meeting Mr. Watson of the FAA attended and helped address these issues. He explained Mr. Watson said at that meeting the reason why the FAA doesn't support private property being allowed access to public airports because 9 out of 10 private access developments are faulty. He wants to know who the one is that isn't faulty. He stated he feels it would be more help to the City, Sierra and the Port if the FAA would tell us what makes a good development but instead of that they decided to threaten withholding funds. He stated they obviously have some criteria in order to make that statement and Sierra would like to know what that criteria is. He explained another point Mr. Watson made was between 1977 and 2002 the FAA has provided the Port of St. Helens with nearly 4.3 million dollars in airport funds. He stated that is an awful lot of money and he doesn't mean to minimize that. Sierra Pacific has spent much more then that in the last 2 years. His point in that is that they are both investing in the area and Sierra wants to protect that investment as much as anybody because that is a lot of money. He stated the sewer lines, the storm water lines and streets are all private investment, no public money. He explained they hope to make a reasonable return on the investment and reinvest in the community and that is another reason why airport residential is important to them, they have identified a market, there is a demand. He explained frankly the profit that can be made from the residential airport could help Sierra build the Crown Road further out and then to the Myer Site on the east. He explained to start this whole process going Sierra Pacific is asking Council to adopt a Mixed Use Airport zone so they can sit down with everybody involved and see if they can make it work, if they can't make it work they won't be back.

Ed Freeman stated he would like to thank the Council for allowing Sierra Pacific this opportunity to present these text amendment applications. He explained there was a question earlier regarding how many acres is

this going to impact and how many more acres are we going to need for industrial. He explained this particular issue before Council tonight doesn't impact any acres it doesn't take anything away from industrial or add anything to residential all they are asking Council to do is create a new tool to put in the planning tool box for the City of Scappoose, and they wouldn't use it until they can come to agreement with the Port and the FAA. He is not sure why the Port is here tonight to object to this because they are not asking to apply this new zone to any piece of property.

Aron Faegre, Portland, explained he is an architect, civil engineer, and airport planner. He explained he has worked on projects at the Scappoose Airport for approximately 15 years. He explained the idea of airport residential is not new there are a good number of airports around the State that have them. He explained his own opinion is the FAA model for these small airports is just way outdated. He explained as a planner, as an architect, and as an engineer, the issues that are being discussed are all solvable, there is no enormous problem here. He explained he brought some copies of the Urban Land Magazine and there is even an article that really highlights the things we are doing in Oregon with these public/private partnerships. He explained it really focuses on Scappoose Airport, so the airport is even getting National attention as a leader in finding ways of using these airports for jobs and creating innovative places.

Council President Ingham asked Mr. Faegre if he has proof or is there any proof out there that FAA has ever pulled funding or grant monies from any airport that has done a residential airport? Mr. Faegre replied at one of the Port meetings Dan Clem who is the Director of Aviation for the State testified at one of their meetings that he went to the FAA office in Seattle where the funds come out of for Scappoose and asked that question specifically to the staff that would know and they called headquarters and checked and to their knowledge they said no airport had ever been denied funds. He explained the Port references the Afton Airport in Colorado and they reference a reprimand letter from the FAA that says we are going to take your funding away. He explained he researched this a little more and discovered the park is all there and it has been approved by the FAA.

City Planner Brian Varricchione read from the copy of the letter dated December 12, 2007 from the FAA to Mr. Clem. He read where it states in cases where the full public benefit is not achieved or is undermined by violations of the federal obligations, the FAA may discontinue federal funding and has done so. In certain instances, the FAA has chosen to not fund airports that promote residential airport development when it undermines the utility of the federal investment and is not in compliance with the airport's federal obligations. Bruce Hugo explained that is the reason Mr. Clem went to Renton, Washington asking them to show the policy to hold money back because that is a "may," "may withhold."

Councilor Gedlich feels the citizens of Scappoose voted in the property based on it being for economic development to create jobs and that is her biggest concern.

Mike Dennis, St. Helens, explained he owns Oregon Aero. He explained they do different kinds of manufacturing of hundreds of different products and they have between 75 and 80 employees. He explained they have made investments in millions of dollars at the airport. He explained it has been suggested there will be negative ramification if there are some sort of housing developments out by the airport. He feels the perfect mix is having the airport residential versus jets that are running sitting next to residential. He explained if this were to happen he would buy property and build a house. He stated this is a really attractive community. He explained he gets asked all the time if there is an opportunity to build business at Scappoose.

Jim Vaneck, Scappoose, owner of Sport Copter, explained they manufacture aircraft. He explained he recently got a letter of intent for 25 aircraft and because of that they will be hiring 30 additional employees. He feels the mix of housing and light industrial would be a great asset. He feels a buffer zone of airport

residential would be good buffer between the airport and existing residential. Councilor Meres commented that the noise would carry if the planes are brought close to West Lane for the new houses. Councilor Gedlich inquired if people would have to be wealthy to live there.

Mark Greenfield, Portland, attorney representing the Port of St. Helens and the Port Commissioners. He introduced President of the Port Commission Robert Keyser, Commissioner Cliff Tetreault, and Commissioner Terry Luttrell, Port Executive Director Gerry Meyer and Port Operations Manager Kim Shade. He explained he has been representing the Port since 1992 and has also worked with the Department of Aviation on several different projects. He explained Sierra Pacific has asked them to adopt a new plan designation and a new zoning that would authorize the creation of a residential airpark with through the fence access to the Scappoose Airport. He explained the Port is not opposed to Sierra's efforts to encourage and promote commercial and industrial use at the airport; the Port's concern is with the residential element. He stated there are both legal and policy implications to what Sierra Pacific is proposing. He believes the amendments that are being proposed cannot lawfully be approved at this time. He explained the applicable law is in ORS 836.640. He explained because the Scappoose Airport is a designated through the fence pilot site through this Statue, therefore proposals affecting the Scappoose Airport have to comply with the Statue then they have to comply with rules that the Oregon Department of Aviation has adopted consistent with the Statue. He explained the Statue defines through the fence operations as "A customary unusual aviation activity that "A" is conducted by a commercial or industrial user of property within an airport boundary and "B" relies for business purposes on the ability to taxing aircraft directly from the property employee for the commercial or industrial use to an airport runway". He explained the Statute provides that the purpose of the through the fence pilot program is to promote economic development by creating family wage jobs by increasing local tax bases and by creating financial support for rural airports. He explained there is nothing in the Statue that addresses residential development. Because Scappoose Airport is a pilot site under the Statue they believe under the terms of the Statue residential through the fence access is not an available option. They don't feel Council can lawfully approve it. He stated economic development is the Port's mission so they feel unless the Statue is amended to specifically authorize residential it requires a denial of the application.

