

AGENDA
SCAPPOOSE CITY COUNCIL
COUNCIL CHAMBERS
33568 E. COLUMBIA AVE
SCAPPOOSE, OREGON 97056
MONDAY, JUNE 23, 2008
CITY OF SCAPPOOSE
SPECIAL 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 Old Business

5.1 Sierra Pacific Communities, LLC Legislative Land Use Application

a. Reconsideration of 5/19/08 Approval of Application

Staff: Hanken

**b. An Ordinance Relating to Planning and Zoning; Amending the
Scappoose Comprehensive Plan to Add "Airport Land Use Goals
and Policies" and Amending the Scappoose Municipal Code to Add
A New Chapter 17.73 Regarding "AR Airport Related Uses"**

Staff: Varricchione

Second Reading

6.0 Adjournment

TTY 1-503-378-5938

**CITY OF SCAPPOOSE
SPECIAL CITY COUNCIL MEETING
JUNE 23, 2008
AT 7:00 P.M.
SCAPPOOSE, OREGON**

Call to Order

Mayor Burge called the special 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
Donna Gedlich	Councilor
Jeff Bernhard	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

Press:

Cecilia Haack	Spotlight
Matthew Nash	The Chronicle

Andy Jordan	Legal Counsel
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Approval of Agenda

Council President Ingham moved and Councilor Bernhard seconded the motion to approve the agenda 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.

Old Business

Sierra Pacific Communities, LLC Legislative Land Use Application

a. Reconsideration of 5/19/08 Approval of Application

b. An Ordinance Relating to Planning and Zoning; Amending the Scappoose Comprehensive Plan to add “Airport Land Use Goals and Policies” and Amending the Scappoose Municipal Code to add a New Chapter 17.73 regarding “AR Airport Related Uses”

City Manager Hanken stated what you have before you tonight is you made a request for a reconsideration that was approved and you basically scheduled tonight to basically readdress the issue of approval of the land use application. In the former action you approved the Sierra Pacific Land Use Application and held a first reading. So tonight you are basically reopening your public hearing and taking in testimony and to decide whether to change your position of the Council or to move forward with the decision you once made.

Mayor Burge asked so we would be moving forward with the second reading if. City Attorney Jordan stated he thinks Council has tabled the ordinance so you would have to take the ordinance from the table and then. Mayor Burge replied no we postponed it to date certain. City Attorney Jordan replied no that is what I meant. Mayor Burge replied it is different then tabling. City Attorney Jordan replied I will take your word for that. In any event you would need to read it for the second time in order to adopt that ordinance. Mayor Burge replied okay after the public hearing. City Attorney Jordan replied yes.

Mayor Burge read the opening statement.

Mayor Burge opened the public hearing at 7:02 p.m.

Don Hanson with OTAK explained he spoke earlier regarding the application. He stated he has a procedural question. He asked this is basically to reconsider the motion is that correct? Mayor Burge explained we voted already to reconsider the motion the motion is back on the table and open for that vote so we are having a public hearing on the actual application. He stated we decided to allow to reopen.

Don Hanson explained he thinks their comments are going to be pretty brief in the beginning here and he will just repeat a few things that he has emphasize in the past. He stated they have purposely set this up so there would be a condition use permit process required if there are any residential components proposed around the airport as part of their program. He explained they did that because they felt the scrutiny level should be high. They don't want to nor do they believe they are doing anything that is going to impact the airport in a negative way. He explained they also acknowledge that they need a through the fence agreement if this is going to work and the Port certainly controls that along with the FAA and there are a number of examples in multiple locations in Oregon and Nationally where that has been successful and they have been able to deal with any security issues or anything else that comes up generally on those facilities. He stated there is no site that has been identified. He stated they are just proposing the zone as a tool. If you ask him how many houses or whatever he doesn't know at this point. They haven't determined that. He stated when we do determine that obviously we are going to be back in front of your Planning Commission. He stated we are going to be talking to the Port about it upfront. He stated the last thing he would say is that we are really intending to do this because we want to be market sensitive and we want to be nimble in maximizing the development potential around the airport. He stated that is their real objective is to inject some diversity in to this and we don't think we are impacting negatively in any way the airport facilities and we are really on board with having the airport be successful in the future. He stated so nothing will come forward from us that hinders that in any way.

Ed Freeman stated that is it in a nut shell.

Mayor Burge asked if there were any questions from Council.

Council President Ingham replied not at this point but she reserves the right to have a question after.

Don Hansen and Ed Freeman thanked Council. Mayor Burge thanked them.

Mayor Burge asked if there were any other proponents. Then he stated we will move on to opponents.

