

**REGULAR CITY COUNCIL MEETING
DECEMBER 6, 2010 AT 7:00 P.M.
SCAPPOOSE HIGH SCHOOL AUDITORIUM
SCAPPOOSE, OREGON**

Mayor Burge called the City Council Meeting to order at 7:00 p.m.

Flag Salute

Attendance:

City Council Members:

Scott Burge	Mayor
Jeff Bernhard	Council President
Donna Gedlich	Councilor
Judie Ingham	Councilor
Larry P. Meres	Councilor
Art Heerwagen	Councilor
Jeff Erickson	Councilor
Mark Reed	Councilor Elect

Staff:

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

Press:

Josey Bartlett	The Chronicle
Stover Harger	The Spotlight

Also present: Chris Negelspach Planning Commissioner Chair

Approval of the Agenda

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

Public Comments

None

New Business ~ Docket # CPA1-10/CPTA1-10/DCTA3-10

Public Hearing to solicit comments on the following proposed actions:

- **Amend the Comprehensive Plan to incorporate 2010 Scappoose Economic Opportunities Analysis (EOA) and 2010-2030 Columbia County population forecast;**
- **Remove outdated information from the Comprehensive Plan and add key findings and policies from the EOA;**
- **Add new airport employment Plan designation and overlay zones to implement the EOA;**
- **Amend Scappoose Urban Growth Boundary to meet industrial and commercial needs identified in the EOA and to include a regional park area.**

Format: Legislative Land Use

Mayor Burge read the opening statement: I am calling this public hearing to order to consider an application for a Legislative Land Use Decision. Testimony and evidence must address the criteria that apply to the decision as described in the staff report or to the criteria the person testifying believes to apply to the decision. Persons may speak only after being recognized by the chair and must come forward to the microphone and state their name and address for the record. Only testimony that is relevant to the application will be considered. Immaterial or repetitious testimony will not be allowed and time limits will be imposed if testimony is irrelevant or repetitious. There shall be no audience demonstration or other conduct which would disrupt the hearing.

The order of the hearing is the staff report and Planning Commission report, then proponents, then opponents, then neutral participants, then a staff response, then any questions the City Council may have. Thereafter, the hearing is closed for consideration of the matter by the Council.

City Manager Hanken stated Mr. Mayor and Council on June 16, 2008, staff presented a report to Council on the need to examine our Urban Growth Boundary for future commercial and industrial development. The process used to accomplish this is called an Economic Opportunity Analysis which estimates the land needed for those purposes over the next 20 years. The last time the City went through a UGB expansion was in 1991. At that same time we were talking about this I had an opportunity to meet with Cheri Davis, a former member of the Governor's Economic Development Revitalization Team. Ms. Davis was instrumental in assisting the City of Pendleton in completing their Economic Opportunity Analysis. Scappoose and Pendleton both have lands by their airports that have job creation potential. Ms. Davis also recently was retained by Sierra Pacific to assist them on their airport project. Ms. Davis was present at the Council meeting to discuss the Economic Opportunity Analysis process and Mr. Freeman was also in attendance. Mr. Freeman is the head of Sierra Pacific and he offered to pay for the consultants to conduct this study on behalf of the City. Council unanimously passed a motion to accept Mr. Freeman's offer. On July of 2008, Council established the Economic Opportunity Analysis Committee and the Committee starting meeting in December. The work of the Committee was completed in May of 2010 and was the basis for the land use application that was submitted to the Scappoose Planning Commission. The Planning Commission held four meetings in which they heard public testimony, reviewed the application materials, and forwarded recommendations to City Council. It is the Planning Commission's recommendation that is before you. At the table with me is Jeff Bennett, the City's Land Use Attorney, Brian Varricchione the City Planner and Chris Negelsbach who is the Chairman of the Scappoose Planning Commission. They will outline the hearings process and deliver the staff report and the recommendation of the Planning Commission.

Jeff Bennett stated good evening Mr. Mayor and members of the City Council. Tonight's hearing and the City process you will be following in the upcoming weeks is the culmination of a legal process that was commenced on July 22, 2010 when your planning staff submitted a 45 day notice of proposed amendment to the Department of Land Conservation and Development, the primary purpose of which is to amend the City's Urban Growth Boundary. I will spend a few moments to explain what happens once the City action has been completed. State Statutes provide that a City with a population greater than 2,500 that amends its Urban Growth Boundary to include more than 50 acres must submit the amendment to DLCD in the manner provided for in periodic review. So, if the City approves a UGB amendment, a copy of the City's final decision on the amendment must be sent to DLCD and to all participants in the proceedings here before the City. What all this means is once you make a final decision on the proposed UGB amendment the adopting ordinances are submitted to DLCD for review for compliance with the Statewide Planning Goals and related

Statutes and Administrative Rules. From that point DLCD's administrative procedures apply to the matter. Let me quickly summarize what will happen at DLCD in regards to the UGB amendment, should that be what occurs at the end of this process. Number 1: local participants have the right to submit objections within the time allowed by DLCD Rule. Number 2: DLCD staff will review the City's submittal and any objections it receives and prepare a report which responds to the objections and identifies any compliance issues. Number 3: Once the report is complete, the DLCD Director has the option of 1: approving the amendment 2: remanding it to the City or 3: referring it to LCDC for review and final action. All this must occur within 120 days after the date the City makes its submittal to DLCD. Number 4: the director's approval may be appealed directly to LCDC. Number 5: if LCDC gets involved either through referral by the director or by appeal it will either 1: approve the amendment or 2: remand it to the City with direction as to what actions must be taken in order to achieve legal compliance. Number 6: any appeal of LCDC's decision goes to the Oregon Court of Appeals, LUBA is not involved. Let me add a word of caution here. The law is clear that the City's decision to amend the UGB follows the above referenced process, but in this case the City is proposing to do more than simply amend the UGB. The matters before you, if adopted, will also amend the Comprehensive Plan to incorporate the 2010 Economic Opportunities Analysis and the 2010/2030 Columbia County population forecast. It will amend the Comprehensive Plan to remove outdated information and add findings and policies from the EOA and finally it will add a new plan and zonings designations to implement the EOA. While we believe an argument can be made that all three of these measures are part and parcel of the proposed action to amend the UGB, these three changes may not technically be amendments to the UGB to which the above procedure applies. Accordingly Statutory post acknowledgement plan amendment procedures may apply to any post-City review of the matters instead. While some of the PAPA procedure is the same as the UGB amendment procedure I explained before, one principal difference is that appeal of PAPA would go to the Land Use Board of Appeals instead of to the Court of Appeals. The effect of this is that two post-City procedures may apply to whatever actions the City may take at the end of these proceedings. I need to emphasize here that it is critically important that participants in this proceeding understand that if they wish to participate in or initiate post-City proceedings they should seek legal counsel as soon as possible before deciding how to proceed with any post-City action. Importantly they should not rely on the procedure statement I just made in making their decisions about how to protect their own appeal or review rights.

On a second subject I would like to clarify a few things for the record concerning what has come to be referred to as the consultant team. As stated by Mr. Hanken in his opening remarks the City has been working on a draft EOA for nearly 2 years. Preparation of an EOA is a time consuming and expensive process. It requires a substantial commitment of both time and money. When the City decided in 2008 to proceed with the EOA, Ed Freeman of Sierra Pacific publicly offered to absorb part of that cost by agreeing to pay for preparation of the EOA and the various follow on documents that could be triggered as result of the EOA results. The Council affirmatively accepted Sierra Pacific's offer and as a result several of his planning and engineering and traffic consultants have worked with and assisted City staff over the past two years. Those consultants have come to be referred to as the consultant team in that time. Rest assured, however, what was presented to Planning Commission and what is being presented to you tonight is the accumulative result of analysis, content preparation and hard work performed by your internal administrative Planning and Engineering staffs. Add to that feedback provided by the EOA Committee appointed by this Council and from and by many, many persons who participated in the public process for that Committee and the Planning Commission. While the consultant team has had considerable input into what you have before you tonight it would not be here in this form without the review, analysis,

input, and fingerprints of dozens and dozens of local citizens, committee and commission members and City staff. This is not a consultant team driven product. As staff we recommend that you continue to use the consultant team as a resource. Given the value that they provide as a resource we have asked the consultant team to make a presentation of the fundamental aspects of the issues before you tonight once the Planning Commission Chair has concluded his remarks.

Finally, given the number of persons in attendance here tonight I recommend that you consider placing a time limit on participants' testimony. There are several reasons for this. First, time limits help focus commentary on the real issues. Second, time limits encourage people to avoid repetitive testimony. Third, time limits make every participant's comments more equal. Fourth, time limits make the hearing fair by assuring that testimony does not run late into the evening and five, time limits allow you to better manage the hearing. In my experience a three or five minute limit per person is reasonable. If several persons have worked together as a group then we should have one spokesperson for all of them and it isn't unreasonable to give the appointed spokesperson more than three to five minutes, such as seven or ten minutes. In such cases make sure you ask the names of persons for whom the representative is speaking. If an organization is such as 1000 Friends of Oregon or the Sierra Club is here we recommend the same type of limit or slightly longer for them. I have represented several local governments in hearings such as this and no one has objected to this type of structure. That concludes my comments and I will answer any questions you may have for me.