Cliff Tetreault explained a couple of years he seems to have directed the Port to some extent in this direction. He explained after several discussions on this issue the Port decide to place some language into their Master Plan and he read that language. He explained the Port didn't realize they needed to go to FAA first. He explained the Port has also had some turnover in the management. He explained they heard directly from the FAA staff they cannot do this, it is not compatible. He explained in return for complying with those rules and regulations the Port is funded 95% of any land they acquire adjacent to the airport. He explained there is a flow of money that is coming in from FAA. He explained he was able to set up a meeting with FAA in October of last year and there were a couple of Directors from FAA at the meeting along with Kim Shade, Gerry, Colleen DeShazer and Dan Clem. He explained they heard directly from the Seattle FAA staff you cannot do this, it is a non-compatible use, you are jeopardizing your funding. He explained in November of last year they realized they needed to suspend the language pending further investigation or revision of the Master Plan. He explained their concern is the loss of Federal funding. He explained they also talked to Compliance Director of FAA from Washington DC and he said they are hearing the same thing that this is a non-compatible use. He explained the Port is no longer supporting airport residential. He explained he thinks the Port's concern is the focus has strayed from Scappoose Industrial Airport. He explained the Port Commission is asking the Council to consider long term development at Scappoose Industrial Airport. He explained the Port Commissioners don't feel at this time a short term financial gain for the developer regardless to how the funds will be used warrants compromising the potential at the airport. He explained the airport is taking all the risks with little or to no gain. He explained if federal funds are withheld the developer says "oops, there is a mistake" and the airport is stuck with the consequences. He explained it is not a risk that the Port should or is willing to take. He stated if we

go with residential the Port will run the risk of losing the funds from Federal Government, funds that are used for operations and management at the airport.

Councilor Gedlich asked how many years has the Port received \$173,000 from the FAA, why it hasn't increased, what the Port has done with that money and what future uses the Port is going to do with that money.

Council President Ingham moved and Councilor Gedlich seconded the meeting to extend the meeting to 10:00 p.m. Motion passed (7-0). Mayor Burge, aye; Council President Ingham, aye; Councilor Bernhard, aye; Councilor Gedlich, aye; Councilor Judd, aye; Councilor Meres, aye and Councilor Heerwagen, aye.

Kim Shade, Operations Manager, explained since 1977 the Port has received over 4.8 million dollars in grant funds. She explained a lot of the projects they do with the money received is taxiway sealing, over coat, they have extended the runway, they have acquired property for future development. She explained the Port's next project will be the business park.

Mayor Burge recessed for a break at 9:00 p.m. and reconvened at 9:10 p.m.

Mark Greenfield explained the Port is fine with having private industrial development at the airport. He explained the mission of the Port is to encourage more family wage jobs. He explained the Port's concern is the loss of funding and the fact that the incompatibilities that are posed by residential may actually undermine and harm the Port's ability to attract this kind of development. He read over a letter from Charles Earhart who is the manager of the Compliance Division for the Federal Aviation Administration. He stated what this letter shows is incompatibility is not limited to issues like kids or dogs running on to a runway it goes a lot deeper than that. He explained it talks about how the FAA is opposed to development of residential airports on federally obligated airports, which Scappoose is one. The letter states "A federally obligated airport must ensure to the best of its ability compatible land use both on and off airport. An airport sponsor will not be successful in defending its airport from incompatible residential development if the sponsor is also promoting residential airports on or next to the airport. A residential dwelling with an attached hanger is still a residential dwelling and once introduced can lead to additional residential encroachment. FAA does not oppose residential airports at private use airports. Private use airports are operated for the benefit of the private owners and the owners are free to make any changes to the airport operation including imposing restrictions on aeronautic activity. A public use airport receiving federal financing assistance is different, it operates for the benefit of the public and in no way should become subordinate to the private interest of airport residents erecting residential structures whose value is tied to the airport. The two interests public and private are not compatible in this case."

Mr. Greenfield explained one of the big concerns the Port had earlier on in this looking at the draft CC & R's, in his opinion, they essentially would take control of the airport away from the Port and put it in the hands of Sierra Pacific, just by the way they were drafted. He explained the November 7th letter from Ann Crook, who is the former Director of the Oregon Department of Aviation which is in the record, acknowledges that there has been a surge of enthusiasm for residential airports with through the fence access in recent years because pilots like this lifestyle. He explained we are not here to disagree with what you hear from a couple of pilot tonight that they would like to live there. He explained the letter from Ms. Crook confirms their point that there is a strong supportive relationship between residents and the airport but she says this is true so long as the airport serves primarily the desire of its residents, but a public use airport must be available for all aeronautical users. He read from the letter "Residents of an airport take a personal interest in preserving the airport for their own use. These personal preferences can interfere with future industrial/commercial activities. To be more specific, I have received noise complaints from residents of an airport when the aircraft noise was at the time of day or from a type of aircraft not

consistent with the usual aircraft associated with the residential development. Similarly, residents of an airpark have opposed proposed expansion to accommodate jet traffic which was being considered to support the need of local businesses.” He explained he thinks he has heard even tonight that jet traffic may be encouraged at this airport. He read more from the letter “In this case, the airpark residents were concerned about the ‘nature’ of the airport changing from the primarily residential use which they enjoyed. It will be argued that these types of issues can be addressed through avigation easements and CC&R’s. But even with very well-written documents the Port of St. Helens should expect to invest an extreme amount of effort in managing residential home owner concerns and in continuing to recruit new business against the backdrop of these types of residential objections.” He explained the incompatibility issue gets down to the fundamental nature of the airport. He asked is it industrial or is it residential and what the letter is saying is it can’t be both. He explained the Ports Airport Manager Kim Shade took a closer look at the nature of the airports in Oregon which have been identified by the applicant as allowing through the fence residential. They wanted to see if the applicant did a fair “apples to apples” comparison but what they found out it was really “apples to oranges.” He explained there are five airport categories in Oregon. He explained the highest is category one that is type of airport you would have; an example would be Portland Airport, the lowest is a category five, being a low activity generator airport. He explained Scappoose is a category two. He explained category two are businesses or high activity, general aviation airports with over 30,000 annual operations. He explained Scappoose has over 75,000 annual operations. He explained of the 23 airports that have through the fence residential all are category four and five. He explained category five is less than 2,500 annual operations. He explained category four is over 2,500 operations. He explained category three is under 30,000. He explained so you are talking about the smallest airports; Independence, Sunriver, Creswell, Sportsman, they are all category four airports; community general aviation airports. He explained they are not airports that are aimed at attracting business for a high level of general aviation.

He also wanted to bring to Council’s attention to the letter dated December 12, 2007 that David Bennett, the Director of the Office of Airport Safety and Standards for the FAA in Washington D.C., wrote to Dan Clem, the director of the Oregon Department of Aviation. He explained the letter says that through the fence residential at private airports is fine but that the FAA will not allow residential airparks at Federally obligated airports, even category four airports, because a public use airport receiving Federal financial assistance and he quoted “Is operated for the benefit of the public, and the public interest should in no way become subordinate to the private interest of airpark residents. The two interests, public and private, are not compatible in this instance.” He explained he adds residential airpark residents with a financial interest in their homes are no different than residents without airplanes. Both seek to preserve one of their most valued possessions, their home and the quality of life while at home. Airpark residents may seek restrictions on the operation and future development of the airport to preserve the investment in their homes and a quiet home environment. Such restrictions may undermine the federal investment that was made to provide access for all current and future aeronautical users. He explained Bruce Hugo brought attention to this letter where it states in cases where the full public benefit is not achieved or is undermined by violations of the federal obligations, the FAA may discontinue federal funding and has done so. He explained Mr. Hugo emphasized the word “may” but he doesn’t know that he mentioned the words “and has done so”. He read the next sentence in the letter that states “In certain instances, the FAA has chosen to not fund airports that promote residential airpark development when it undermines the utility of the federal investment and is not in compliance with the airport’s federal obligations. He feels they have made it clear in their letters that airport residential here would not be in compliance with the Ports Federal obligation. He explained the FAA, as Cliff has mentioned, threatened to eliminate federal funding for the Port if airpark residential is approved here. He explained the Port takes this warning very seriously as the FAA provides about 95% of the Port’s funding but that is not the only reason why the Port takes this very seriously. He explained the Port believes that a residential airpark would impede its ability to sustain and expand economic development. He explained you have heard some folks here tonight say well they know some other pilots who probably like to establish businesses here. He explained we have heard them say quite