Cliff Tetreault stated good evening. He explained he is Cliff Tetreault, 32595 Woods Drive, Warren and he is an elected official of the Port Commission. He explained he would like to share with you their main contextual issues with the Port because you seem to be acting solemn between two sides. You have a developer proposing residential development at the airport; you have a port which is saying no this is not a good idea. We can't support it. He stated everything with a residential development hangs on through the fence because there is no residential development if the planes can't get on to the airport property to use the runway. He stated the experience that the Port has had with through the fence, the original decision to offer through the fence was Transwestern Aviation probably 10 to 12 years ago. That was the first time the Port had done that. It is a very controversy issue amongst airport managers as to whether through the fence should be offered. He stated if you do a Google search on "through the fence" you find it is all over the place and probably 50% say it is horrible and 50% say it might work. He stated so we did the first one with Transwestern Aviation. He stated about 2 months before he came on the board Oregon Aero approach the Commission to ask whether they would offer through the fence access for them for off site business. He sat in on several of the meetings. What he was hearing was a commission that was really struggling with the issue of through the fence because they were hearing from some sources don't do this thing but yet they felt they were willing to look at working with the private sector. He stated they say okay we will do it so they offered the second through the fence agreement. He stated the understanding was that these through the fence agreements would be under the guises of commercial and industrial not residential. He stated residential wasn't even discussed at that point and time. We then talked with Ed after he came on board, bought the some of the property around the airport if he was interested in airport residential. At that point and time the Port had considered airport residential and we did put it as a change as our master plan, which we took on in November of last year prior to any of this information coming before you as a request for a development code amendment to the comprehensive plan amendment change. He stated so we communicated that to the developer that we weren't going to go down this road, not with airport residential but some how it reached a point where it is now before you. He stated he thinks he would like to talk for just a second about public private partnerships because the Port Commission is committed to public private partnerships. He stated we were one of the first sign ons to what is called Senate Bill 680 which was developed in the 2005 Legislature an attempt to establish three pilot sites in Oregon which would look at ways the public sector and the private sector could work together. We signed on and were accepted and we moved forward. The language in Senate Bill 680 talks in terms of commercial and industrial development only and it is mentioned in two places in that Statue commercial and commercial industrial development. He stated we looked forward to the opportunity and still do to work with Ed. We have had several very productive sessions in the last month or so where we feel we are moving forward to a partnership that didn't exist before but we still have this residential piece hanging over us. As a Port Commission just can't go that way, we feel that there's airport residential in an area that is designated industrial and commercial why do we know have airport residential injected in to this. He stated you folks are

committed to economic development for this area and at the first hearing we had on this request he was overwhelmed by the comments that Jeff started off with and Donna follow and Judie with the commitment that you have for economic development in this area. He stated it is a passion of you folks and we also not quit at your level of passion but we are committed to economic development here as well and we see that engine is in industrial and commercial development. That is were the jobs are at. So now we have airport residential in the scene and he thinks why? How does this fit with economic development in Scappoose Industrial Airpark and he doesn't fully understand businesses but he knows that businesses are entrepreneurial, they need to make a profit and he suspect that residential is probably a quick gain for more money that could than provide funds to do other things but looking at it from the perspective of the Port we are paying the price because you heard testimony from FAA that we are going to be a noncompliant airport and we will lose future Federal funding. We've got several pieces of property around the airport that we have identified for acquisition that property the Federal Government is working with us and will pay 95% of it, we pay 5%. As a noncompliance airport we'll pay 100% which is a serious blow to the airport because we do have plans for expansion out there. He stated I guess what he is saying to you guys is one of five commissioners and he knows he is speaking for the other four we are asking you not to approve this request. It is not going to work for us because we are not doing airport residential. He asked if the Council has any questions for hi,

Mayor Burge asked Council if they have any questions.

Councilor Bernhard thanked Cliff for coming up here, he appreciates it. He asked Cliff to explain to him why the Port changed its position on airport residential in November where you had it in your master plan. You thought it was a good idea at the time and then things have changed.

Cliff Tetreault stated he has a good friend in Columbia City named Norm Jones who is on the airport advisory committee and Norm and he go back go several years. When he came on as a Commissioner Norm was on the advisory committee he said he has to take him down to Independence to show him see something. So we loaded my car up with five people from the airport advisory committee, myself and Norm and went down to Independence to take a look at the facility down there. Independence, he guesses he could say, is a 100% airport residential, there is no industry. There may have been one small boxes company but he is not sure that is still there and there was a restaurant that went out of business. So we went down there and we saw nothing but homes, beautiful homes with hangers. The fellow that Norm has contact down there was a man who restored World War II aircraft. He since has had a stroke and his wife now flies the planes for him. It was exciting and he got caught up with it. He took lots of pictures and he came back with a slide show to the Commission. He gave a slide show to the advisory committee. He thought this is great. He hadn't talked with anybody other then the folks at Independence. He talked with Norm and he came back and talked to the Commission. He then started to get enlightened from the folks at FAA in Seattle and he started doing some independent research and he felt that he didn't look at this thing closely enough before he came back with a recommendation. He must have given a convincing case for amending our master plan because the rest of the Commission bought in to it but when he realized that we had some problems he came back to the Commission and said this probably wasn't such a good idea. They agreed to cover him and made the change. The language was removed.

Councilor Bernhard thanked Cliff on that. He stated to Cliff you talked about plans of explanation and different plans through out the airport. He thinks he hit it on the nose when he talked about this particular Council is committed to job growth in that area. He asked Cliff to go

in a little more detail what his plans are. He asked if he has a marketing plan in place to where you will drive industry out there. Cliff replied let me talk to you Jeff first about what we have. We have 20 acres within the airport itself that we call the business park or business campus. Other than that the only other piece of property we own out there is a partial on Ring a Ring Road. He is not sure if it is 3 or 5 acres. Karen Harris is behind me and she could probably correct me on that one and we have identified the properties on Ring a Ring Road and we would like to acquire them, they are on the east side of the runway. He stated like you we don't feel the eminent domain is the way to go so those properties we are just waiting if they come available, we would like to buy them. So we have identified that area which is right next to the runway that we would like to pick up. There are a couple of other areas that we have identified again possibly (can't understand what he said here) we would like to do that. So we don't have a whole lot to work with Jeff. Now as far as a plan goes we don't have a marketing plan right now. We have some infrastructural needs that we need to address on our 20 acres. He can give Council that we will move forward with it. He thinks he would like to work forward in collaboration with you folks and he knows there are coming out to their meeting in July. He asked isn't that right. He doesn't want to throw any surprises toward Council. He stated he guesses before we can really get moving great guns we have to build some relationships and he feels they have come along way with that in the past few months. He stated they probably weren't the most popular organization that came to see them in the past but he thinks they have come a long way. He stated as far as a plan goes Jeff he can't him that he has a plan right now that he could lay on the table. He stated we have personnel working on it but we don't have it right now.