Mayor Burge asked any questions Council. There were none from the Council.

City Planner Brian Varricchione stated Mr. Mayor.

Mayor Burge stated Mr. Varricchione.

City Planner Brian Varricchione thanked Mayor Burge. I wanted to comment a little bit on the materials that are in front of you this evening for your consideration. There are two binders and one of the binders in which we have labeled as "Binder B" consists of the original application that was submitted both to DLCD and to the Planning Commission and to the public for their review and comment. Looking specifically at the agenda items and their corresponding materials in that binder there are a few documents proposed for adoption. First of that is the population forecast for Columbia County including all the Cities within the County. There's the Economic Opportunities Analysis which is the framework for looking at a 20 year time frame, what types of businesses does the City wish to attract and what are their corresponding land needs. There are proposed text amendments to the Comprehensive Plan that would follow on the Economic Opportunities Analysis, take the information that was generated from that report and incorporate it into our Comprehensive Plan to bring those parts up to date that are related to Economic Development. There's a proposal to expand the Urban Growth Boundary in two general areas. One is northeast of the current UGB, primarily east of the Scappoose Industrial Airpark and that is proposed for industrial uses, institutional uses and a new recreational park with a trailhead. The other area proposed for commercial uses is on Southwest Old Portland Road, south of the City's current UGB. In addition to those actions I have already mentioned, there's a proposal to add a new plan designation for what's called Airport Employment. This plan designation would accommodate a range of land uses and development types that would be targeted for the area around the airport and that is proposed to be applied both to new lands that are brought into the UGB as well as to existing lands within the UGB that are near the airport. There are maps in the package that outline the

proposed UGB expansion area, the proposed plan designations and there is also a conceptual map that illustrates potential future zoning that could be applied in the area around the airport. The final piece that's proposed for adoption is a new overlay zone to add to the development code and that's the Airport Employment Overlay Zones. The Planning Commission has held several hearings on this application and Chris Negelspach, the Chair of the Planning Commission, is here and he will speak in just a moment to lay out the Planning Commission's recommendations. Given that there was a robust public hearing process in the Planning Commission stage, the "Binder A" which you also received includes all the materials and minutes that were presented to the Planning Commission during their hearings process. There is also an updated map that shows the proposed UGB expansion to reflect what the Planning Commission recommended and finally the utility analysis has been updated and that reflects comments from the City Engineer. So those are all the materials that you received. We do understand or recognize that it is an extraordinary amount of documentation to review between the application itself as well as all the supporting technical analysis and minutes from all the meeting and so forth. So we will of course be willing to respond to any questions that you may have for staff regarding those materials. At this point I will turn it over to Chris Negelspach.

Chris Negelspach, Planning Commission Chair, stated thank you Brian. Mr. Mayor and City Council thank you for letting me speak tonight to summarize some of the key points which helped craft the final recommendations to City Council. I will touch on the five bullets that are outlined in the memo to City Council dated November 18th, 2010, which includes those specific items that we are making recommendations on tonight.

Chris Negelspach stated the first item was preservation of the Crown Zellerbach Trail east of West Lane Road to the extent possible. There was much discussion during the first hearings regarding preservation of the Crown Zellerbach Trail. Subsequent to that, Otak provided a drawing of the section that showed a 15' wide trail easement separated from the proposed street section. The Planning Commission recommends that this pedestrian amenity be preserved if possible when the road is extended.

The second item listed is Amend the UGB expansion area. Again we had a number of objections to the SW expansion area for a number of reasons. The most prominent were proposed areas designated, SW2, which would have split a number of the lots into two different zoning designations if and when they were annexed into the UGB. In addition, it was felt that the area west of Old Portland Road was too far removed from Highway 30 to provide the commercial development opportunities outlined in the EOA. As such, Planning Commission recommends removal of SW2 so that only SW1 between Highway 30 and Old Portland Road would be included in the UGB.

The next item was to Amend Chapter 17.136 of the Development Code. This recommendation was made to simply update the Annexation code to include the new Comprehensive Plan designations (Public Use Airport Zone) in conjunction with the three Employment Overlay Zones into the code which were not currently listed.

This land would automatically be rezoned upon annexation with the applicable classification with that updated.

Next item was to utilize the October 21, 2010 draft of the proposed edits to update existing sections of the Scappoose Comprehensive Plan. Planning Commission noted that the original draft language within the UGB Goals and Policies section, starting on page 14, did not clearly identify the context for the proposed changes. This was addressed by adding new language specifically addressing the industrial and commercial needs identified in the 2010 EOA.

The next item is the Airport Employment Overlay Zones. Planning Commission agreed with the proposed October 26 draft of Chapter 17.74. Primarily this was done to address a number of public comments regarding the vague uses proposed in the earlier versions which used language from the North American Industry Classification System. This section was also updated to remove specific uses that would have created off-site impacts that could affect operation of the airport and surrounding properties. The uses were then consolidated into one table vs. five.

That concludes my comments regarding our recommendations. I will be glad to address any questions.

Mayor Burge thanked Chris Negelspach. He asked City Manager Hanken if there is anything else.

City Manager Hanken replied no, not from staff at this time.

Mayor Burge said from this point we will be moving onto proponents. He asked any proponents, the consulting team?

Hello members of the City Council and Mr. Mayor, members of the audience, my name is Greg Winterowd with Winterbrook Planning. My address is 310 SW 4th Avenue in Portland and we are members of the consultant team that worked on the alternatives analysis, amendments to the Comprehensive Plan and the Code. We worked very closely with your staff on that operation. With us here tonight are two other members of the consultant which you may wish to speak with. One is Scott Shumaker a civil engineer with Otak. Scott prepared the update to city public facilities plan that is in your packet and he prepared an initial concept plan for the area east of the airport runway. Scott is also prepared to address any questions you have about the trail layout next to Crown Zellerbach Road.

He explained Jerry Johnson is also here. He is the lead economist with Johnson-Reid and an owner of the company. He oversaw the preparation of the Economic Opportunities Analysis and he is prepared to answer questions that you may have about items that were submitted after the Planning Commission hearing closed.

In my presentation tonight, and by the way you should have a copy of my oral presentation, I am going to address six broad issues. The first is the Importance of the Public-Private Partnership in an enterprise as complex as an Urban Growth Boundary amendment. The second is to fill in a little bit on the extensive two year public review process that lead up to this public hearing. Then I would like to talk a little bit about what an Economic Opportunities Analysis (EOA) is and what it is not because I think there can be some confusion about that. There's been a lot of discussion about infrastructure costs and who pays. I would like to touch on that issue. Finally, or next to finally I want to talk about the State mandated UGB alternatives analysis process, that was also critically important to the location of the Planning Commission recommended UGB and then add a little bit

to what your City Attorney said about the ongoing Public Process that has to occur before a shovel can turn earth on any site that is currently outside of the UGB.

Looking at the public private partnership as was discussed it's been almost two and a half years since this Council, Scappoose City Council adopted a resolution to work with the developer in this case, a potential developer on the preparation of an Economic Opportunities Analysis and all the background study and policy and code amendment required for a successful UGB amendment in Oregon. Reading through the minutes of that meeting it seems clear that the Councils objective in doing this was to provide local jobs to help redress the current imbalance that exists between housing, there's a lot of housing, and jobs, not a lot of jobs, to decrease commuting times, to improve the long term tax base for the community and thereby increase livability as a whole for the residents of Scappoose. These objectives, we believe, can only be achieved if there is an adequate supply of sites for employment in the community and that is the essence of what an Economic Opportunities Analysis is. So the resolution calls for a collaborative process between City staff and the consultant team to prepare the Economic Opportunities Analysis and background studies needed to support a complex Urban Growth Boundary amendment proposal, and secondly to support an extensive local communities involvement process which is essential to make sure that the needs of the City and its citizens are met. There are also safeguards in this process. These studies, the UGB amendment are not prepared in a vacuum, they must comply with State Law, with Goals and Administrative Rules and Statutes that govern planning in Oregon. These are strict standards; they provide boundaries under which this community, any community can exercise discretion to make decisions about growth. The second thing is, this has been touched upon already, the rationale for the public-private parts process itself is because it is so complex to do a UGB amendment and costly most community in Oregon cannot afford to do what this community has done. Typically there is not enough State grant money to do this so you have to have some private involvement to fund the type of studies need to get through the State Process. So what about the local process, it has been two and half years since the resolution was adopted and seven meetings of the Technical Advisory Committee which was really carefully selected. It included, in addition to citizens both in the City and outside the City, you had representatives from the City itself, from City government, from Columbia County and the Port of St. Helens and I cannot express enough the degree of cooperation that existed with the City and the Port and the County on the basic issues proposed in this amendment. It's an unprecedented in recent times level of cooperation. The second important ingredient were State Agencies. You had the Department of Land Conservation and Development, the Oregon Department of Transportation and Oregon Business Development. All actively involved in the technical advisory process and all voting to support the recommendation that ultimately came out of that Technical Advisory Committee. That too is not a small task. I want to particularly thank Councilor Donna Gedlich for work, her heroic work in managing the committee, attending seven meetings, keeping us on track and helping reach a consensus recommendation that served as the initial proposal for the UGB amendment. The third item I would like to touch upon is we did have a public open house in May as well as a Joint City – County Planning Commission meeting that talked about the Statewide regulatory requirements and how the recommendation of the Technical Advisory Committee fit into those requirements. Fourth, and I think this is critically important as well, the Planning Commission had four separate meetings, two of which were lengthy public hearings devoted specially to listening to comments from citizens and State agencies and the Port District and out of that came a number of significant changes to what the consultant team and staff initially recommended and we believe changes for the better, in other words the process does seem to be working. As the Planning Commission Chair indicated there were clarifications to the comprehensive plan text, major changes to the draft overlay districts which our office prepared.