clearly that they established their business here without having an airpark here. There is interest in establishing different businesses here. He explained the airpark that Sierra Pacific would build would benefit the private property owners, it would not benefit the public. It does what is best for Sierra Pacific as a business and he thinks what it really does is provide them seed money and he doesn't believe providing them seed money is a good reason to put an incompatible use next to an airport. He explained it doesn't do what is in the best interest of the Port, it doesn't do what is in the best interest in the larger public interest that the Port represents and that the Port needs to protect. He explained in addition to all of this there are a number of reasons, many reasons set out in the staff report why this application should be denied. The Port supports those reasons and agrees with those reasons. He stated we would bring your attention especially to the findings under transportation Goal 13 and transportation policy 11 which talks about working with the Port to achieve Port objectives. He explained there is an issue of coordination with Goal 2, this would be a plan amendment. Goal 2 requires that plan amendments be coordinated with State and Federal Agencies and coordination is defined as accommodating needs as much as possible. He explained he would say that the FAA has been absolutely clear on this and he thinks this would be absolutely in violation of the coordination requirement to accommodate their need. He explained in summary a residential through the fence may be a good policy for some airports, but it doesn't make sense for an airport with 75,000 operations right now and is likely to grow with businesses in the area. It doesn't make sense to have the conflicting use there. He explained the Port doesn't think it furthers the City's interest in economic development. The Port thinks it is inconsistent with the reasons why the City annexed this property, which is for industrial development purposes. He explained bringing in houses does not bring in sustaining family wage jobs to the airport and housing can go elsewhere in this City. He feels it is important that the City preserves the land near the airpark for airpark industrial development. He stated this is an industrial airpark.

Mark Greenfield wanted to respond to a number of the comments that were made. He explained Bruce Hugo mentioned that they may be coming in to seek rezoning for the Meier's site. He explained he doesn't think the argument that pilots would like to live here is going to fly because that kind of a market demand has never been a basis to justify the exception. He explained if it is an urban growth boundary expansion again you are going to have to justify why you are bringing in more residential development and he feels that will be a very difficult thing to do. He explained we have heard them say this is simply just allowing the opportunity for a zone change it is not making a zone change for this use at this time so maybe we can work things out with the FAA and the Port. He feels it can't be any clearer than the FAA has been in the letters, this is not going to be negotiated out with the FAA. He explained that effort was made we saw the result when Dan Clem wrote his letter, it was an emphatic no. He explained secondly we know where they want to put it. They want to put it next to the airport, they are calling it an airport designation and mixed use zone so we know it is going to go near the airport, so it is not going to eliminate the incompatibilities that we've identified. It will happen, whether it is on the west side or whether they decide to put it on the Meier site or if they do both sides, it is going to happen. He stated Bruce said that the Port needs to be a partner with the City. He explained the Port already considers itself to be a partner with the City. He explained the Port wants to work with the City to encourage economic development but the Port feels that residential development is not in the best interest of the airport and therefore not in the best interest of the City. It is in the best interest of the developer. He explained Ed Freeman said this is just a new tool for Scappoose and it has not been applied now so why does the Port question it. He replied the Port does question it because it will be applied next to the airport. He stated why adopt something saying "gee we may never use" it if in fact you may never use it. You should adopt it only if you intend to use it and you shouldn't adopt it prematurely. He explained if Mr. Freeman is saying we will try to work things out with the FAA, Mr. Greenfield feels they should do that before they adopt it and if you can't work it out you shouldn't adopt it. He explained there was a comment made by he believes Aron Faegre about the Afton case saying he is not aware of any circumstance where the funding was pulled and thinks that hasn't happened. Kim Shade explained on the Afton Case she did speak with FAA representatives. She explained the FAA did pull the funding and then there is an arbitration process they go through and they do a

negotiation and the outcome of that is they will not do any more residential development or they won't receive any more funds. She explained they ended up receiving the funding they had requested after this process, it was a long process and it was costly. He explained he heard Bruce Hugo say if they can bring in jobs they can bring in jets. He would simply say jets are going to bring in more noise and if you are going to bring in more noise you are going to have exactly the kind of problem that Ann Crook said "the people who live there may like the noise in terms of what it is now won't like the noise in terms of what it will become with the jets". He explained Mike Dennis from Oregon Aero talked about bringing in more jobs, needing all of this land for his business and probably wanting more land as well for his business and he is saying that without the people living there already. He stated this is going to happen without those folks living there and those are the opportunities you want to maintain and keep at the airport. You don't want to convert the lands next to the airport to residential use. He stated he thinks Jim Vaneck had similar comments about expanding his business and again he points out this is happening without a residential airpark. He stated you don't need to live at the airpark to work there.

Cliff Tetreault explained what the Port has done in the past year to recruit businesses for the airport. He explained the Port has kind of gone through turmoil with their staffing and they replaced the Deputy Director position with a Marketing Manager. He explained so they are now actively marketing these properties and following up on leads. He stated it wasn't happening before but it is happening now.

Mayor Burge asked about the suspended language on the Airport Master Plan, was that forwarded to the City? Cliff Tetreault replied he does not know. Mayor Burge replied it is his understanding that the Master Plan is incorporated within our Master Plan which is the master plan. Cliff Tetreault explained it should have been forwarded.

Mark Greenfield explained that is under the Department of Aviation Rule for Through the Fence Pilot Sites; all development that occurs within the Pilot Site becomes part of the airport boundary, subject to the Airport Master Plan. He stated the Airport Master Plan must be approved by the FAA and the FAA have said they will not approve this. He stated we need to ask do you really want to be approving something that is going to require a master plan amendment the FAA will not accept. They think the FAA is clear here. He explained all the risk is here with the Port and it is not a risk the Port wants to take and it is not a risk the Port feels is worth taking.

Councilor Heerwagen asked Mr. Greenfield to explain why residential airpark is not in the City's interest. Mr. Greenfield explained he thinks it is not in the City's interest for several reasons. He explained first of all it is going to convert land that is available for industrial development to a residential development. He explained the industrial development will pay taxes to the City and over long term will have relatively small demands in terms of services. He explained the residential in terms of economic development while it is being built there is economic development, but after it is built there is no more economic development. He explained the jobs created with residential are only for a short period of time. Secondly he doesn't feel it is in the City's interest if there is a potential for the use there to interfere with other uses or discourage other uses from locating at the airport. He feels it is in the City's interest to maximize the potential of attracting industrial development to the airport. Third he feels the City can put residential in other locations where you can avoid the incompatibility, you have already done that, you have planned in a way that separates residential areas from the airport and industrial areas. He thinks that makes a lot of sense. He stated the people at the FAA who are the experts, the former Director of the Aviation who is not with the FAA but is also an expert is all telling us the same things and we respect what they are saying and believe it.