Councilor Bernhard stated that particular piece concerns him a little bit because of and maybe he is getting his amount of years incorrect but it has been 30 years since the Port has been involved out there approximately, is he off base? Councilor Gedlich replied no. Cliff Tetreault replied he thinks he is probably about right. Councilor Bernhard stated and that a market plan hasn't been put in place in an industrial section that obviously is about job growth about brining industry out there. He is glad to hear that a plan is being currently worked on. He asked any idea when that shall be completed? Cliff Tetreault replied he doesn't and right now it is a public private partnership he thinks has some merit. He stated he really believes Sierra Pacific and the Port of St. Helens will be able to work together to bring in commercial industrial businesses, no question about that. We as five members of the Port Commission are committed to that, to make that work. It makes sense because Government can't be involved. Councilor Bernhard replied he has not doubt that you are. He stated to Cliff Tetreault thank you very much.

Mayor Burge asked if there are any other questions.

Councilor Heerwagen asked Cliff Tetreault how does the Port for see airport residential as harming for its future. You seem to be so adamantly against it that there must be some really strong reasons. Cliff Tetreault replied you heard from Ed and Don that no property's been decided yet, the scale of this thing hasn't been determined but we have seen some preliminary results and one is 68 homes out there which all this he knows is going to get refined but that was the last number he saw. 68 homes with hangers and airplanes having access to the runway could have a real impact on the airport. Also the minute that Port says yes we will do through the fence agreements with these folks we are a noncompliant airport. He thinks that carries a lot of weight with them. He stated when I say our airport it is your airport. It is not just the Port that is bearing it is the whole community.

Councilor Heerwagen stated you're expectedly saying 68 homes. Cliff Tetreault stated that is the last draft that he saw. Councilor Heerwagen replied and this is property that you feel would be used in what way. Cliff Tetreault replied commercial and industrial. He doesn't see residences producing jobs. It was an attempt to make the connection that folks that buy the homes may bring their businesses but we see no evidence that that's happened.

Councilor Heerwagen stated one other question. He stated it has been kind of confusing to him with the FAA's ruling for and against airport residential. He found an Afton Airpark in Wyoming statement in there that says, this is off the internet, FAA granted easement and access to the runway. FAA approved this airports through the fence for airport residential. Cliff Tetreault replied he thinks there was something that came after that and maybe Mark could speak to that better than he could. Councilor Heerwagen stated he has looked at the documents for an appeal and they don't even seem to relate to the through the fence issues. Cliff Tetreault replied he thinks FAA at the first hearing, no second hearing, spoke to that but he can't recall exactly what they said but that was discussed here. Councilor Heerwagen stated they sold property; they have a tremendous number of lots they have been selling. He doesn't think they could be selling lots if they knew they weren't going to get through the fence.

Cliff Tetreault stated I guess what I would ask you Art is how does airport residential future economic development in Scappoose. Councilor Heerwagen asked you want me to answer that or is that just a rhetorical question. Cliff Tetreault stated no, can we do that, go ahead, if that is okay with Scott. Mayor Burge replied yes if you want to answer it go ahead. Councilor Heerwagen replied it is the diversity. It adds to a good mix in the airport out there of industrial use and residential use and adds to the tax base of the City. He thinks it would be a good asset. Cliff Tetreault replied but it won't produce jobs. Councilor Heerwagen replied but you don't know that. Cliff Tetreault replied but if it were commercial and industrial he thinks he would probably know it. Councilor Heerwagen asked how long will it take to fill that industrial, no in our live time. Cliff Tetreault replied we are further down that road.

Mayor Burge asked any other questions from Council.

Mayor Burge stated he has one questions. He stated after doing some thinking if there was an amendment that was made because based on conversations that he has had the Sierra Pacific is just really asking for this zone to be put in place so they can explore the possibilities of who knows what the FAA position is going to be in the future type of deal since obviously their position has changed and different understanding based on who the director is. If we added under 17.73.050 under conditional uses: Uses in subsection (A) shall provide a letter from the Federal Aviation Administration in support of the proposed project, (then continue with the existing verbiage). He stated just adding that sentence, would that make a difference in the position because now not only would we need through the fence from the Port but the project would also require the FAA's support and it seems that would allow, to him he is always looking for win/win because that would allow Sierra Pacific to go down the road to see if they can't, there might be a change or the FAA might change directors and have a different direction that they decided to go based on going away from a one size fit all to looking at it more airport by airport and if there is a plan that comes up, because you know verses the Port were they are now in a better position where is says they don't have to worry about through the fence unless FAA is involved saying you know what that plan is okay. Much like they did at Afton. As everyone knows he did the research and pulled and found the information that the Denver FAA did work with that development and you know it seems based on what the airport people there say it is