Changes that made it much easier to administer and I think limited some of the more obnoxious uses that might have otherwise been allowed. Adjustments to the UGB location itself based on citizen testimony in the southwest area that had been proposed initially for commercial development. The Planning Commission also heard extensive testimony about the Crown Zellerbach Trail and recognized that its function needed to be preserved as we move forward in the process and extensive testimony on the Southeast agricultural area and the reasons why State law makes it difficult to include Class II farmland in that area. I would like to thank Chair Chris Negelsbach because he did do a good job of managing the meeting and he was, along with several other Planning Commissioners, quite critical of the work we did and the end result was a much better product.

What is an Economic Opportunities Analysis? The term gets thrown around a lot. What I thought would be useful is to actually go directly to State Statute which is the basis for Statewide Planning Goal 9 Economic Development and the Administrative Rule that implements it. But what the Statutory language says, it is ORS 197.712 is that the provision of adequate opportunities for a variety of economic activities throughout the State is vital to the health, welfare and prosperity of the people of the state. In other words the Legislature when they wrote this, I think in 1983, they said, when we were in our last recession, they said it's real important on a Statewide basis that the State work carefully with local governments to provide economic opportunities for more jobs across the State, so the Legislation says Comprehensive Plans and the Economic Opportunity Analysis would be part of the Comprehensive Plan shall include an analysis of the community's economic patterns, potentialities, strengths and deficiencies as they relate to state and national trends. If you think about the EOA before you, there is a lot of discussion about local, state and national trends and the identification of the advantages that Scappoose has in terms of attracting certain types of economic development. Second, the plan must contain policies concerning economic development opportunities. Both the existing plan and the proposed revisions to the plan specifically identify opportunities for the community and ways to proceed to go after those opportunities. And this item "c" to me is a very important provision it says: that cities must provide at least an adequate supply of sites of suitable sizes, types, locations and service levels for industrial and commercial uses consistent with plan policies. In other words you do an analysis, you develop a policy framework and you implement that policy framework by having an adequate supply of sites to meet the economic needs identified in the analysis. The fourth provision in State law in the rule, in Goal 9 itself is provide for compatible uses. In that situation you want to make sure that you are not putting industrial development in residential areas and to the extent that you can you urge, you design it so the traffic doesn't have to flow through residential area to get to, in this case, to Highway 30. And so what the Scappoose EOA does is focus on exactly what it required by State law and identified key economic advantages, what are they:

The Airpark, Highway 30, Proximity to Portland markets, a supportive environment of the City, County and Port District level and the availability of serviceable land near the airport. Those are in the EOA. Those are also provisions that are in your existing Comprehensive Plans at the City, County and Port District level.

The EOA goes on to identify the types of employment that could be attracted to this community; large lot industrial, airport-related employment, education, office and support-commercial and highway commercial. And the test that has to be met under Goal 9 is that you can reasonably expect these types of development to locate in the community and that is the test which I think has been met in the EOA. One of the points that I would like to make is that the Economic Opportunities

Analysis is just that, it focuses on opportunities, not certainty. We do not know in 20 years the exact mix Scappoose of employment opportunities that will be coming to Scappoose or any community. What we try to do is identify categories of employment uses that fit with the characteristics of this community and attempt to maximize the advantages you have. It is not necessarily true that every use that we predict will come will come but we are sure that if we don't provide the opportunities for these uses by providing suitable sites, they won't come. So it's a matter of providing economic opportunities.

So the next item, who's going to pay for all the infrastructure. We heard a lot of testimony about this at the Planning Commission level and Otak did an excellent job of identifying the projects, sanitary sewer, water, storm drainage and transportation. Projects that will be needed to serve industrial land that is added to Urban Growth Boundary but these projects will be expensive and it is clear that the City, on its own, cannot pay for them all. No City can. So who will pay for these? The primary payee will be person or persons, in this situation, who actually develop the land. They will be paying for all the infrastructure identified in your plans as necessary to support development in two primary ways; one is paying upfront costs and the other is paying systems development charges or I should say most. It is also likely with a plan such as we have that we will be more eligible for State and Federal funding as to help in paying for these facilities. It's doubtful that most of them will be paid with something like a general obligation bond. User fees could clearly pay a portion of it as well. So it is not as if the City's going to go out build all the infrastructure and hope for the best. It will likely occur in a graduated form with the developer paying the upfront cost and paying system development fees to accomplish the objectives.

Regarding transportation costs, we did have DKS Engineering look at alternative growth boundary expansion areas and they concluded that based on the existing road system Crown Zellerbach Road and West Lane Road already there, designed and significant part City standards that provided a good backbone for the transportation system that could eventually be designed to connect to Highway 30. The other aspect of what they recommended was a ring road system that allows a connection on the east side of the Urban Growth Boundary for traffic that would flow to the east industrial portion of the UGB amendment. So we did look at transportation costs in putting this together and believe that we found the area that is the least costly to improve. What about UGB Expansion Alternatives? When I talked to the Planning Commissions and I think some of this Council in July of 2010 I said there's a fair bit of flexibility at the State level on determining your economic objectives, what you want your economic opportunities to be. I also said that there was much, much less flexibility in deciding the direction of growth and that is because another State Statute, ORS 197.298 clearly states that you include relatively poor agricultural soils before you include relatively good agricultural soils and in the case of Scappoose the northeast area was comprised primarily of Class III soils, not as good. The southeast areas comprised primarily of Class II soils, better and DLCD staff made it clear in no uncertain terms that if the City attempted to grow to the southeast they would strenuously object to the proposal. That's also been backed up in a recent decision by the Land Conservation and Development Commission in their review of the Bend UGB where the Commission was very clear in saying you cannot include good agricultural land where there is a choice.

The last item I would like to talk about is the ongoing public process. Your City Attorney talked ably about as getting as far as the LCDC process but assuming that all goes well we still need to come back and amend the Transportation System Plan to look at all the transportation impacts that result from the Urban Growth Boundary amendment, should there be one. We would then have to

go through the zone change and annexation process and you know better than I that annexation requires a popular vote as well as preparation of a concept plan, as well as application of one of three overlay zones to each parcel of land that gets annexed. All of that takes time and scrutiny by the City staff, City Planning Commission and in some cases yourselves.

Finally, once you go through all that you still have to meet City development code standards. Which if they are adequate to make sure you have sound development in the community. This gives plenty of time, I believe, to address the details of the issues, such as all of the transportation impacts, public facility impact, preparation of concept plans, detailed street and trail design, etc. So in making a decision to amend the UGB that's what you are doing. You are not designing specific subdivisions or anything like that. So in closing I would like to thank you for taking the time to listen and thank you for letting this process move ahead. I'll be happy to answer questions. We also have other consultant team members to help out on this process.

Mayor Burge asked if there are any questions from Council.

Council President Bernhard asked can you please confirm how many people were on the committee itself. Can you please go over the citizens at large and the staff or the councilmember that were involved?

Greg Winterowd asked if it would be permissible for me to defer to Brian on that question, I think he has that information in front of him.

Mayor Burge replied I have that information.

Council President Bernhard asked if he could please state it on the record.

Mayor Burge replied it was at an October 6, 2008 Council meeting. I will just read the motion: "Councilor Gedlich moved and Councilor Judd seconded the motion to approve the City Council meeting minutes from September 15, 2008 and appointment of Jacob Treanor and Trevor Eakins to the Ad-Hoc Skate Park Advisory Committee, appointment of Loren Holm to the Budget Committee and the appointment of Ryan Viken (citizen at large), Brian Rosenthal (business owner), Dennie Houle (OECD'S Representative), Seth Brumley (ODOT'S Representative), Paul Peterson (School District's Representative), Paula Miranda (Port of St. Helens' Staff Representative), Cliff Tetreault (Port of St. Helens' Board Representative), Rita Bernhard (County Commissioner's Representative), Emily Pudell (County Land Services' Representative) and Gary Fish (DLCD's Representative) to the Ad-Hoc Economic Opportunity Analysis Advisory Committee."

Mayor Burge asked was that all of them Mr. Hanken.

City Manager Hanken replied there were some other people that were added. I know Marie Gadotti and Bill Kessi were also on that committee as well.

Mayor Burge replied correct.

Council President Bernhard replied thank you that is all I have.