Council President Ingham asked Cliff Tetreault if the Port Commission has ever entertained or had a presentation from Sierra Pacific regarding this application. Cliff Tetreault replied we had some

presentations but they haven't had anything geared to the particular request for which Council is conducting a hearing. Council President Ingham asked when was this application originally filed. City Planner Brian Varricchione replied it was actually in April but the application was deemed incomplete at that time for a variety of reasons and then the subsequent version was received in August. Council President Ingham asked Mr. Tetreault if he was aware this application had been made. Cliff Tetreault replied he was and he talked to Bruce Hugo about the Port coming in as a co-presenter for this. Council President Ingham stated there was one point that Cliff Tetreault brought up in his presentation about a discussion with Sierra Pacific regarding protection at the airport so that opportunity has not come up with the Port and Sierra Pacific. Mark Greenfield explained when Sierra Pacific's application first came in he wrote some detailed comments, which he believes were made available to Sierra Pacific saying these are all the concerns he has if residential went through. He explained it included things like lots size, because the Port felt at that time, and this is before Cliff Tetreault had his discussion with the FAA and the FAA came out with their letters, the Ports feeling was there should be a minimum 2 acre lot size. He explained DLCD says no there should be 6 ½ or 7 units to the acre instead of 1 unit on 2 acres. He explained they talked about having all the hangers on each individual lot. He explained they talked about all sorts of things in the letter regarding the CC & R's and the response was to his knowledge they never talked with anyone at the Port about that they simply came in with the revised document that changed a few things but mostly left the rest of it all the way it was.

Councilor Bernhard thanked the Port and Mr. Greenfield for coming forward. He feels they have made some very valid points and he appreciates that. He explained most of his questions have been going toward economic development, very similar to what the Port's goals are and what they are looking for at the airport. He asked what kind of economic development the Port has been involved with over the past 5, 10, 15 years or so and what the Port has actually brought to the airport. He explained when we are talking tonight with Sierra Pacific they are seeing obviously possibility of economic growth. Cliff Tetreault replied their attentions have been skewed. He explained they have been doing a lot of North County Port Westward side; the PGE Plant, the ethanol plant is coming in, they are dealing with Bio-diesel coming in. They have put a lot of energy into that site. He stated at this point they realize they need to divert energy down here. He explained they have a marketing director that is working to get businesses here on their properties. Councilor Bernhard asked but what has the Port done in the past. He realizes the Port is gearing up now but what he is hearing from him unfortunately right now is that "no we haven't done much now we are ready to," is that correct? Cliff Tetreault replied "yeah I think you got it." Kim Shade explained the Port has participated in different programs right now which helps encourage private development out at the airport. She explained they have had meetings at the Barnstomer trying to get the cluster concept going with the Oregon Economic and Community Development Department. She explained one of the struggles for the Port is they don't have a lot of land, they need to lease land at the airport because FAA has funded that. The Port of St. Helens cannot sell land, so their land is leased. She explained a lot of their tenants are beginner businesses and they can't afford to buy property. She explained what the Port's goal has always been, and she went back to check in to it regarding Industrial Airport, clear back to 1988 the Commission was talking about economic growth at the airport and if you have seen pictures of the airport from back then to now you can really see the growth. She explained the airport was purposely named Scappoose Industrial Airport by the Commission so that they could try to get economic development out there and make it an industrial airport job creation and so forth. She explained unfortunately the Port hasn't done a lot of marketing in the last few years but as the business park gets developed and we do have land available there is about 20 acres the Port could sell over there, things are going to change and it has changed. She explained Oregon Aero is a major success for the Port and they are really happy that they are able to move and buy land. That is a great story that they started as a small business and grew and they can now afford their own property and that is what they have been wanting to do is help people get started.

Councilor Bernhard asked Mr. Greenfield about the comment made that this could contract development industrial economic growth out there by possibly bringing in a residential airpark. He explained from what he is seeing on the other side is that this could actually spur on growth instead of deterring growth or contract growth. He asked him to elaborate a little more on how he honestly believes this could contract growth and put us in a spot were we are not growing any longer because he is seeing just the opposite of that. Mr. Greenfield replied he doesn't think from what we heard that people have to live at the airpark in order to bring economic growth to the industrial airpark. He explained other people who said they would like to live there, don't have to live there it is a preference but it is not something that is essential for the growth to come in. He explained if people are attracted to the area and they like Scappoose and they like the proximity they can come out here and they can establish their business here and we want to have opportunities for them and we very much support what Sierra Pacific is doing in that regard. He explained in other words he feels you can separate industrial development from residential development. He explained you don't have to have the residential in order to get the industrial. He explained there are some industrial uses that may be uncomfortable with the fact that people who live in a residential area have direct access to the airport through the fence. He explained if you want to have security you can't block those people off because they have direct access and this is a concern and some of the uses may be very concerned that residents can just get on to the airport.

Councilor Bernhard stated early on the Port was in favor of this before talking to the FAA. Cliff Tetreault replied the Port was open to the idea. He explained the Port was supportive if certain conditions could be met. Councilor Bernhard explained his concern was that Mr. Greenfield made a comment that CC & R's could be a problem those types of things but yet what he goes back to unfortunately is the Port at one point was actually in support of this and now you are saying you are not because of the FAA or is it other items. He stated it sounds like the FAA came in with their big stick and said you know what we are not going to give you your average of \$173,000.00 a year, that to him sounds like that is the key issue right there and that incorrect. Cliff Tetreault replied he is speaking for himself and yes that is his main concern. He explained we have a federal sponsor for the airport saying you can't do this and he feels at this point and time they took a stand two years ago and they said yes they want to be supportive of this enterprise but that was in ignorance. He explained the Port really didn't understand what FAA's policy was. He explained they then researched it and talked to those folks, they corresponded with them and it is pretty clear to him what their stand is. Councilor Bernhard explained he keeps on going back to the \$173,000.00 on the average, maybe that is an incorrect assumption on his part, but he goes back to is because he starts asking the possibility of economic growth associated with an airpark, in his point of view, could bring in enough income and growth for the area in the community that the \$173,000.00 average per year doesn't mean swat. He is wondering if we are getting to the point to where are we looking at a developer, Sierra Pacific, that can bring in enough economic growth, economic development to this particular area. He asked does it actually overstep what the FAA could bring to the table. Cliff Tetreault replied he doesn't know he hasn't seen that penciled out. Robert Keyser, Port Commission Chair explained he agrees with what Councilor Bernhard is saying and that thought was crossing his mind tonight. He thinks the distinction is that you're equating the FAA money with economic development. He thinks this Commission would probably be very receptive to tell the FAA thanks but we can do it on our own privately but he doesn't think the residential component is what is triggering any of the economic development. He thinks we will get it with out it. He thinks if the FAA was in conflict with commercial industrial development we would certainly consider just using the fees and the tax revenue that comes from that type of development would easily take care of it. They just don't feel residential will and they do feel it is a hindrance even with pilots that told Council they would like to have one. Councilor Bernhard thanked Mr. Keyser and said he appreciates that.