working. They think the FAA is wrong, it was quoted in the Spotlight, but he thinks that would give a way out for both sides where one could go look at it still but it would need the FAA to say you know what this is okay. Cliff Tetreault replied while the other tact Scott could be to bring the request back to you at a point that FAA would endorse airport residential. Mayor Burge replied there are two definite ways yes. We have got it before us now we have already spent all this time on it. It would sit on the books until the FAA said yes at this point. We wouldn't have to go through the whole process and spend the money. Cliff Tetreault stated he guesses he would just caution in one area that the procedure for access through the fence, through the fence access is one in which the request goes before our Airport Advisory Committee and they look at several different areas. One is compatibility with existing businesses out at the airport, he thinks another is safety. He can't think of the third one, Kim is not here she could fill him in. He stated but there are some criteria that come before the approval is giving so that would have to be a piece as well. Mayor Burge replied and that is what the FAA did with Afton. They looked at that development and they said, they in fact made suggestions to changes to the development. They suggested changes to the housing covenants for homes. They did a lot of things that to him he kind of likes that because it is people working together to find solutions an issue that might be win/win. If it did have to come all the way back, which he wouldn't have a problem with going that route either, but if it had to come back it would cost my staff time here at the City, your staff time, money from Sierra Pacific, we just had it on the books know and just put it through, but really nothing could happen if we added that one sentence because in a conditional use without that letter is doesn't go forward and I know my City Manager and Planner probably would not allow it to go forward. To him he is always looking for ways we can come together and he was trying to think of one and he requested basically the times that he could do research and work that out. So that is what he came up with over the last two weeks, one sentence. Cliff Tetreault replied he kind of thinks that is the way we need to go. Sometimes when you are so far polarized it is hard to come up with that middle ground. Mayor Burge replied yes and that is what he thinks we need to look for is that somewhere where everyone can come together and say you know what how it is written we are never going to agree because it puts a real loggerhead but if we can agree on something that helps protect the airport and the Port a little more by saying this needs to be done it might go a long ways to solving it.

Robert Keyser, Clatskanie, stated with your permission Mr. Mayor he was hoping to address Councilor Bernhard's question about marketing plan and he can just tell you from his experience on the Port which is about 4 years now. One of the reasons he signed on for a position on the Port was my, he told Council this once before, but it was my impression there wasn't enough marketing of the lot properties going on including the 700 acres at Port Westward, the property in Rainier that a couple of major developers walked away from because the Port refused to sell and that time and the airport. When he was put on the airport one of the first issue that came about was the discussion about the airport litigation that was going on between the Port and the gravel companies regarding the whole east side of the airport. He stated the staff position at the time was we got this locked up we are going to own it, it should be completely publicly own, we will only lease property. They will come to us and by God they will develop it that way and we were given the opportunity, as a new Commissioner he was trying to come up to speed on the airport, to break that deadlock and to say to the attorneys basically we have sued each other enough it is time to walk away and we need to free this up for private development and when he met with Glacier the first question he asked was if we drop this litigation how soon before the grass gets mowed, dirt turns and we see things going on. He assured us it will be immediately within a year. It has been a couple of years he understands how things work and think he was trying to do that but the reason Ed Freeman has control of the entire east side of the airport is

because this Port decided that the past Port staff had not done enough to see that airport developed and despite their protect we went ahead with out them. He thinks it was a unanimous vote. There were several workshops on the topic, allowed the staff to present all the reasons they had over the years for not allowing that in to private lands, why it needed to be owned by the Port and we said well that is just not what we are going to do. That caused enough of a riff that we changed executive directors and be frank and say it public that was the issue and that was why, lack of progress at the airport, plain and simple. So we consider that the first step in our marketing plan was freeing up that entire east side of the airport in to the hands of a private developer and then trying to work with him the best we can when we get some idea what he wants to put there and how it works, to see that the infrastructure for us so maybe we can develop our 20 or 30 acres but our biggest share of the plan is to free up that land and he thinks Cliff will tell you that was no easy chore to not only once we made the decision then to see the staff implement the decision. We were fought at every step by staff, by staff he means former staff, very staff with the direction the staff they have now, are taking with development at the airport. He like Cliff supported the idea when they initially talked to Glacier about the developer they said they would like to consider 16 acre piece for residential in fact it was 14 or 16 acres. At that time we were talking about, there was kind of a debate between us, we wanted 2 acre lots and the developer said that they would like to get down to 1 acre lots so we were talking about between 8 and 16 acres and that is the only discussion the Port ever had. When the FAA came back and our consultant came back with all the concerns that we have which are in addition to the FAA. He would say the FAA is the majority of the concern. He thinks some of the FAA reasoning behind it we agree with in that bringing out a residential mixed use around industrial just tends to have noise complaints, traffic complaints, these kinds of things that businesses don't like and Cities and Ports have to deal with. If it is covered by municipal code the City has to deal with, if it is covered in the CC & R's for the property (I couldn't understand what he said, some one sneezed). We have that problem with some of our properties now and that is our main concern. He sees your point that residential development will happen faster than industrial but in the end he thinks if that airport in a reasonable amount of time same arguments he use to make in the northcam (didn't understand what was said) but we would like to live long enough to see that development but he really thinks that just because of or despite the Ports marketing efforts that Columbia County has come in to focus as land fills up and the asset that we have out there is very impressive. He stated we have been told that by the folks that have come to look at us. When we have gotten calls related to anything of large piece of land request we forward them to Ed Freeman and will continue to. If somebody wants to develop out there and we tell them we are happy to work with you through the fence is an options we have an ordinance in place we give them a copy of the ordinance and we have Ed talk to them. He thinks that if the business (not sure what he said here) had not been turned down he believes that Ed would probably have several businesses out there and in his world he would be successful enough that he would be less interested in residential. That is not what happened and that is too bad. He wanted to address that piece. He also wanted to say to the Mayor that he has discussed this with his Commission but your idea would give him some comfort. Anytime you remove any of the obstacles that helps. He still thinks the Port for the reasons they laid out would appose residential development but he thinks that is at least, he thinks he is trying to address some concerns. Mayor Burge replied what he is trying to do is give a win/win where it is like you said majority is the FAA. If the FAA some day says what Denver did isn't that bad, maybe we should allow more stuff like that, you never know the future. Just a few years ago the Port based on you know may have been misdirected in the opinion now but said he lets put that in our transportation master plan or airport master plan and you know then said we changed our mind, we want it out. He thinks people are allowed to, especially as the economy of the world becomes more dynamic. To me