Hi, my name is Jerry Johnson with Johnson-Reid, 319 SW Washington, Portland, Oregon 97204. As background, our firm led up the preparation of the EOA working with the committee. I know that you have probably received the love letter from 1000 Friends of Oregon. You're looking at changing the Urban Growth Boundary so these come with that. We take a look at this and just for some reassurance there is a lot of smoke, not a lot of fire in here in that there is a lot of misreading of the report and a lack of understanding of data assessed which I think we can clarify given some time. There is also some objections to discretionary policy action taken by the Committee and the Planning Commission which are perfectly within your purview and their rights and it isn't really an issue for 1000 Friends. There's a comment or two on editorials which we may be able to work with Brian on probably editing and getting the final document as clean as possible for inclusion. I have worked with Mia several times before 1000 Friends and she is an excellent proofreader and so we can incorporate some of these things but substantially there's not a lot here. I do want to talk about some of the opportunities we see for this particular community because Scappoose has some real attributes and one of the points the EOA is really an economic development document and you've got some attributes that are really primed to be taken advantage of. One is clearly your access to Highway 30 which is one of the less congested routes in the Portland Metropolitan area. A lot of discussion in these reports in over time linking you with your labor area market from the State of Oregon well that includes the two northern coastal Counties in the State of Oregon. In reality you function much more and some of the Federal statistics include you as part of the broader Portland Metropolitan area. In fact you are closer if you count time as opposed to mileage to downtown Portland than Gresham. It is very quick to get into Portland from Scappoose, which that is probably one of the reasons you have seen a lot of commuting into town from that area and you also have some back route access through Longview to get to I-5, which gives you some real nice locational advantages and I think one of the key advantages you have is your airport and the ability to develop a cluster which is identified as part of the EOA. It takes advantage of that specific advantage for your community and provides some good long term jobs. We do have employment growing at a relatively robust rate in the assumptions right now. That was the selection also of the committee to take relatively assertive but also defensible positions on what employment growth could be in this area. We are talking not really of a disconnect between our population and employment numbers over time but more of a return to historic pattern within which the City of Scappoose was an employment concentration center for the broader area and trying to return to those days again. It gives also a better fiscal profile for this jurisdiction over time as well and from our reading of the group and it seems to be the aspiration that we are looking for with this particular thing to be aggressive on economic development but aggressive to a level we can still defend. Again DLCD was there throughout the process, they are on board with us on this. I think they understand what we did and why we did it and I think they would support it. Any questions?

Mayor Burge asked if there are any questions from Council.

Councilor Gedlich thanked Jerry Johnson so much for being here this evening. She asked him to explain to this body how you derived at some of the figures that you did regarding the percentages for the employment for this community in the next 25 years.

Jerry Johnson replied the employment forecasts were based on initially just baseline forecast with your existing employment profile but also taking a look at some shifts from broader metropolitan area which we were including this particular area into. So we took a look at some isolated concentrations and one specific concentration that came out was airport related industrial uses. We took those and grossed up the numbers above and beyond some baseline forecast to reflect an

assumption that a much higher proportion of that development could be captured in your particular area, models for that were like Aurora south of the Portland area on I-5 that has done very well with the airport related industrial employment. As the air space gets more crowded in the Portland Metropolitan area proper with the four counties there's a lot of opportunity on the periphery to take advantage of those specific industries.

Councilor Gedlich asked Jerry Johnson to explain some of those numbers and are they all going to be commuters and are we going to build new homes for these 8,000 new jobs and who are the jobs, is it just light industrial out at the airport. Could you explain some of the figures to everyone so that we understand because there are pages and pages and pages in your document that can be very confusing.

Jerry Johnson replied sure. At the end of the day I can't yell you where every worker will come from and where they will work. What has happened over time is Scappoose is becoming increasingly a bedroom community. It used to be an employment concentration center and people came from broader Columbia County to work in Scappoose. Over time it has become, as the industry had some decline and we also have had increased growth pressure from the Portland Metropolitan area, it has become more of a suburban commuting pattern. The hope is by developing a more robust internal employment base you can allow a great opportunity for your local employment, your local population to find employment within town and probably also for the broader area in Columbia County. Not everybody who would be working in Scappoose industries would be living in Scappoose but the idea is that you would become an area of concentration of employment and people would drive in. There's a lot of areas over time that have had a bit of a disconnect as far as patterns with employment growth usually a lot of population and sometimes a lot of employment, one or the other. You guys have gone in one direction, the aspiration and the EOA is that you start going in the other direction and adding employment and making more opportunities to reduce to the commute, take pressure off Highway 30 and allow people opportunities to live and work locally. There's also a lot of commercial in there as well because there are assumptions that you will be capturing a greater percentage of your commercial needs, retail needs and people won't have as much of a need to drive out of region to do their commercial shopping. Again as a community grows you tend to hit these thresholds where suddenly you can support different store types and then you can capture more and more of your internally generated retail leakage. In our report, I forget the number, there was a very specific portion of your retail sales currently that occur outside of region and part of the aspirations were that you would have greater retail opportunities locally so you wouldn't have to go out for all your retail sales, or as much of the retail sales. So the expectation is not just the airport related industrial but broader growth overall and your industrial sectors, associated office business sectors as well as commercial sectors.

Councilor Gedlich stated Mr. Mayor I might have some questions later, if that will be okay.

Mayor Burge stated we will have questions at the end. He thanked Jerry Johnson. He asked if there were any other proponents. Please step forward and state your name and address for the record.

Hi my name is Paula Miranda with the Port of St. Helens, 100 East Street, Columbia City. As the Council may already know I was part of the EOA Committee along with first Cliff Tetreault then Commissioner Terry Luttrell and we went through the process and we have revisited with our aviation consultant as well as FAA to make sure that there was no negative impact to the airport. So

we didn't find anything wrong with the plans. We worked pretty closely with the consultants to make sure that we understood well what was going on. We ran it by our Port Commission and they were pretty pleased with the plans and today I am here to represent the Port of St. Helens and to give our support to the UGB expansion. The reason being is we totally believe that this expansion may just bring benefits to the City as well as the Port District because in order to have industries and jobs we need land available. Although we are going through some recession right now this is not going to be like this forever and when things pick up again we need those properties available and we are not only looking at Port property we want to look at the Port District and make sure those economic opportunities are available and I truly believe that, I know a lot of people want to focus on commerce, you know all the stores and services that are available here in Scappoose and why don't we bring more and so one, I believe by bringing industries automatically they will be supported, that will support the services and stores that are in town. I believe people do tend to shop where they work and as Mr. Johnson pointed out I think we really need to start bringing those jobs back here into this community. Again looking at the Port District I think this will not just benefit Scappoose but the entire Port District as people will prefer to come here to Scappoose to work than having to drive all the way to Portland or Longview or up north even. So we will support the UGB expansion and I believe this is a great benefit for the City and the Port District and if you have any questions I will be happy to answer.

Councilor Meres stated to Paula Miranda I know we have had some issues about opening up the fence. We have gone that route before so if that UGB goes through is the FAA and yourself on board to opening up that fence and how are you going to secure that area, is it going to be totally fenced in or?

Paula Miranda replied what you are talking about is what we call through the fence and through the fence is not necessarily just like you physically have the fence or the gate open to the public. It just means that the a few people will have the rights to use the airport. We are still going to have a gate there most likely. The authorized parties would have access just like the current tenants do. At the moment there is a through the fence in effect. FAA has not out ruled that. Obviously we work pretty closely with FAA and the interested parties and whatever comes out of that it hopefully, we will support economic development. Let me put it this way we will do what is necessary to make sure the economic development happens and we also have to work pretty closely with FAA as they sponsor the airport and obviously pay for a lot of the infrastructure you see there. At the moment as far as I am concerned it is still in effect, it hasn't changed. There's been lots of talks throughout the entire Country about how they want and do not want to deal with the through the fence. As far as I know we haven't changed anything. So we do have user of through the fence at the moment, or at least folks that have agreements with us. If we have aviation related uses outside of the airport boundary we work with them. There are a few rules, there are a few things we have to take into consideration those are FAA rules and we work with those parties as necessary.

Mayor Burge stated I have a stack of proponents and I was going to start with Senator Betsy Johnson. Please state you name and address for the record.