Councilor Gedlich has a concern because she heard someone make the comment in the last several years that the Port really hasn't done a whole lot of things in the Scappoose area. She asked why has it taken the Port so long to deal with these issues that all of the sudden just come up working with other

intergovernmental agencies. She explained the reason why she is asking this is because she has had a lot of experience with the Port, not only on this body but when she worked for the City. She explained it was like all of the Port's monies and energies were outside the Scappoose area and then all the sudden things started happening in our area and she is not sure where the communication gap got lost. She explained she is a little concerned about the thousands of dollars that Sierra Pacific has brought to our community and the citizens voted to annex the property for economic development. She explained her concern has been for months is the incorporation with different agencies that we don't know enough information, we have pages and pages here that talk about compliance of land use or noncompliance and her concern basically is economic development. She asked if he could tell her who and how long you are going to work with your marketing department and tell her they can bring in a lot of jobs within the next two years. Cliff Tetreault replied he guesses he can't tell her that but he knows that the Port has a marketing manger that is working on that and he can't tell her what is going to be here a year or two from now. Councilor Gedlich explained she has a real issue with for years we haven't done anything with the Port and the Port hasn't done anything in our community and now all of the sudden we are being asked to do some changes or not do changes and this body is more worried about job creation. She doesn't care if there are 10 houses out there or 100 she doesn't care if it is next to the airport. She is worried about the citizens in the community that are hoping for jobs from the Port and what is being done. Mr. Keyser replied as the Chair of the Port Commission and having been a Port Commissioner for a little over three years that was his question. He explained he thinks this Commission has said for the last couple of years we need to concentrate on large scale high value wage jobs and those are best going to be created by developing the Port Westward Energy Park Site and developing the Scappoose Airport and why aren't we doing that. He explained since then there has been a new Port Commission, many new staff members and that is their mission. He hopes it never changes, elections change, people change, but this Commissions priority will be Scappoose and Clatskanie, The Port would like to acquire a large industrial site in St. Helens, he feels that is needed also. He thinks the Port is transitioning from a small rental management company to industrial developers. He explained they don't think they are the only ones who can do it either; they don't disagree with Sierra Pacific and all the development except the residential. He explained we wish them the best. He explained granted communications aren't the best between us and he hopes they can fix that, if not they can still do it with out the Port, he hopes that doesn't have to happen. He explained he thinks they are key to the future here, them, Oregon Aero, several others. The Port plans to work hard on it and that is their priority and you are right it hasn't been.

Mayor Burge asked Mr. Greenfield that he believes that if Council didn't pass this setup it could not be lawfully implemented yet, the proponent specifically cited the Newberg airport he believes it was as an example of someone who already has this in their toolbox of planning tools. Mr. Greenfield replied Newberg is not pilot sites, so Newberg is not subject to this law, he thinks that is the simple answer. He explained his comment about Newberg is that it is a category 4 airport which is a very small airport compared to Scappoose in terms of its annual operations.

Councilor Bernhard discussed the pilot piece, he wants to make sure he is getting terminology correct. He stated when he thinks about a pilot he is not thinking about someone flying a plane he is talking about a test program. Mr. Greenfield replied yes, they call is a pilot test program. Councilor Bernhard replied a test program, in his private world, is something that can change, that is not for sure, that it is just a test and how long has this test being going on and can it change to where it can involve residential airparks. Mr. Greenfield replied he thought he answered that but he will try again. The pilot test program has been going on since 2005, that is when the Statute was adopted. He explained it is limited currently to commercial and industrial, residential is not part of that for through the fence, it is not authorized under that Statute. He stated can it change, yes if the Oregon Legislature chooses to change it. He explained whether the Oregon Legislature would do that in the face of what you see for instance from the FAA and their letters he doesn't know if they would or not. He is not sure if they would want to pick that fight.

Mayor Burge stated one of the things Mr. Greenfield said is in the incompatibility but if you look at the Scappoose Airport and development to this point up to Crown Zellerbach Road where it is not developed everything on the south side of Crown Zellerbach is residential, everything on the other side was planned on light industrial. He stated it sounds like what some of the proponents were saying is that some of this would provide a buffer between that residential and this airport related light industrial. He stated to him at any point given that kind of option he kind of leans to having some sort of buffer verses having the airport related light industrial right against people who live and have been living there for 20 ~ 30 years because that is where you get into those noise complaints and problems. Mr. Greenfield replied the closer you are to the airport the louder the noise is. He explained they have noise contours and in fact he thinks if he recalls correctly from some of the comments that are in the record at least a portion of the Sierra Pacific site is within an area that would violate the noise contours and would not be permitted under State Law. He explained another portion of it he thinks it is between 55 and 65 decibels and that is an area where it is recommended that you not have residential. He explained he thinks the argument you are hearing is we are residential but we are pilots and we are not going to complain about and because we are not going to complain then that creates a buffer don't really think of us a residential like you would for residential being occupied by non-pilots. He explained all he can do is go by what he reads in the letters that say the pilots because invested in their residences and it may be fine for the current level of noise that is at the airport but when you get a business that wants to have a jet and that business wants to locate here and they find out they are going to be arguing because the jet is going to make more noise and they are going to say we don't want more noise, then you have a problem.

Council President Ingham moved and Councilor Bernhard seconded the motion to extend the meeting until 11:00 p.m. Motion passed (6-1). Council President Ingham, aye, Councilor Bernhard, aye; Councilor Gedlich; aye, Councilor Judd, aye; Councilor Meres, aye; Councilor Heerwagen, aye and Mayor Burge, nay.

City Attorney Cindy Phillips explained she was concerned about a part of the staff report that seemed to indicate and she hasn't heard mention of it tonight so she thought that Council would probably need clarification on this before you go further. She explained there is a part of the staff report that refers to the language that is being suggested for this mixed use airport zone and it talks about prohibited uses. She explained those uses appear to be in conflict with ORS 836.616 but she hasn't heard anybody mention that tonight so perhaps that language has been changed.

Mr. Greenfield explained there are certain uses that the Statute requires be allowed in airport zones that the proposed zone does not allow. He explained the proposed zone expressly prohibits emergency medical flight services, law enforcement, fire fighter activities, search and rescue operations, crop dusting; those are the major categories that are required by law to be in the zone and that are not in their zoned as proposed. Ed Freeman replied they have no objection to those being included he thought they were resubmitted and included. Mr. Greenfield stated that would raise a question on their part what else did Sierra Pacific intend to put back that they didn't.

Councilor Gedlich asked City Planner Brian Varricchione to give a brief scenario of what the compatibility with public use airport safety and compatibility overlay zone means. City Planner Brian Varricchione replied in essence this means that the City currently has an airport overlay zone that restricts residential development and when you map the restricted area it means that some of the land that is by the airport could not be used for residential purposes at any great density, in some areas it couldn't be used at all very close to the runway.

Council President Ingham asked City Planner Brian Varricchione if the City were to create this zone that would automatically amend this part of the zone. City Planner Brian Varricchione replied the airport overlay currently in effect would overrule the proposed amendment this evening. Mr. Greenfield stated the applicant notes that in their application that the overlay would be applied to the mixed use airport zone.