having little things like this might actually in the future at some point be a selling point. Even if you guys said no today, in the future if it is already in the books it can happen faster. If it became, if somebody said I will bring 500 jobs here if I can have my home here too. You never know but it would be really nice to have that in our pocket. Robert Keyser replied I see what you are saying. Mayor Burge replied but this would also give you the ability to say without the FAA support you know... Robert Keyser stated I would hope by support, once again he is not negotiating, he doesn't speak for the other Commissioner at all but as you address these issues that is helpful. If the City would like to take the liability for the noise complaints we would love that too. Mayor Burge stated but we hear them anyways. Robert Keyser stated if the letters from the FAA would address specially the biggest part in not whether they bless it or not but that they hold us harmless. Mayor Burge stated if they are supporting the project they would have to hold you harmless and he thinks that is basically what they settlement between Afton and the FAA was. Robert Keyser stated he needs to read that again Councilor Heerwagen but he believe..... (too many people talking). Mayor Burge stated no more plot be on that. The Afton airport based on the quotes in the Spotlight and he is assuming they talked to the airport manager there disagrees with the FAA's position. Which everyone has the right to do like Commissioner Tetreault said you look on the internet and you can find anything you want to hear or say or any position that you want to take on the issue. Robert Keyser stated he just hopes that the lack of some dusty book that says Port Airport Marketing Plan is not perceived as not working on the airport marketing. He felt the biggest piece was getting that in the hands of somebody who would development and secondly if the staff had come to him and said we want a commission of Port marketing airport study, his opinion would be we've got rooms full of books that have studies on it, let's get something done. Let's meet with the developer and get something done.

Councilor Bernhard stated he appreciates that and he appreciates that also both of you coming up once again saying that there was past issues with the Port as in maybe the lack of process. He thinks it was the staffing that the Port had and he truly does believe that you guys have what's best for our community in your minds when it comes to industrial jobs out there, he truly does. He feels this Council is also in a position to where we need to be thinking outside the box a little bit and that is where he is coming with this. Again he also appreciates them saying you might have a little more of an appetite for this if we place this for (didn't understand the word he said) that was one of your major concerns and if you are not going to be held liable and the funding is still coming in this might be a win/win situation. This Council is just looking for an opportunity to help growth and as you guys have said growth has been stagnant some what out there. It is getting better he agrees but you know what the community is more than just better the community needs change and he thinks we are giving this opportunity to you and to us and to our community for possible growth.

Robert Keyser stated one of the things that we changed, and he doesn't want to get off topic, but one of their market strategies of you will is to see the current existing businesses strive and expand and he thinks that is what this developer is telling you that the public presentation that he heard from him the three businesses that he mention are all currently on the airport in what we consider a business incubator because we don't have a lot of land and we couldn't accommodate Oregon Aero's request for sure, maybe some of the others and we have talked to them. We also try to be respectful are we competing against the private sector and that is something that he doesn't believe that the Government, a tax funded Government body should be doing and he doesn't want to take away from Ed's doing so we are a little bit in a tricky spot here when we talk to some developers and he knows some of them right now are going to Ed and talking about

land and then coming to the Port and saying what can you do and getting in bidding war for that land is a really bad idea.

Mayor Burge stated it is always a good strategy to make it competitive from their perspective.

Robert Keyser stated we consider when a business out grows our spot on the airport and moves (can't understand what was said) but we would love to see you move on to private land it would be bigger and higher more people.

Cliff Tetreault stated I just want to add Jeff we don't want to be cross (didn't understand what was said) with City Council. We really want to be working closely with you and also closely with Sierra Pacific and have two businesses right now that we are working on agreements for through the fence.

Councilor Bernhard stated he agrees this has been good. The publicity that this has caused out there has created some type of motion and like he said at the first meeting motion has a tendency to create motion and this is all that is created in the possibility of opening new ideas, if this is what is created, he thinks it is a good things, he really does.

Robert Keyser stated he would like to offer to the Mayor and Council if staff, we debated how much information to give you again tonight, like Sierra Pacific has, if staff or if you have any questions of other Commissioners, Commissioner DeShazer has 7 years on the board or their executive director, they are more than willing to come up. Mayor Burge stated he thought is was 9 years on the board.

Several people thanked each other.