Betsy Johnson stated thank you very much. For the record my name is Betsy Johnson, my address is 53894 Airport Way, Scappoose. I am here tonight wearing several hats. First of all I am a State Senator who has the privilege of representing this area but moreover I was a business owner starting back in 1977 who made a substantial capital investment at the airport. My husband and I ran a helicopter company there for a number of years. When I entered public life my husband took over

ownership of the business and he continues to maintain what's called a FBO, fixed based operator at the airport. So we have been there since 1977, more than 30 years ago. I don't know how many of you or people in this room were here 25 or 30 years ago when the gravel wars started. The great debate then was simply to dig or not to dig a 423 acre parcel of property immediately adjacent to the airport. It would have created a 400 are plus lake with no opportunity for the community or the airport left after the rock was extracted and a giant water filled hole was left. I don't know how many of you attended the frequently over rotten meetings as the community debated the future of the airport, frankly the future of the community and the potential to either gain economic opportunity or lose economic opportunity. The debate was incredibly expensive. I was one of the people along with my husband writing the checks to try to protect that site as the economic future of Scappoose. I know how much money we spent and I am told by the gravel company that theirs was a factor of that amount times 10. The debate was acrimonious, it damaged reputations. It was a very, very long debate. It carried through two Governors and it carried through two United States Senators. I visited with the head of the FAA and when I was back in the FAA offices there was a big map of the United States with a spot in New England that was one of their problem spots and Scappoose. This was a long painful debate and with the help and then Governor Kitzhaber's office we were able through one of the Oregon Solutions, the early Oregon Solutions processes to negotiate a solution that left the Meier's site open for what has always been identified as the industrial future of Scappoose. Lonestar Northwest now Glacier now CalPortland departed from the site. The legal battles stopped and many of us in the spirit of the negotiated settlement committed ourselves to hunt for opportunity for that site. We worked hard to try to find the jobs and look forward to a day when that site would help Scappoose realize its full potential. Various ideas came and went. Some of them were already greased in Salem. I am sorry to say my naiveté when Commissioner Bernhard and I stood before a City Council a long time ago and hoped for a training facility without knowing that was a done deal in Salem. There were expanded businesses at the airport and I think if you look at the portfolio of business there now and see the really magnificent stuff that they are doing. There are businesses at the airport working for Boeing, working for NASA, working in all of the highest tech materials that we all espouse as the future for where Oregon wants to go. They are not screwing airplanes together, they are baking airplanes together and these are sophisticated high tech airplanes. There was a time when NASCAR was favored by some. Businesses were going to expand, we were lucky enough to find a quality developer with economic strength and a track record and then the economy fell apart and many of those plans were put on hold. Today again the bright light shines on the opportunity at the airport. We have a real chance to develop significantly out there and the very real possibility of a community college presence near the airport. A brick and mortar Portland Community College facility. I've talked many times to Dr. Preston Pulliams. His board has deliberated and made a commitment to come here. He has reassured me of their commitment to come to Scappoose. I think it is ironic that some of the folks here tonight who may testify against this opportunity stood shoulder to shoulder in opposition to a 400 acre gravel pit. They talked at that time about the economic possibility of the Meier site as the future of Scappoose. I hope that this body considers that, considers the history, considers the anguish that went into preserving this site for the deliberations that we now face today to turn this into the future and the economic departure out of this area. I've just come from a Highway 30 Traffic Safety meeting, talking about the huge commute that takes people out of this community and destroys the very fabric of the place that we live. I firmly believe that expansion onto the Meier site and the possibilities that it brings will be transformational for Scappoose and South Columbia County. Councilor Meres just to answer your question through the fence is nomenclature in aviation land for bringing private capital and private opportunity to an airport. It attracts private businesses and gives them, through contract, the right to use the most valuable asset

at the airport and that is the runway but what it really does is to create a tax base for the City, it puts private capital at risk, it invites the entrepreneurial spirit that so many of us talk about being the thing that will relight Oregon's economy. Through the fence is an admirable opportunity for Scappoose and with some of the work you are contemplating tonight you pave the way for more of that private sector tax paying development. So I commend the UGB expansion to your thoughtful consideration. I know you have read volumes of material. Eventually you will be faced with a vote. I think in your hands rest the economic future of Scappoose and south Columbia County. Thank you.

Mayor Burge stated the next speaker will be Mr. Chuck Nakvasil. Please state your name and address for the record.

My name is Chuck Nakvasil, address is 6341 SE 34th, Portland, 97202. I grew up in Scappoose on Callahan Road. I was raised there and I am very, very proud of this community. I had the opportunity as a youngster in the early 1940's to listen and watch the development of what was called a four lane highway, starting you know St. Helens Road and going north of Scappoose. That was a very challenging event. It took a considerable amount of time and energy to get that effort to become productive but eventually it did happen. I think this group here from what I have heard and listened to this evening is way more aggressive and productive in making this experience the Urban Growth Development project become a reality. I think you folks are way more aggressive and knowledgeable and the consulting firm that presented this evening, I believe did a quality job of bringing new information to us. I also came back and built the Scappoose Cinema 7. I own and operate the Scappoose Cinema 7 motion picture theater and it is the first one in Scappoose. It is technologically one of the most advanced units in Metropolitan Portland and that gives an example of my aggressiveness. We employ about 15 people, some full-time and some part-time and I think that demonstrates my interest in the Scappoose community and I think this development here is excellent. I hope from a comment that a member of the committee made about the public and private relationship is critical, I hope Scappoose through some unique grant writing and whatever else exist can proceed with that development. I had an opportunity to build in Canby and it was a private and public relationship through a memorandum of understanding and currently I am doing the same in Madras, Oregon. I think that's an approach that is very beneficial, working together private and public enterprise and I think the airport project is really worthwhile and I think it is going to be tremendously beneficial for Scappoose. When you talk about the academic development that Betsy talked about that brings a component, which I think can elevate the achievement level of young people and even some of us older people. So I support that effort unequivocally. Thank you.

Mayor Burge called up Brian Rosenthal.

Hi, Brian Rosenthal, PO Box 963, Scappoose Oregon. I have a handout for Council. I have a few points I would like to make. The area I want to talk about is specifically the southwest area. So far everybody has been talking about the airport. But that's an area that is near and dear to my heart. First of all I would like to make a point that according to ORS 197.298, exception land must be prioritized ahead of resource land for any UGB expansion. The areas that are developable, in fact all of SW1 is all exception land, meaning it is to be given priority over any farm land or resource land which is what that is. There are exceptions to the rule such as infrastructure, accessibility and those types of things but SW1 is adjacent to both Old Portland Road, which is a major collector and Highway 30. So basically it's got some of the best access in the entire City limits of any property. There's water, it's a short line extension away. I talked to Bill Kessi of Kessi Construction and he figured it would cost about \$20,000.00 to get it

to the first developable lot. I am willing to personally pay for that. As far as the other utilities; telephone, power, cable is already all there so there are no issues there. Storm water could be dealt with on site. As far as sewer, sewer would be expensive to get there at this time but not out of the question. Septic is probably the best way to go in the short run.

There is a letter in my packet from Lower Columbia Engineering stating that they don't see any issues with development there due to storm water or sanitary sewer access. So I guess what I am trying to make on this first section is basically it is exception land and it's developable so it should go as part of this.

Next point I would like to make is if you talk to small business owners in town they general want frontage either on or very near the highway. The rest of this UGB expansion is not near the highway and so what I do in Scappoose is I own and build small spaces for small businesses. In fact I have more small spaces for small businesses than any other commercial landowner in town. Up to this point I haven't been able to build anything on the highway and the reason for that is the high cost of land. There is a scarcity of land on the highway and the costs are high. The scarcity pushes up the price to a point that many small businesses can't afford to get quality space in a quality location. So they sometimes settle for properties that they don't really want or they don't set up at all. I have a couple tenants that are currently renting from me that if I hadn't had small spaces available they wouldn't be in business in Scappoose and that is an issue. Some people might say well there's vacancies in town, yes there are. But vacancies are usually in a poor location, too large or ill suited for the types of businesses that want to locate here or the prices for the leasing is too high and so this would give me an opportunity to have spaces so businesses could thrive and Highway 30 is a wonderful thing for small businesses. It gives small businesses that ability for marketing that doesn't cost them anything. So when you can get small businesses on the highway what you are going to do, is you are going to allow them to prosper off the traffic going through this town. With the tens of thousands of cars going through this town everyday I think it is only fair that some of these small businesses have a right to access that visibility which can create jobs and prosperity. Historically the land in SW1 that is developable was zoned commercial believe it or not. Not until 1984 was it downzoned. In the packet you will find in two separate maps, zoning maps, one is from 1973 showing it as commercial, another is from 1983 showing it as commercial. There is also a letter, or I should say email from Erika Owen Planner II for Columbia County stating that land was zoned commercial historically. I did this research because I talked to Charles K. Looney, who's the other property owner in SWI and he remembers how his land was downzoned without prior notification and they basically took away his property rights. At the time they weren't required to send mail notices, they just put a little thing in the newspaper and if you didn't happen to see it or your friends didn't see it you were out of luck. They can't do that anymore. But shortly after that they widened the highway, they took 25 feet of his land and told him it was worth almost nothing because after all it wasn't commercial. So this is also an opportunity to fix that. Charles did include a letter that is in this packet supporting this SW1 area being included in the UGB expansion and it also voices his dislike of the fact that they downzoned him originally without prior notification.

SW1 is located entirely between Highway 30 and Old Portland Road. This makes it a poor location for residential. Would you want to be next to a highway with tens of thousands of cars going behind your house everyday? Not a good location. Long term I don't see that area as having a very bright future for residential and this is definitely a much better use for that land. I also think that that area is kind of a gateway into Scappoose and with all the talk of all the development at the airport, when people come to town who haven't been here before they see the stuff outside the current City limits SW1 and also stuff further south and it doesn't give the town, from a commercial standpoint or business standpoint, a very good feel. There's lot of old manufactured homes, including one on my property that I would love to tear down and there's lots of other things that just aren't that appealing from a business sense and I think

one of the best ways to make Scappoose feel more prosperous which then in turn gets more business is to help clean up the highway down there a little bit and this could help stimulate that and help it happen. That is pretty much it. The packet has a lot more information. I appreciate you time, thank you.