Bruce Hugo explained Mr. Greenfield wanted to talk about legal issues and policy issues. He explained the legal issue was ORS 836.640, which was formerly Senate Bill 680 in the 2005 Legislative Session. He stated let me tell you about Senate Bill 680, it was the Oregon Legislature thumbing their collective nose at the FAA. The FAA does not like through the fence so the Legislative said we are going to set up a pilot program for Aurora and two other to be named airports and we want them to use through the fence for industrial and commercial activity and report to the Oregon Department of Aviation every year and the Oregon Department of Aviation is going to give a report on how effective if at all through the fence is and FAA stay out of it. That is what Senate Bill 680 was. He explained it was given to the Oregon Department of Aviation for administration the first thing that happens when you pass a law, he know very well and Council probably does to, who ever is going to enforce it, whatever agency, has to adopt Administrative Rules to put the flesh on the skeleton. He stated those rules were also written under the Oregon Department of Aviation. He explained Dan Clem on October 24th came all the way up here to Scappoose to attend a Port work session for two reasons; one to tell the Port that their attorneys interpretation of Senate Bill 680 is wrong and two that the Oregon Department of Aviation is challenging the FAA through what ever procedures they are going to go through on the funding issue. He quoted what Dan Clem said "He has not seen correspondences other then Mr. Greenfield's letter and he wanted to confirm for himself as the new director that under the through the fence Legislation that there was a prohibition that the Legislation only intended only intended to address commercial and industrial through the fence operations but that it also there was either testimony or evidence provided in the hearings in the Legislative process that talked about prohibiting residential and or residential airpark. I could find none. Any supposition that Senate Bill 680 through the fence Legislation intended to prohibited residential airparks and I can't find any evidence of. When folks make public records request about aviation issues as they have on through the fence program they come to my department. We hold all the testimony for all public meetings and I understand some were held here during the Legislation and after". Bruce Hugo explained there was no prohibition, it was a test program. He explained it was a test program for three airports for industrial and commercial use to report to aviation department and that is the legal issue that Mr. Greenfield brought up tonight and also the legal issue that was brought up at the Planning Commission meeting in November after Mr. Clem came all the way up here in October to tell them they were wrong.

He stated on the issue of Scappoose Industrial Airpark Ted White is the one who suggested that. He explained Mr. White's thought on that was if we call it Industrial Airpark we'll get industry here. He explained there is also something called the Boardman Space Age Industrial Airpark in Boardman, Oregon. He stated if they call it Space Age Industrial Airpark they'll get space business, about as effective. He stated it is an airport, it is a publicly owned, public use B-2 class cat 2 airport. He stated the \$173,000 a year issue, Kim Shade mention they are going to be developing the business park which is on the frontage of West Lane Road on the North West corner. She points out that they are going to put a taxi way in to access the business park. He replied Sierra Pacific is putting the taxi way in to access their property. The taxi lane will come down the north side of our 29 acres and they are doing it so the Port can have access to their property. He discussed private industrial development, the Port is concerned about loss of funding and incompatibility. He stated he just doesn't get it. He stated Mayor Burge brought up the issue if they do maintenance stuff out there for jets and it starts on the north end of Crown Road you are going to get complaints about noise but not from airpark residential people from the people who live over there already. He explained there are 500 trees out there and they not only do the CO₂ restoration but they are also sound barriers. He explained when Mr. Greenfield discussed Ann Crook's letter, Ann Crook wanted control. She did not want through the fence she did not want airport residents. He stated if you talk to Dan Clem, the

current Director and if you talk to the President of the Association of Independence they have a volunteer group that goes around and cleans up the airport, it is their home they protect it. He explained when the City of Independence authorized regular residents on the other side it was the airpark people who fought the encroachment of residential against their airport. He stated those are the people who are going to be protecting the airport because they have the biggest investment in it. He stated as far as industrial development being impeded by airparks he just doesn't see that at all. He stated as he said earlier that airport has been here since 1943 without an airpark and it has been impeded by itself. The reason is they have no marketing plan, they have no marketing structure, they have no resources, they have no target audience. He stated we don't wait for people to call. We are targeting various aviation users and calling them on the phone. He stated marketing is called identifying the market, sales is going after that identified market, that is marketing. He stated there was a meeting in Salem not too long ago where Aurora, Baker City and the Port of St. Helens met with a bunch of other people, this is part of the marketing program that St. Helens reported on. He stated marketing is getting on the phone and calling people, it is not going to a bunch of meetings with a bunch of State agencies. He stated we are in the business of making money and one of the problems of making money is we have to invest and one of the problem of investing money in a government environment is we have to go to the government for permission. He explained they have had great communication with the City, no problem with the County, we need to talk to the Port. He needs Council to pass this amendment tonight so they can start talking to the Port.

Councilor Gedlich asked Bruce Hugo about the letter to Mr. Clem from David Bennett. She stated in the last paragraph it talks about the non-compatibility with residential. She asked if he could address this. Mr. Hugo explained when Kim Shade was here someone asked her if anyone has ever lost money and she replied they came to arbitration to keep from losing money. Bruce Hugo replied you don't arbitrate law, either there is a law that prohibits airpark residential from airports under the FAA or there is not. He stated people in Renton, WA and Washington D.C. have no idea what Oregon's Land Use Laws are. He stated read the phase if you allow airpark residential next an airport the next thing you know you'll have regular residential development encroachment. He stated it is not a concern for him, and he doesn't think it is a concern for the City and it shouldn't be a concern for the Port. He explained what Mr. Greenfield argues about Senate Bill 680 is that it somehow prohibits a through the fence use airport residential, when in fact it permits three airports to involve themselves in a pilot program to demonstrate if through the fence increases industrial and commercial activity. He stated it doesn't prohibit other through the fence activities, other uses are just not part of the pilot program is all. He stated if it is not written in the Law it doesn't mean anything. He stated Mr. Greenfield is putting something into the Statue that is not there, a prohibition, there is no prohibition in that Bill.

Don Hanson, OTAK, planners working on the application for Sierra Pacific. He explained he is here early, he is typically the guy who designs the project and takes it through the approval process. He thanked the City Attorney for the housekeeping item, they left out emergency services, law enforcement, rescue and crop dusting, they intended to have that language in there and have those uses allowed. He explained he wanted to address some of the comments that Cliff Tetreault said. He explained first of all they want the airport to succeed, they want it to flourish because it is so integral to what they are doing in that district of Scappoose. He stated they don't want to do anything to the detriment of the Airport. He wants to make that really clear. He explained everything Sierra Pacific is proposing out there is very much kind of anchored to success at the airport, that is a common goal that we have. He stated we want to make sure what we proposed is compatible and we think there are a number of ways to do that. He explained we also want to address capacity, and they are committed to that. He explained they want to have a discussion with the Port about compatibility. He stated when you think about proposing housing everyone said a residential airpark, we don't even know if that is what it is going to be at this point, we are just requesting the zone so we can explore alternatives. He stated it might be a lodge for pilots or a lodge for people who are training to become pilots, it could be loft housing that is anchored to hangers in a small portion of the site. They don't