Glenn Dorschler, Scappoose, explained we are living in momentous times. We are seeing our population grow to over 6,000 people now and what he believes is critical for our future is economic growth and vitality. We have the infrastructure already in place. We have Highway 30 that extends to Portland and Vancouver. We also extend to Beaverton, Tigard and Hillsboro. We also have the rail that would be critically important for distribution. We also have the infrastructure for schools and the infrastructure of other businesses that would supply business that would come to this particular area. The opportunity for growth in Scappoose and in Columbia County is at the very threshold and I believe that building near and around an airport would be clearly incompatible and even counter productive for economic growth. Several years ago Mr. Paul Boyer who is President of the Aircrafts and Pilots Association testified before a Congressional Subcommittee on Aviation in Washington D.C. and this particular organization has about 415 thousand pilots who are members and it is one of the largest organizes in world. Mr. Boyer testified about the vital importance about general aviation, in supporting some 47.5 billion dollars in economic activity in the United States alone. Glenn Dorschler stated Mr. Boyer said this to the Congressional Subcommittee and he quotes: I am remaining general aviation airports are the thrive and are to continue to serve the public. It is essential that we protect our Federal investment in them. General aviation airports receive grant from the FAA as you probably know and the capital improvements of airports have provided assurances that they would continue to reserve their land for aviation. In a sense they have to pretty much agree by contract to do that in order to continue to get their grant funds. He stated Mr. Boyer also goes on to testify before Congress this Congressional Subcommittee that abuses have occurred. Building homes near an airport would be detrimental. Homes near airports he doesn't think would

increase in value but he believes would depreciate in value. More over safety hazards he thinks need to be concerned and be considered because home would defiantly attract birds and they would cause serious aircraft accidents even the potential of fatalities. Mistakes have been made in the past, all of us make mistakes. When I was on the Council for 14 years I very well aware of mistakes that I made but I tried to mitigate mistakes that is in the past. Now we have the future and he believes right at the apex in the center of our future is the Scappoose airport. He believes protecting the airport for future economic growth and job creation is critical for our future. We are in an exciting period and of our history and opportunity for growth and setting a part the airport he believes is a critical and important essential. To build homes near an airport would have no place and he believes we would be placed in a precarious precipice for our future growth economically. There for members of the Council he urges them to vote no on this particular issue and to set aside the airport as future economic growth and vitality not only for us today but for our future and for all of Columbia County. He thanked the Council.

Mayor Burge stated thank you Mr. Mayor.

Don Hanson stated he will just maybe talk about three things, simplistic items. He stated first of all Grant Assurance 21. It is not really you know clear to us if that is a Law or regulation that is applicable in this situation. He stated he really appreciated Joelle coming to the last hearing giving us her background on all this but when she sited conflicts they were primarily with existing residential uses around airports. This is different, this is something that if we do do residential around the airport it would be anticipated, it would be designed specially to be near an airport. There would be sound attenuation in the structures, they would be sited carefully. The people that purchase them are actually people that want to be there. So an airport and residential are not two conflicting uses that are cast on each other. He wanted to make that point real clear. He stated members your idea, your thought about having an FAA letter requirement he thinks is great because obviously it is a procedure that they need to go through any way and he thinks that would be flushed out in the conditional use permit process which is focused really on compatible between uses and that would be the time we do it. Also the idea of visiting with the Airport Advisory Committee we would welcome that. He stated as we advance and have more details on what we are proposing he thinks that would be one of our first stops that we would make is with them to get their feed back and then one thing he wants to mention and he can't do this in detail, we have been having some visits with the Port, some mediations sessions and the last one was a visioning session, where we talked about what we are thinking long term around the airport with Port Commissioners, with Jerry, with others (the tape switched sides) with those sessions. We are going to meet again on the 16th and that is the extent of the detail that he can talk about relevant to those sessions. So that is all he had to add.

Ed Freeman stated he wanted to make a couple of comments, can't help himself. He would like to leave it on a positive note like Mr. Hanson just did but there were a couple of comments that were made up here that he can't help but address. One of them goes back to that and it really is not germane to the topic tonight but the whole Glacier and the gravel wars thing and the magnanimous position that the Port took to release the property on the east side of the airport so that Sierra Pacific could buy it. He can't assume what Glaciers motivations were but he would suspect that maybe there were other reasons why the Port was not able to acquire the property other than they just wanted to see me acquire it. He stated Mr. Watson (does he mean Mr. Dorschler?) mention Phil Boyer from the AOPA. He talked to Phil Boyer, contacted his office last Friday, he is a native son of Oregon and there is a distinction between residents around airports and residential airparks that maybe wasn't addressed in that conversation or that even

Mr. Watson sided and Mr. Boyer has been in contact with Dan Clem head of the Department of Aviation for Oregon and the question still that has never been answered why is our own State of Oregon Director Aviation supporting and promoting residential airparks if there is an FAA Law or Regulation that clearly spells out that they are illegal. He thinks the way that is it heading tonight is the proper way. They want to meet with the Port. They want to work out these items and issues and we have just never been able to discuss residential airparks with the Port or anyone with the Port since they first pose an object which was back in October of 07. Up to that point the year before that they were fully on board and supportive and he acquired this Wagner Ranch because they were on board and supportive of it. So there has been a change and that is understandable but we would like to be able to discuss it with them. We haven't even been able to discuss it with them. So he thinks if there was an opportunity following your decision tonight for us to interact with the Port Commission the decision makers there that make the policy that would be helpful for us. He stated Councilor Bernhard mentioned motion begets motion, his comment on that is he is absolutely right. If you look at that Afton situation that was brought up here there were some issues between Afton and the FAA but the FAA in the end did approve the residential airpark, it has been built and the FAA is funding the Afton airport to the tune of 3.8 million dollars over the next four years. It is over 700,000.00 a year in a town of 1,300 people compared to the Port of St. Helens has been able to garner from the FAA here. So he would say that maybe getting in the news and getting in front of the FAA is not such a bad thing. If Afton has been able to build this airpark and now they have all these projects and FAA money coming to them so let's be creative and give it a try.