Mayor Burge replied thank you. He asked if there are any questions for Mr. Rosenthal. He stated seeing none we will move forward. Mr. Leonard Waggoner.

Good evening my name is Leonard Waggoner, I live at 33951 SE Oakview in beautiful Scappoose. Hi guys, you've got the most interesting opportunity around. You're a committee and a council that gets to do or can approve an action that doesn't affect anybody in this room. It affects the potential of everybody in the community but not one person is going to pay a dime of taxes, not one person is going to have a property zone change, not one person is going to have an LID or any infrastructure costs, nothing about all of this planning, planning is going to affect anybody directly until events happen. What a great process. It is the easiest thing in the world to look at. This is really a super opportunity. I am going to add a couple of things to the comments about the EOA. The question about the 5,000 jobs or 5,500 jobs, the EOA from the analysis that was given that Mia had in her document talked about Portland's increase in labor force was going to be 575,000 jobs in the 20 year period that we are talking about in the EOA. What we are talking about in Scappoose is 1% of that 575,000. That's not much of an impact. That really means that all we would have to do is steal a few jobs every week and we've got it made. It really is a great opportunity. I think we have to look at it and understand that the airport, the whole community is ours for growth. If we don't grow we all know that our budget in the State is going to be about 3.5 billion dollars shortfall okay. That's the economy of Oregon and one of the reasons the economy of Oregon has a 3.5 billion dollar shortfall is because it hasn't been growing. If you go around the rest of the Country you will see growth but growth is not inhibited by long term controlled land use circumstances. Unfortunately we are in that process this is a way to go around it, over it and through it and win it. We can develop land, we can make things happen, but we have to take the opportunity. If we don't we might as well mine rock at the airport.

Mayor Burge thanked Len Waggoner. He stated next Jack Todaro, please state your name and address for the record.

My name is Jack Todaro and I am with Oregon Aero, 34020 Skyway Drive in Scappoose. I think similar to Betsy Johnson we are sort of a living example of what you folks are talking about. We have some background on the company. We manufacture aircraft related products for the military, all branches of the military. OEM's like Cessna Aircraft, Bell Helicopter, American Euro Copter, Vans Aircraft and Columbia Helicopter. We've been in business for quite a few years and from what I understand that the unemployment in this County is one of the highest in the State. Most businesses are significantly down. In the aircraft industry the industry is down in fixed wing about 55%. Our business is up from last year and we plan on expanding by building two buildings in 2011 adjacent to where we are at the present. Along with the buildings we are going to provide additional employment. So we are an employer, we're growing and we're in favor of what you folks are proposing. He asked if there are any questions.

Mayor Burge asked Council if they had any questions. Mayor Burge stated Councilor Meres.

Councilor Meres replied you know, I remember a couple of years ago you kind of said the same thing about your company and expanding and we went ahead and changed the zoning on that Wagner Court property a few years ago. So if this goes through you already have plans to start your building.

Jack Todaro replied yes, we are planning to build two buildings. First of all this is the first time I have been here.

Councilor Meres replied I am sorry, somebody from Oregon Aero has been here.

Jack Todaro replied as I said the buildings are in process. We are talking with the Port at the present time. We are in the process of securing funding, so we are moving forward.

Councilor Meres replied good, I look forward to you expanding.

Jack Todaro asked if there are any other questions.

Mayor Burge thanked Jack Todaro.

Jack Todaro replied thank you.

Mayor Burge stated next is Jim Vanek.

I am Jim Vanek, President of Sport Copter 34012 Skyway Drive. Recently the FAA is getting ready to make a rule change to offer light sport aircraft category to Gyroplanes, and that is what we manufacture at the airport, in early to mid 2011 for the U.S. What does this mean, it means we can fully assemble and test fly and ship to customer same as finished certified aircraft under the ASTM standards same as airplanes. Is there a demand, yes. In Europe our competition four companies are building approximately 1,000 Gyroplanes a year and that's up compared to airplanes. It is two to one over airplanes in Europe. In Europe they have had the rules changed a couple of years ago, which my competition shipped to the US, but most buyers would rather purchase a US product. Sport Copter needs to expand and gear up to get ready with it's new LSA version Sport Copter to produce at least 260 LSA Sport Copters a year at the tune of approximately \$295,000.00 a piece. Not only for the US market but for the world market as well. We need a larger facility and at least 60 employees to do so. Sport Copter has several pending orders for foreign law enforcement and foreign military at this time and in December 2009 we presented a military a new aerial vehicle a new type of rotorcraft and currently they are very interested in what we are working on right now. I have been using the Scappoose Airport for approximately, since the 70's actually and hangered our aircraft since the mid 80's and early 90's moved our operation from Portland, Oregon to the Scappoose Industrial Airpark. I purchased a home in Scappoose to move my family here and I have a wife and four children. Two of which attend this high school, two in the local grade school as well. In no way do I wish to adversely affect this community. Scappoose is my home. I would like to mention that most of my clients that come to this community to fly, we do fly instruction as well, are really taken aback to how beautiful the area is, enjoy the airport, enjoy the restaurants and the facilities. They say it is like going back to Mayberry, they really enjoy this area and I look at my European counterparts where they produce their facilities. Several of them are very similar to Scappoose. I thoroughly looked at the German company, the company from Spain and the company from Italy. They're all in kind of a small community and they have received help from their communities to grow their businesses and between these four companies producing 1,000 aircraft it's really amazing, it has amazed me. I have been petitioning the FAA for five years for this rule change and it looks like 2011 could be our year. So thank you very much, any questions?

Mayor Burge asked Council if they had any questions. Mayor Burge asked Aron Faegre to please step forward and state your name and address for the record.

Aron Faegre, 520 SW Yamhill Street, Portland, Oregon. I am an architect and an engineer and worked on many public facilities ranging from 911 centers, police stations, fire stations, libraries and I was privileged to design your library in fact, several years ago and through that process of wanting to work

on public facilities I got involved with airports about 25 years ago and that led, I have now worked on probably 35 airports around Oregon and probably 8 around the United States. The subject of what sometimes is called through the fence or public private partnership at airports has become kind of a specialty of mine and I have been flown to Colorado and different places to try to help airports around the country that are looking at this concept and I will try to be brief but would be available for more information another time if you need it. What I was going to say is the interesting thing about airports is, there is the saying that if you have a high quality airport meaning, it's got a long runway and well paved and instrument approaches and you have good internet access, you have access to the entire global market and I think that's something when we talk about looking out 20 years or 40 years or whenever we want that is a key thing that so far places like downtown Portland, the major cities have kind of been able to control, you can say the economic market, but I think we are finding more and more that smaller communities can compete, again if they have a good airport. Kind of an interesting thing about aviation is that it requires this interaction between the Federal agencies, the FAA, States, which we have a State Aviation Board and then a local community and so it's one of the few things that kind of forces all levels of government to kind of attempt to work together. The thing that you have, which is very unique here is this thing potentially of a very large public private partnership. The FAA's model historically has been one of kind of complete and total top down control of airports and they've generally promoted a model where a public agency owns everything and any private development that wants to occur has to negotiate with the public agency and if you think of that with cars. Suppose the only place you could park a car was in a public parking structure, the only place you could get service for your car was in some public facility you know you could imagine the hindrance that puts on the aviation system and what happened is the State of Oregon, about 10 years ago, began kind of a new way of looking economic growth for the State and it is this whole concept of clusters. How do we, instead of trying to attract particular and individual companies try to attract clusters of companies that are compatible with each other and a bunch of us working in the aviation realized that airports and aviation community in Oregon fits that perfectly and aviation functions as a cluster. I am not sure if you have seen it but there's a large cluster chart which I created and maybe is part of the documents that you have and we worked the Oregon Business Council and the Oregon Business Plan. I hope many of you're going to be at the next Monday's meeting with the Governor and the Senators and so forth because if you look on their agenda we're a key piece of it and Scappoose really is part of it. What happened was using this cluster concept we kind of helped Aurora airport turn into what it is and it's now basically built out approximately 100 acres. Before the economic decline it had roughly a 1,000 jobs at it and I've been fortunate to be involved with probably construction of maybe 300,000 or 400,000 square feet of facilities there and it is still going. We recently helped, there was a Canadian company that wanted to come and base in Oregon and build its own facility that it could own, didn't want to be on an airport where it had to lease and we are in the process now of building a 10 to 20 million dollar facility for them. They got a zone change there. There's no UGB because it is all out in the rural area there which makes it somewhat difficult compared to what you would have here in Scappoose but that model we found just has worked incredibly well at Aurora and there are other airports that are trying to use it. Baker City I just completed their master plan for their airport. The problem they have is they don't have an adjacent neighbor that would like to have private land then do the through the fence thing and they don't have a developer. You're in a kind of a unique situation I'd say to have a very strong developer to work with, you've got the land there, the ability to put it within the UGB so that it can have sewer and normal utilities and as Senator Johnson said it also creates a tax base, an enormous tax base for you out of that. The key I would say in all of this is to take your strengths and it was nice to see Oregon Aero here. Oregon Aero is a nationally known company. When I go to national aviation events there is Oregon Aero with a booth there. I would say most pilots in the country know about Oregon Aero. Sport Copter is another one of your strong companies producing planes. You have several companies that specialize in restoration of historical aircraft which is an extremely unique business. So I would just say you are poised to have enormous success, you've got the pieces together. It still takes some luck and it

still takes a lot of work to pull the pieces together but I would say you have the potential to attract companies just like Aurora did bringing in this Canadian company. Even internally you have the capability of that here and with that I guess I will stop. This is a subject I can go on with for a long time but I will stop there unless there are any questions.