really know, they don't know how close they want to go to the runway. There are density restrictions that the FAA has but they haven't really explored those design alternatives but they look forward to doing it. He explained the worst compatibility issues that he has experienced around airports, and he has built some housing projects next to airports so he understands noise and he understand how you build to mitigate for noise, typically it is when there is not good planning and when one use has been pushed up against another. He explained we have a unique opportunity here that we can anticipate that and propose the housing in the correct location, build it correctly and make it compatible not only with the airport's activities but with the kind of business that might move in to this area. He explained with the MUA we want to diversify our development pattern out there. We don't want to just have industrial here and housing here, they are looking to blend it and that is why they have really used the term mixed use airport. He explained there may be a number of live work opportunities that they look at that make perfect sense out there. He explained the trend they are seeing in all the development projects they are doing is toward mixed use; it reduces vehicle miles, travel, people can live near their work, live near their activity. He wanted to talk about Sierra Pacific a little bit because sometimes his client is a little humble about the financial commitments he has made in the community. He explained they talked about extending the sewer and storm drainage systems and water systems, they are also dedicating right-of-way for the widening of West Lane and they are also building a portion of that frontage. He explained that is the main entry to the airport and they are committed to doing that, it benefits them and it benefits the airport. They want to look for a number of improvement opportunities like that out there that they can do and that they can agree on with the Port. He thinks they look forward to that collaboration. He stated the key thing is they are just requesting the zone right now and they think diversifying that area out there it is really going to be a catalyst, they can appeal to a lot more people that want to be near this great asset, the Scappoose Airport. He stated Mark Greenfield used the term Sierra Pacific is looking for seed money and quite honestly he resents that statement. He explained they are not looking for seed money they are looking for a catalyst that can not only develop the property close to the airport on the east side but it may also open up land on the west side. He explained there are a ton of issues to go through with the Urban Growth Boundary adjustments etc, that is down the road but first you want to look for a catalyst that can make that happen and that is why they are here. He explained the last point he wants to make is about the process, they are just proposing a zone to kind of start to work with. He stated obviously there is going to be a lot of scrutiny by the Planning Commission, by your staff, by your City Manager and by City Council. He explained that is going to occur at the zone change, when they identify a piece of land and begin to explore the design alternative that makes sense for all parties. He wanted to address the buffering very clearly too. He stated also the conditional use permit condition that says if they want to propose residential of any type there they have to get a conditional use permit. He explained if you look at the approval criteria of a conditional use permit it is all about compatibility, the Council is use to that, they deal with that. He stated so anything Sierra proposes not only estimate the zone change test within the larger context it has got to meet the conditional use permit test and that is where we deal with the details about what they propose, how they build, how it is compatible not just with its surrounding uses but with the offsite impacts of traffic, etc. He thinks the process gives the City the hammer. He stated again we are not proposing anything specific in terms of site area that is for a later date.

Ed Freeman talked about economic development and he has an aerial photo that show approximately 700 acres that they either own or have under contract around the airport, it shows some t-hangers, Oregon Aero that the Port has been involved in developing over the last 40 years and the vision he has for the airport and the things they can make happen almost immediately in relation to the last four decades that they have accomplished it is just night and day. He explained that is not to say the Port are bad people or that they are mis-intended, they are excellent people. He explained the new Port Commission he has all the respect for. He stated Cliff Tetreault is a wonderful guy and Sierra Pacific can work with them very cooperatively. He explained the Council has a real good idea of what Sierra Pacific is doing out there and the money they are spending and they are bringing the sewer to the Port. The Port hasn't had any development and they are not

going to have development because they can't flush the toilet until we bring the sewer to them. He explained the big thing that really hit Cliff and the rest of the Commission that really turned them around was the threat from the FAA and they take that seriously. He explained this airport is the whole reason we are here like Don just said we are not going to shoot ourselves in the foot with the millions of dollars we have already invested and the millions of dollars they have spent on land. He explained they are very close to putting this whole training center deal together with the regional police. He explained they are talking six to ten million dollars just to build a road and sewer around to that facility where they are going to basically donate the ground for the regional training facility where they are going to have 125 people a day working if it all goes together. He stated there are just a whole bunch of things that he could talk about but it comes back to this whole issue with the FAA so he is reading trying to learn as much as he can about airports. He explained he is reading Business and Commercial Aviation which is aimed at these types of developments executive airports. He explained the editor in the December issue wrote an article about the FAA and it is titled "We are here to hurt". He stated the FAA needs to be drug in to the 21st century and Cliff and the rest of the Port Commissioners are rightfully afraid that they FAA might try and hurt them. He explained everything they have been able to come up with is that the FAA really never acts on these treats. He explained the editor of this national magazine in talking about the FAA makes a couple of points. He explained the editor stated the FAA's field representatives are not to be believed, that their Council and judgment can be set aside or reversed whenever headquarters so chooses. Third that the trust and respect that has sustained advanced aviation community for decades is misplaced. Fourth that FAA bureaucrats can suspend due process at will ruining companies' reputations without any accountability or recourse. Fifth that the FAA leaders lie. He explained there was a newspaper article that came out December 18th specifically about the FAA office in Seattle/Renton. He stated it is titled "Former FAA Official sentenced for fraud". He explained US District Judge Marshall Peckman said at the sentencing it appears the whole agency has run afoul with what their duty is as a government agency which is of course to follow the rules, to be transparent and be honorable. He explained this is a little bit of what the Port is having to deal with. He stated obviously not everybody at the FAA is that way, there are some wonderful people there. He explained the FAA doesn't make land use laws in the City of Scappoose and they have someone they have to answer to and that is our US Senators. He explained they have been in contact with both of Oregon's US Senators in conversations about the FAA because they were concerned about potential threats that they put on the Port. He explained because of these types of things Senator Wyden's office is already looking into the FAA on a National level. He explained Senator Gordon Smith's office has expressed on numerous occasions the willingness to get involved and help out if they have any troubles with the FAA. He stated the point is they just want to get this zone in place so then they can go talk with the Port and get things worked out. He explained they do have the ability to work with the FAA and try to make some things happen there. He explained if they decide on a certain piece of property they will be back before the Planning Commission and Council to try to get this approved, there will be plenty of time to work out the details.

City Planner Brian Varricchione explained we have heard a lot of testimony tonight, some conflicting with each other. He stated he would just point Council to the cover page on the staff report outlining the two options. He explained the first option is to adopt the findings in the staff report. He explained these findings for denial are based on the staff's review and the Planning Commission's review of the application. He explained the application was analyzed with respect of the approval criteria that are found in the development code and State Law and staff's conclusion and Planning Commission's conclusion was that the evidence did not support endorsing the application and findings were made for denial. He explained those are found in the staff report and should you choose to deny the application those could be adopted this evening. He explained option two would be to adopt findings in support of the application. He explained to do that Council would need to direct staff to write those findings and provide guidance on what specifically those should be and staff would have to write an ordinance enacting the proposed amendments. He explained staff did have reservations about the text of the proposed ordinance and would

want to make some changes before that could be implemented. He explained if Council does opt for option two in support of the application staff would request that this hearing would be continued so that the findings and all the other documentation could be developed for the Council's adoption at a later date.

City Attorney Cindy Phillips explained if Council is going to approve the language the text of the zone change needs to come back before Council. She explained we don't apparently have the correct text before you tonight. She explained so just to supplement what City Planner Brian Varricchione said, staff and the applicant need to work to modify this language so it complies with what the applicant apparently wanted to submit. She stated that really needs to be ironed out. She explained that has to come back to Council at a public hearing.

Frank Angelo explained the uses that the applicant prohibited need to be added back in to the zone and the applicant appears to be willing to do that. He explained there are some other mechanical things that need to be addressed if Council were to adopt this. He explained there has been a lot of discussion by the applicant on buffering for instance there is not buffering standards being proposed by the applicant. He explained if Council feels that is important if they were to adopt this there should be standards because the zoning code will be the rules. He stated so we need to make sure it accurately reflects what you want to achieve out there.

City Planner Brian Varricchione reminded Council if they do lean toward the direction of approving this, part of their responsibility would be to provide staff with guidance on what specifically the findings for approval would be so they can craft that in to the documentation that ultimately gets adopted. City Manager Jon Hanken observed that if the Council follows the recommendation of the Planning Commission and staff, the findings can be adopted tonight.