Council President Ingham stated she is just asking questions based on what she has heard now from both sides and wanting some clarification from Ed Freeman. She stated Mr. Greenfield in the past and Ms. Briggs and now our former Mayor has stated unequivocally that airpark residential is an absolute incompatible land use with this airpark and she wants his comments regarding that; absolutely incompatible. Ed Freeman stated the whole issue of incompatible when you dive into the FAA documents has to do with noise for the most part and the sound levels that are acceptable and our proposal has been, I think we stated it previously, that we would be outside the restricted noise levels with any residential airpark that we propose. He stated there has to be some science, compatibility is just not a word there has to be facts and science basing those regulations or rules and we have the aviation specialist and experts that know what they are and would design to meet those standards.

Don Hanson replied obviously there are ways to deal with the noise. There are sound attenuation techniques that are pretty advanced and both Ed and I are use to implementing those on projects. He thinks the former Mayors point also talked about compatibility between different land uses around the airport. We have an honest disagreement with him about that. He thinks the trend is really to go away from exclusionary zoning and rather to have more mixed use, more blended uses, more complete communities. It reduces vehicle trip, mile trips, in an area. He thinks it makes, he thinks, a more complete community and as we proposed in our ordinance, you know there are ways to deal with compatibility especially when if we are going to propose some residential out here he kind of comes back to the point that it is choice residential, it is people that want to live in this environment. They are not annoyed by the activities or by the noise; they are actually attracted to it. They are enthusiast and he thinks that makes all the difference from his perspective and he thinks there is a number of things with site design and master plan that can be put in to place that make the uses blend together and make them more compatible. So he doesn't think that having a residential component is going to detour future growth around the airport. He is convinced of that. The other point he will make on it is the residential is also a

revenue stream for the airport. They would pay to use the strip also. They would pay to take off and land so in reality they are functioned economically just like any other business in their support of the airport activities.

Council President Ingham asked Mr. Hanson that Mr. Tetreault mentioned when he was speaking that he saw some plans or something related to 68 homes going out at the airport and you told us there are no plans and nothing has been set forth. Mr. Hanson replied he does a lot of sketch plans and some time those travel where they should travel. He has probably done 10 different plans for different land uses around the airport that Mr. Freeman controls, that is his job. He looks at a number of different scenarios but he can assure you at this point Councilor we don't have a firm plan or a proposal in place for the number, quantity, type, configuration of residential around the airport.

Council President Ingham stated in the big picture if airpark residential was to happen down the road at this airport in your thinking now and I know it is premature, but what would be the percentage of residential verses economic in the whole lay of land that Sierra Pacific owns. Don Hanson replied he would be really guessing but do you want me to throw a number out. Council President Ingham replied absolutely. Don Hanson replied less than 10% of the totally holding around the area and here is why: You know residential can be very compact and he thinks by design should be so that it doesn't displace jobs and economic development land around the airport where industrial obviously needs a lot more space to function well. So he would throw the number of 10% out.

Council President Ingham stated her last statement would be to Cliff and she appreciates him coming and she thinks that we were talking about middle ground and wanting the Port and Sierra Pacific and this Council to find middle ground and she thinks that the conditional statement that the Mayor has offered that would require an FAA letter of support shows that we are stepping up and offering to come to the middle and she would hope that you would agree that that is very good effort on our part and agree to work with us on that. She stated thank you.

Councilor Judd stated at the last Council we had a person come to present the economic development consultant or something and the number she mentioned was 8% of the 520 acres, which comes to about 40 acre's or so, if we zone for that Jon are they limited to the 8% or 10%. City Manager Hanken replied part of the process is what you would have if you adopted this tonight you would create the potential for a zone as an option that could be applied anywhere within that airport areas. So again you are relying on comments related to the property owner that says this is what they are going to look at but realistically you could go, for instance he believes Dave Maloney another property owner, if he could get an easement through to the runway he has the potential to make that request. There is another property owner by the name of Yetts, same thing if they could get an easement to the runway there is another potential. Now again we are talking, basically from the West Lane Road to the runway is the distance. So we are talking consideration distance between where those properties are and the runway but it is theoretically conceivable. Councilor Judd stated so it is just not restricted to Mr. Freeman's property. City Manger Hanken replied no but Mr. Freeman owns the majority around it. Councilor Judd stated on the east side. City Manager Hanken stated the east side and the west side.

Don Hanson replied Councilor Judd 8% is a good number. Councilor Judd replied a sketchy number but a good number, but we are not required.

Council President Ingham replied it is all condition. Don Hanson replied it would be the zone request where you would basically put that condition on. Councilor Judd replied conditions change. He stated Mr. Keyser said that if businesses were better we wouldn't even be having this discussion about the residents probably. So you know a lot of things depend on the market and how things go and like you said these are sketchy numbers. So he doesn't see where... Don Hanson replied he thinks even if were business was vigorous right now we would still be having this discussion just because we want the mix. Ed Freeman replied he would have to agree with that, his industrial related businesses and commercial businesses are going gang busters right now and the residential is dead. He stated but this is a special type of residential it is not just residential it is folks that want to live at the airport and hear airplane noise and be able to access the airport with their airplanes. Industrial is good and it is going to happen here.