Mayor Burge asked Council if there are any questions. He thanked Aron Faegre. He stated Keith Settle is the next one to speak.

My name is Keith Settle I live at 33341 Gilmore Road, Scappoose, Oregon. I'm from here. I was actually born in St. Helens hospital when it was legal to have a hospital there. My wife's from Scappoose. We started NW Structural Moving 15 years ago and we bought the property most people in town here know us as the house moving people here in town but we actually service a lot of industrial type companies; aerospace and mining are included in that. We move oversized overwidth loads that most people can't move. We employ 10 people now and project to hire another 10 to 20 in the next few years even with the economy the way it is right now. So we are all for any economic opportunities you can bring to this town to help us employ people here locally. All of our staff is from here in Columbia County. Another thing that we want to touch on is that we actually have the Urban Growth Boundary that cuts our property in half and I actually kind of got involved in this late in the game but I talked to the previous planner before Mr. Hanken and I was told that our property would be addressed if this ever came up and we need to have more land to be able to service what do or we are and I don't know if this is the time or if we are too late to get involved but we actually, if you look at the map where Gilmore Road is there, I didn't come prepared to speak tonight so I don't have any information with me, it is all commercial, existing commercial on Highway 30 but when they did the Urban Growth Boundary in 1983 they drew the line straight with about 10 other properties and the last two they cut it right in half. So we are a 5 acre piece that has 1.6 inside the Urban Growth Boundary and 3.4 on the outside and so we have had a heck of a time trying to develop. It doesn't work for financing, it doesn't work right. We have done the best we can to try to make it work there. We are in the process of constructing a 10,000 square foot building now but we have built to the limit of what our little 1.64 will allow to put on it. We aren't looking down the road to try to employ 8,000 people but we are trying to employ 10 to 15 in the near future and if we have that more square footage we will be able to expand the buildings that we want to put there and put everything in storage that we have. It just allows overall growth and it allows us to stay here where we are from. The piece of property that we have is ideally located because it is Highway 30 frontage. So to get these heavy wide loads off the road we aren't going on any side streets. So it really is about the only place in Scappoose City limits or anywhere near that we could actually have or business and be there. So I guess I am here to say I am supporting it and I would actually like to be part of it. Does anybody have any questions?

Mayor Burge asked Council if they had any questions. I am just trying to look on the map and look for the exact property. I will just have our City Manager look at that property and get us information on it.

City Manager Hanken explained one of the things that Council needs to remember in terms of the proposed commercial that we are looking at in terms of the Economic Opportunity Analysis there is more acreages that could be included that were not identified in the EOA. So addressing some of these issues where a UGB cuts a property in half would be one of those areas we could look at trying to bring all the remainder of those properties in. Like I said, I can't remember how many acres.

City Planner Brian Varricchione replied 12 I think.

City Manager Hanken stated 12 acres I think that weren't accounted for in the Economic Opportunity Analysis so that may be a good opportunity to resolve the issues of those properties along Highway 30 that were cut in half.

Keith Settle thanked Council.

Mayor Burge thanked Keith Settle. He asked if there are any other proponents that would like to speak.

City Manager Hanken stated you did get a letter from CalPortland if you would just announce that as being in the record as a proponent.

Mayor Burge replied he was about to. He wanted to see if there were any more proponents out here. We do have a letter from CalPortland supporting the extension of the UGB and it is going to be a part of the record. Seeing none let's take a three minute break and then we can move onto opponents.

Mayor Burge called the meeting back to order. He explained we are going to move into the opponents but we are only going to spend about 15 minutes then we are going to continue the hearing until January 3, 2011. We have a limited time that we can use the auditorium and then our staff needs to move these tables back to the City so we just decided instead of keeping them around until midnight it would be better to continue. First on the list I have Kristen Hagen, state your name and address for the record please.

Kristen Hagen, 33796 NE Erin Drive here in Scappoose. I live right over by the airport expansion that we are taking about tonight. I want to thank you all for your time and service. I know you are not here to make anybody's lives hard. I know that you love Scappoose like we do, you wouldn't be doing this if you didn't. I know that we all have a real different idea about how that UGB is going to look. I am not naive enough to think it won't go through. I just have a very strong opinion on how that needs to look. I don't have any kind of consultation team to help me with my beautiful report but I will tell you how I feel about it, how about that. There is a very famous ad campaign about parents keeping their kids off drugs with you need the WHO-WHAT-WHEN-WHERE-WHY and HOW of where your kids are going to be, right and if you know those things you're going to be better connected, better communicating with your family. Now I don't feel that as parents of the community, as guardians, as spokespeople that you are getting those 5 W's and H, I don't think you are getting the WHO-WHAT-WHEN-WHERE-WHY and HOW. I have heard nothing about PCC and I am going to go off script to keep it brief and there is a table 17.74.1 in that EOA that goes through the kinds of building that can go there, the kinds of land use, the types of businesses that we want to bring into Scappoose and I am all for economic growth. We moved out here 5 years and I am part of that growth. I love Scappoose but what kind of businesses are we willing to sell our soul for. What kind of community do we want to be? Are we going to be the community that's got the gosh it's approved for agri business which means anything from chicken slaughtering, raising thousands of cows, it's approved for trucking hubs, it's approved for salvage yards, raw material production. This, please be familiar with this chart read it before you go to bed tonight, know what's in here, nothing about brick and mortar PCC. Believe me I would be on board to have something like that. Nothing in there about this. This should not have come to you like this. This should have been handled at the Planning Committee stage. That should have been amended to what kind of businesses Scappoose even approves of, what kind of a community we want to be before this even comes to you. It's not well thought out. So as parents you need to know the WHO-WHAT-WHEN-WHERE-WHY and HOW's and I don't think you are getting the full picture. Most

people, there are some wonderful community members that spoke tonight that are neighbors and community members, most people have a Portland address and an agenda that is not community minded. It is dollar minded. I'm all for marrying the dollar amount and community together, that is fine. I am a good capitalist but let's do it with a community in mind. So I encourage you don't pass the buck. If this is not the way it needs to be don't send it on to the Commissioners and have them make the hard decisions because they won't either, they will make somebody else do it. Stop it now, send it back, make it look the way it needs to look before you even consider looking at this and that chart alone should raise so many red flags, 17.74.1 that you do not want in your community, you don't want your grandkids around this, you don't want your family around this, you don't want all those lovely families that are going to be having all the awesome wonderful jobs around most of those business and we are not being told the who and we are not being told the what and those are huge, huge components to this decision. So I urge you to be very familiar with that chart and you can read my lovely paper on your own time I will keep it brief for now. Thank you.

Mayor Burge thanked Kristen Hagen. Mayor Burge asked Council if they had any questions. He called Lisa Smith.

I'm Lisa Smith. I live at 33567 SE Maple. I've got to agree with Senator Johnson about the need to protect the airport. I was also there during the gravel wars and had the honor of serving as the City Planner during the annexation process. I think that is where I first met Jeff Bennett. LUBA agreed with our argument that the airport was in fact a transportation terminal. Big days, lots of talk about what we were going to do out at the airport and economic development and you know I still believe in preserving that land for light industrial and airport related uses. It is a very site specific thing because the airport is a rare jewel. It is not like, well I guess it is kind of in a manner of speaking retail loves to be along the highway, airport related uses have to be along an airport. It doesn't work otherwise. I've heard that some people support this proposal because they believe that it will create jobs here in Scappoose. I support creating jobs in Scappoose, but this proposal does not create jobs. This proposal is one piece of many, many, many things that have to occur for economic development to occur and I think I'm going to raise some questions for you this evening because we have vacant land in this community that hasn't been developed. This proposal in itself is about expanding the Urban Growth Boundary. Landowners want property inside an urban growth boundary because the simple act of moving the line on the map causes an immediate and dramatic increase in the value of the land. In many cases, the property becomes 10 times more valuable the day the expansion ordinance becomes law. No, you don't get the money until you actually sell it. But if your stock goes up in value, you don't get that money until you actually sell it either. You can borrow against that increased value, however and your portfolio does increase in value. You are worth more. In order to justify a UGB expansion, the City has to project how much growth it is going to have. The need for land inside the UGB is based on that growth projection. For residential land the population forecast is usually the projection that determines the need. You are being asked as part of this to adopt a population forecast that projects Scappoose's population in 2030 will be 10,022 persons. This forecast was prepared by Portland State University based on actual growth patterns that are reported every year by the City and appears to represent a reasonable growth rate that would allow Scappoose residents to sustain our current quality of life. So that is one piece of this puzzle. There's about six different actions that you are being asked to do. That one you understand. Projected need commercial industrial land is based on an economic analysis. You've heard a lot about it. You are being asked to act on a forecast that projects a need for 8,069 new jobs in Scappoose by 2030. Now please keep in mind this "need" to provide land for 8,069 new jobs results from the projection that there will be a 7.6% average annual growth rate jobs in Scappoose