Mayor Burge closed the public hearing at 10:35 p.m.

Council President Ingham moved and Councilor Bernhard seconded the motion to adopt the findings in support of the application with needed amendments and direct staff to write an ordinance enacting the proposed amendments for a MUA zone.

City Manager Hanken asked to adopt findings? Council President Ingham replied that is what it says here that they need to adopt findings in support of the application and amendments and direct staff to write an ordinance enacting the proposed amendments.

Cindy Phillips replied what might be somewhat better, if you will, is to direct staff to work with the applicant to bring back language to Council in two weeks. City Planner Brian Varricchione replied two weeks is insufficient. Councilor Bernhard asked for clarification. Cindy Phillips stated the motion might be that staff be directed to work with the applicant to bring back language for the zone change for further hearing by the Council.

Frank Angelo stated he thinks where she is going with this is you may want to consider directing staff to work with the applicant to prepare findings in support of their application because the findings you have in the record now are for denial. He stated if you are going the other way this has to change. To continue to direct staff to work with the applicant on the content of the MUA zone and bring that back to Council in a public hearing forum so Council can have final approval on that.

Councilor Gedlich stated if we are going to clarify it what we need to do is put we are doing an amendment to our comprehensive plan and we are also doing development code text amendment and she thinks somehow that needs to be in that motion for clarification in order to do findings.

Councilor Gedlich moved that the Scappoose City Council direct staff for Legislative changes to the Comprehensive Plan CPTA1-07 and Development Code DCTA1-07 and bring back findings in support of that text amendments and work with the applicant with the amendments for the MUA to be brought back for a public hearing.

Council President Ingham agreed to that clarification of the motion, Councilor Bernhard seconded.

Councilor Bernhard explained during this process he wrote down some thoughts. He explained the Port brings valid points. He explained some of them were you don't have to live at the airport to work there, he agrees with that piece. He explained he agrees with the FAA funding also. He explained new leadership and marketing manager at the Port was a very positive response and very valid points. He stated he has the utmost respect for the Port and their honesty in terms of past communications and in terms of future partnership so please do not take this as not being supportive of the Port, but Ed Freeman at Sierra Pacific has a plan in place that in his opinion brings economic growth and development to our area and they have also shown it in the past. The Port has responsibility of all the citizens in the community to actively market and capture industrial economic business. Unfortunately the Port has admitted to putting Scappoose on the back burner and the Industrial Airport Park. He stated the citizens of this community deserve a little better. He explained the FAA is a concern but to be honest with you he has never responded very well to threats and he is willing to play poker and willing to call their bluff at this time. He explained therefore he is in support of the new zone and a mixed used airport zoning. He thanked Mr. Freeman for his economic package. He is hopeful that instead of being labeled as a killer of the industrial airport he was actually part of spearheading some economic growth for our area.

Councilor Gedlich thanked everyone that testified this evening and gave Council some really insightful information. She explained her comment earlier when she talked about the citizens voting for the annexation for the economic development and job creation that was one of her big concerns; however listening to Mr. Freeman and his future hopes and dreams out there she wants to congratulate him for what he has done for our community. She is also in support of the Port of St. Helens and she hopes we can work together in the future in a very positive way. She has to say she is very disappointed in past commissioners or past staff who ever they happen to be who really put our community on the back burner for so long without doing anything. She is in support of this.

Council President Ingham explained this is great dialog this evening and she learned a lot. She feels creating this zone is the caveat for the City of Scappoose, the Port of St. Helens and Sierra Pacific to work together for something really good for our community and she thinks that is the bottom line. She feels residential airport is a compatible use. She explained regarding Councilor Gedlich's annexation issue for the public she thinks if we would have presented the annexation as a multi use airport to begin with she thinks the public would have annexed it under those pretenses as well. She explained 95% of all annexations pass so she thinks if it would have been presented in that matter it would have passed. She stated the other thing is a valid point that City Planner Brian Varricchione discussed about annexing properties and bringing in more land to the UGB. She stated the focus on the economic development out at the airport has been when the airport was going to be able to provide what we wanted it to provide for this community. She thinks that is the most appropriate area to bring into the UGB. She is excited about this and hopes we can all work together. She stated she will be the first one in line to talk and facilitate dialog if that is what we need to do. She thanked everyone for being here.

Councilor Judd explained he agrees with his fellow Councilors regarding the Port. He is very disappointed with them. He explained he has been working with the Port for many years and they don't appear to have an economic development plan for Scappoose, that is disappointing. He explained his conclusion is

different from his fellow Councilors; he doesn't think homes for wealthy CEO's at the airport is the way to go. He thinks we have pushed the industrial park to the constituents. We have had the citizens of Scappoose be supportive of that and now to toss in a dozen or so of very wealthy homes that may or may not have some bearings on the future of the park. He doesn't think that is the way to go.

Councilor Meres explained he somewhat concurs with Councilor Judd. He feels changing the zone is just giving them a blank check. He stated is it 12 houses, is it 35 houses, is it 80. He explained the applicant comes to us and says we are not really going to do it we just want to have this in our tool box. He stated obviously someone has thought about it somebody must have some sort of figures. He explained he is not sure this would pass if you were to bring it to the public for a vote.

Mayor Burge reminded there has been one annexation that has failed that the City of Scappoose has proposed since we have been required to go to a vote. He explained he finds it interesting when people talk about annexations. He tends to be concurring with Councilors Ingham and Bernhard. He stated this is a tool, it is much like a tool that the Metro Area requested during the last Legislative Session that allowed for them to plan for Rural and Urban Reserves, another tool in their planning tool belt. He stated it is a conditional use which means any application would have to come back before the Planning Commission for approval, but it could be appealed. He explained it still has to have conditions that the Planning Commission will put on. He explained the zone change will come to Council. He explained there are conditions that he would want to see in there before anything was approved. He explained the biggest one is he doesn't think he would approve a zone change for someone who was going to do airport residential who didn't have an agreement with the airport owner for access. He explained it could be in the tool box but until that issue was worked out he doesn't see it going any further than that so he feels its is a useful tool that always makes a statement that this isn't that bad of an idea and maybe the FAA should look a little closer at it.

Motion passed (5-2). Mayor Burge, aye; Council President Ingham, aye; Councilor Bernhard, aye; Councilor Gedlich, aye, and Councilor Heerwagen, aye. Councilor Judd, nay; Councilor Meres, nay.

Announcements

Mayor Burge went over the Calendar.

City Manager

City Manager Hanken explained Council should have received a copy of the audit. He explained this is the first year that we didn't get recommendations for handling practices with money.

Councilors

Councilor Gedlich thanked everyone for coming.

Councilor Meres thanked everyone also and wished a lot of success out at the airport.

Council President Ingham stated she wanted to state her admiration and respect to the School District for their open arms and their facilitating the citizens and the school children of Vernonia, it was a wonderful act.

Councilor Heerwagen stated he is pleased with the outcome of tonight's public hearing. He thinks Mr. Freeman needs the chance to do what he does best out there.

Mayor Burge thanked everyone.

Adjournment

Mayor Burge adjourned the meeting at 10:53 p.m.

City of Scappoose, Oregon

Scott Burge, Mayor

Attest: _____
Susan M Pentecost, City Recorder