Councilor Meres stated both me and Councilor Judd are in the same situation. He stated at first that property was bought for industrial use, now we are talking about houses and once we give you that zoning how do you know we are not going to be back here talking about more houses. He stated once you open that gate and you meet everything you need and all this Council is doing is saying you know what we just don't like the fact that you want to put 300 houses out there, we are not going to do it. Well what says you can't appeal that and that we end up in a long court battle because you want to build 400 houses? We gave you 60 over here and you have the zoning in place and I have not seen any industrial growth out there in your property. He has heard there is a jet center coming, Composite Unlimited. I have not seen one stick, other than the road way, but he hasn't seen anything. If there was something actually happening there. He feels for you guys and he is some what open but he still...once that gate is open with the houses he just doesn't know where you stop it and you haven't, if you have that acreage right off of West Lane and you had industrial building lining up there and you said we want to do this corner, this is what we want to do, he could be some what open to is.

Ed Freeman replied he appreciates that admission that is wonderful and he doesn't blame him for being a little bit skeptical about the industrial development, it is taking them longer than they thought also. He stated when they had that first phase approved where were thinking we would be in to the ground and going faster too but it just took us longer to acquire the Wagner property were we had to bring the sanitary sewer lines across and all the way from Columbia to Bird Road to get to the property so we had to run the sewer line approximately a mile just to get to the first phase and now that first phase is done Composites Universal and Scappoose Jet Center both closed on their parcels. He stated Composites has submitted their plans for permits he believes, certainly design review and Scappoose Jet Center he believes submitted for design review or their architect told him about a week ago they were about to submit. There are going to be something's happening. He stated but to answer you question I would have to let Don answer that. It would have to come before you. I could give you my word but that is not going to satisfy you. We are saying it is going to be no more than 8% and that is where we are at. We are meeting with the Port; we are designing road layouts to create all this industrial property. Don Hanson stated which we can't talk about in details. Ed Freeman stated we are funding the economic opportunity analysis to bring their property in the UGB. We want to make it happen for you folks. It is what everyone has wanted to see out here for such a long time but I also know that 700 acres of industrial would take two life times for me to every develop out so why not get some, generate some dollars right now for the City with this residential and help us fund the 6/7 million dollars it will cost to build the Crown Z Road around to the east side.

Don Hanson stated he just emphasize again this is our request is just to create the zoning category. How it is applied, where it is applied is a decision that is going to go your Planning Commission and I believe up to your Council, Mayor Burge if it is a zoning request and again the conditional use permit process goes to Planning Commission. So his feeling is the way that this is set up and it is not a slippery slope as it has been characterized by some during these proceedings, it is process that the City is firming in control of in terms of approval. That is his perspective Councilor Meres. Councilor Meres replied you are right and the funny part about it is everybody down the line until it got up to here all said no and we are still considering it, do you know what I mean. Somebody said no all the way, even me. Don Hanson replied so that tells us we are dealing with a tough crowd. Ed Freeman explained he invested several million dollars in to this property and at least a million dollars more in to this process with the support of the Port backing him initiated it all, acquired the property and started this property. He met with Port Commissioners they were supportive and something changed about a year ago and it has gone in the wrong direction so we are still trying to get their support that investment we have already made and go forward. We could come back and say okay we are going to build 400 T-hangers on this property, where does that get us, 400 airplanes verse 60, number one he wants to make one point that we are kind of fixating on a size and an area we control, there is a certain area that all makes sense for this but it butts existing residential but we are not talking about 100% of that property possibly being the focus of this potential zone in the future a residential portion of it. There would be commercial industrial on the entirety of West Lane and out buffering the airport itself.

Mayor Burge closed the public hearing at 8:06 p.m.

Mayor Burge stated to City Attorney Jordan the motion is now on the floor for the Council to discuss. City Attorney Jordan replied you have already approved the motion to reconsider so now you are back to square one. Mayor Burge stated the motion is on the floor, he stated it is a motion to reconsider so you are reconsidering the motion. City Attorney Jordan replied yes the original motion is on the floor.

Mayor Burge stated he will start off as a member of Council to make an amendment to add the sentence: a letter from the Federal Aviation Administration in support of the proposed project, in the section that he stated. He explained it would be under 17.73.050 Conditional Uses

Council President Ingham moved and Councilor Bernhard seconded the motion that Scappoose City Council amend the proposed ordinance to include “a letter from the Federal Aviation Administration in support of the proposed project” under 17.73.050 conditional uses.

Councilor Gedlich thanked everyone for coming tonight and testifying both pro and con and being patient for her when she asked for this to be reconsidered because she still had issues that she wanted to address. After listening to everyone’s comments and talking to Mr. Hugo from Sierra Pacific, staff and Commissioners from the Port of St. Helens all of her questions have been answered. She is in favor of this ordinance and she moves that we affirm our approval of Ordinance 799 and place this on the second reading.

Mayor Burge stated for him putting that sentence in makes all the difference in the world because he feels like it helps protect the Port and it gives them the backing of the FAA that they have to support any development that happens and that is really what was important to him and having support from Sierra Pacific in adding that language makes him happy that we can

hopefully use this to move forward as it gives you guys that extra backing that he felt you might need and he is going to go ahead and vote for 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 and Councilor Meres, nay.

Mayor Burge read the title for the second time.

Adjournment

Mayor Burge adjourned the meeting at 8:11 p.m.

City of Scappoose, Oregon

Scott Burge, Mayor

Attest: _____
Susan M Pentecost, City Recorder