for each of the next 20 years. During these hearings and as part of your packet you've already heard a great deal about inconsistencies in that forecast or consistencies. You've heard conversation that it's defensible, you'll hear some that it is not. I have some questions. Metro Region 1 forecasts their job growth rate of 1.2%. I realize that we are trying to steal 5,000 or so of those jobs. If this UGB expansion were approved, if Scappoose only grows at 1.2%, we're not going to fill that land up for about 99 years. There's some actual data from the Oregon Labor Market Information folks, the State people that track actual job creation and loss included in the Planning Commission remarks that I made in the past. I want to point out to you that in the EOA, the Economic Opportunity Analysis, Scappoose was supposed to gain 383 jobs between 2008 and 2010, don't think that happened. I think your numbers are way off already and no construction has occurred so you got another couple of years lag for construction time or completing this process. So that projection is flawed by that amount and if you do the adjustments at the beginning of a projection it has a significantly higher greater effect on the ending numbers than if you do them somewhere in the middle of the process. In addition to adopting the population forecast and Economic Opportunity Analysis you're being asked to amend the Comprehensive Plan further. You're being asked to change policies and goals and statements related to our economics. For instance you have in front of you a document it is marked exhibit 2, staff provided it to you. It is page 1 of 17. It is the City's document. It is the text of, it is the most recent version of the text of the Comprehensive Plan amendment, the date is October 12, 2010. Brian am I correct that is the most recent version of the Comprehensive Plan amendments?

City Planner Brian Varricchione replied that is correct and it can be found in Binder A, tab 5, exhibit 2.

Lisa Smith replied excellent, thank you. I am so glad that somebody knows where all this stuff is, thank you. Page 6 of 17 of that document we make the statement that "the airport is considering a runway extension, potentially amounting to an additional 20% to 30% increase in length". Now keep in mind that everything that is going into your Comprehensive Plan has to be supported factually. They call it significant findings in the record and all that stuff when it gets challenged. Now this increase would be to increase the airport runway from 5,000 feet it currently is, correct me if I am wrong. So we're looking at something between 6,000 to 6,500 feet in length. The record does not support this statement though. What the record actually includes is verbal testimony that was given at the Planning Commission hearing from the acting Director of the Port of St. Helens that a runway extension is being discussed. We need to get some maybe some Port of St. Helens Board meeting minutes or some other kind of documentation that this body is actually considering this to support this into the record if we are going to do this because we have conflicting documents in the record that are officially adopted by agencies all the way from the FAA down to the Scappoose Airport. The Airport Master Plan clearly states that there are no extensions to the runway is being considered and the airport master plan is not to be updated until 2013 at the earliest. So we need to get something in there that addresses that. On page 7 of 17 we talk about "Aviation firms have attempted to locate Scappoose. Oregon Business Development Department (OBDD) staff report that firms have tried to find a site in Scappoose, but there is a lack of suitable land. OBDD has to turn away firms seeking to locate Scappoose". Today in the current city limits, there are over 300 acres zoned Public Use Airport. 150 of those acres do not contain airport related improvements. 110 of those acres are owned by Airport Development LLC. Of those 110 acres there is a 16 acre parcel, a 56 acre parcel a 29 acre parcel and a 7 acre parcel. What the record does not include is any documentation as to why this land was considered "unsuitable" to whoever these firms were that were inquiring. Was it due to size of the parcels – are they too big, too small? Due to lack of public

services? Was the price too high? Were the firms unable to reach an agreement for airport access with a Government agency perhaps? Based on what's in the record you as a body that is making decisions about how to encourage actually creation of jobs not just our catch phrase of economic development, cannot say that adding more land to the urban growth boundary will fix this problem. Can't say it because we don't know what the problem was. We don't know why that land is unsuitable and why it is still vacant. I have included an inventory, actual tax lot inventory of those properties and I will give a copy of all that to Susan at the end of all my remarks.

Also missing from this application, and Brian and I have talked about this a couple of times, are inventories that support the proposed "significant findings of the plan with regards to economics" that are discussed on page 9 of 17. Somewhere, there should be actual inventories with lists of tax lot numbers, acreage amounts and comments regarding suitability of that property. Whether it contains wetlands, whether it contains floodplains, slope, all that kind of stuff. You add those numbers together to come up with the acreage, that is how you support the statement in your comprehensive plan that you have "X" number of what kind of land in the City and that's the kind of supplementary documentation that at this point is missing from the record. Another problem with this application that is apparently once the properties are brought into the Urban Growth Boundary, the uses that we allow in our existing zones apparently are not adequate for the developer's purposes. New overlays are being proposed as part of this process. Now traditionally overlays serve two purposes. One is to restrict uses for safety reasons. For instance in Scappoose the floodplain overlay does not allow some of the uses that are permitted in the base zoning, they just aren't allowed in the floodplain overlay. Those uses would negatively affect the floodplain. For the same reason Scappoose restricts development in the existing airport compatibility and safety overlay. There are some things that are allowed in the base zone that are not allowed in that zone based on the distance, or in that overlay based on distance from the runway and a whole lot of horizontal airspace stuff that only airport planners understand. Another use of overlay zones is to allow additional uses in special areas where a community is actively trying to encourage a specific type of development. Scappoose does that with their downtown overlay recognizing that there is a cost associated with redeveloping old buildings and that sometimes it is more attractive to just build on bare land and certainly a lot easier to make it comply with current code requirements in many, many cases to just start over. Scappoose is attempting to support and maintain its downtown core through the use of the downtown overlay. Now as I said before I still believe in preserving the land on both side of the airport for airport related uses and airport compatible light industrial job providing uses just like I did back years ago. The problem is this application does not do this. What it does is add a whole lot of expanded commercial and commercial uses east of West Lane. Now the young lady who spoke before spoke about table 17.74.1. I think there may have been a revision to that table over the version that she has because as was pointed out early by Greg we have made some progress on this. Some of the real yucky stuff has been made to go away, some of the vague language has been cleaned up and that has occurred, begun to occur in that particular table. So 17.74.1 is to me probably the most important part of this application. Industrial property, I believe sells for less per acre than commercial property and so when you add a whole bunch of commercial uses that must be the case because apparently commercial land owners can pay more for their property. Both of them sell for more than farm land. So when you go changing this around you change the values of those properties so now it's not quite so protected for industrial any more because now we have added all these other options and it is starting to look good to the commercial folks. Now what I did was I took that table 17.74.1 and I went through and I did a comparison of all the uses that we're talking about in those three overlays, where those are today permitted in Scappoose because I thought boy Lisa it would just be awful stupid of you if a lot of those uses are new things that aren't permitted

someplace else, that would be dumb to say that you oppose adding some new opportunities. Every single one of those uses is permitted someplace today in the City of Scappoose, every one of them from manufacturing, to auto rental, to whatever the use is, it is already permitted somewhere in Scappoose today and if we can get a hold of those inventories we can find out which land is vacant and maybe we can find out why some of those things that are already permitted aren't being built there. That might be a good thing for us to know if we are actually going to create jobs. Some of the interesting ones are, well actually I am going to put this whole table in the record and you are going to have copies of it, your staff will provide you with copies of it and you will be able to see for yourself where things are currently permitted and as you look at it you will realize that we have traditionally historically kept our expanded commercial and commercial either right on the highway or in what we have defined in our downtown overlay as a place we really, really want to focus. This creates our walkable part of our community, where people can walk to the doctor, walk to the library, walk down here to the High School, walk over to the grocery store. You can live in this area and you can do this today. You can't do that if you are talking about moving that stuff out here and that is what you are doing, you are opening up portions of this for various uses that are already permitted elsewhere in the City creating a new competing commercial and expanded commercial in addition to your maybe historical light industrial type uses. I appreciate the fact that I heard the Mayor say that we are going to continue this hearing. I truly honestly wish that you would give some consideration to continuing it to January 10 so that you staff that is going to be out of town over the holidays has a chance to perhaps gather up some of these documents that you really probably shouldn't be making a decision with and the consulting firm I am sure would like to have a holiday, celebrate their holidays as well. I know that I would like to work on something besides this. Thank you very much and Happy Holidays.

Mayor Burge replied thank you. We are going to continue this hearing until January 3, 2011 at 7:00 p.m. here at the Scappoose High School Auditorium.

Announcements

Mayor Burge explained the next City Council meeting will be at City Hall on December 20, 2010 at 7:00 p.m.

He announced the annual Scappoose Police Department Doughnut Day will be Saturday, December 18, 2010.

Adjournment

Mayor Burge adjourned the meeting at 9:12 p.m.

Scott Burge, Mayor

Attest: _____
Susan M Reeves, CMC, City Recorder