

I. Call to Order

A regular session of the Gresham Planning Commission was called to order by Chair Drechsler on the 8th of March 2021, at 6:35 PM online via Zoom. The meeting was digitally recorded and minutes prepared by Jennifer McGinnis.

COMMISSIONERS PRESENT: Paul Drechsler, Chair
Richard Anderson, Vice-Chair
Jef Kaiser
Sue Ruonala
Laura Pramuk
Jason Ping
Tim Kamp
Phil Wich

COMMISSIONERS ABSENT: Michael Bennett

COUNCIL LIAISONS PRESENT: Sue Piazza

COUNCIL LIASIONS ABSENT: Vince Jones-Dixon

STAFF PRESENT: David Berniker, Urban Design & Planning Director
Emily Bower, Director of Urban Renewal
Jason Branstetter, Senior Engineer
Steve Fancher, Environmental Services Director
Alan Johnston, Senior Engineer
Katherine Kelly, Planning & Implementation Manager
Ken Koblitz, Development Engineering Manager
Scott Lewis, Assistant Fire Chief
Amanda Lunsford, Administrative Analyst
Kevin McConnell, Senior City Attorney
Sharron Monohon, Director of Budget & Finance
Jim Montgomery, Senior Engineer
Ken Onyima, Senior Development Planner
Jeremy Provenzola, Senior Engineer
Chris Strong, Public Works Manager
Mark Takahata, Capital Improvement Program Analyst
Andrew Thorne, Engineer 2
Jim Wheeler, Urban Design Manager
Mike Whiteley, Public Works Manager

II. Milne Trust Plan Map Amendment Hearing PMA 19-26000311

Ken Onyima provided an overview of the Milne Trust Plan Map Amendment proposal to change the land use designation from General Industrial (GI) to Corridor Mixed Use (CMU) on an 8.26-acre site in order to allow for development of multi-family attached units. He explained that the Planning Commission had previously recommended approval to City Council in October 2019, but City Council remanded it back to the Planning Commission to more thoroughly address three policies where Council felt additional findings were required. These policies were: 1) 10.310 Land Use Policy, 2) 10.313 Industrial Land Use Policy, and 3) 10.335 Police and Fire Protection. Mr. Onyima said that the Council had also expressed concern regarding the balance between single-family and multi-family development in the City. He then went over the staff findings as related to the three policies.

Regarding 10.310, Mr. Onyima explained that the policy states to ensure an adequate supply of land for residential, commercial, office, institution, industrial and open space needs. Mr. Onyima said that changing the land use designation to CMU would allow for land that is not suitable for industrial use to be used for housing development, while also allowing commercial, office and institutional uses.

Regarding 10.313, the policy states that Gresham shall regularly update its industrial business park land supply. The City shall consider re-designating lands that cannot practicably be developed for these uses within the planning period. Mr. Onyima said that the property is poorly suited for industrial use due to access limitations and slopes that exceed those marketable for industrial uses. For this reason, the property is better suited for the types of uses allowed in the CMU designation. In addition, the scale of impact to GI-zoned land is limited, with only a 1.09% cumulative reduction to Gresham's overall industrial land use inventory.

Regarding 10.335, the policy states that adequate and cost-effective fire and police protection must be provided. Mr. Onyima stated that Planning obtained statements from both agencies and both provided statements that there is capacity.

Lastly, Mr. Onyima addressed the Council's concern about the balance between single-family and multi-family development. Based on a preliminary report from the Middle Housing project, single-family development accounts for 55% of Gresham compared to multifamily, which accounts for 28%. Mr. Onyima said that development of this site as multi-family will not significantly affect this balance. In addition, the site's location along Division St within a mile of two MAX stations is better suited to higher-density housing stock and encouraging higher density housing stock at this location would further State and City goals. Mr. Onyima recommended that Planning Commission recommend approval to City Council.

Commissioner Wich asked to confirm that the reason the site is not practical for development is the slope and asked if Planning has dealt with similar properties where slope has affected the

duration the property is on the market. Mr. Onyima responded that the slope is not conducive to the type of transportation that industrial users use and it has affected the marketability of the land, but the applicant can speak more to that.

Commissioner Ruonala asked if the developer picks the zoning or if the Planning Commission or City Council can recommend a different zoning they think is more appropriate. Mr. Onyima responded that the applicant made the proposal to change to the CMU designation. He said that most times, the applicant has a product in mind. In this case, the applicant envisioned multi-family development. The applicant makes the request and it is the City's prerogative to approve or not approve the request.

Mr. Wheeler added that the application before the Commission is for a decision to rezone the property to CMU and the decision should be based off the applicant's proposal. If the Commission does not feel the CMU designation is appropriate, the recommendation should be for denial and the Commission would need to provide their reasoning. The Commission cannot propose a different designation.

Commissioner Ruonala said that she read the memorandum from Gresham Fire that stated the change in land use designation would not dramatically reduce capacity, but collective impacts will further deteriorate the agency's response. She said that there have been numerous recent multifamily projects in the immediate area that totaled an addition of around 1000 units. She asked if the Fire Department representative could provide a statement about call loads experienced in different zone districts.

Scott Lewis, Assistant Fire Chief, responded that industrial land uses have a lower call demand than residential properties, but when there is an issue, it generally requires more resources. However, since residential land uses require fire service on more occasions, these uses still put more of a demand on their service. He said that Gresham Fire is not currently meeting nationally recognized standards and adding 1,000 additional residential units into an area will impact response time. While this impact will be incremental, every increment drives their performance further from the standard. They do not want to prevent development, but do want to be honest with the Commission about the impacts.

Commissioner Ruonala asked if revenue from the new development would generate sufficient revenue to compensate for the services that it will demand. Mr. Lewis responded that he cannot reasonably answer that question. There would be more calls for service for this property, but the City would also receive more revenue. He is not able to say whether they truly balance out.

Commissioner Kaiser said that he is struggling to understand Council's intent with remanding the proposal back to the Planning Commission. He said that it seems like staff has reexamined the three policies that Council raised and have confirmed what was originally presented. He asked Mr. Onyima to identify specific supplemental info that they were not aware of the first

time that the Commission should be focusing on. Mr. Onyima responded that the information about the City's housing mix was not available the first time but the other information has remained the same.

Commissioner Kaiser asked how the changes to middle housing regulations influence the decision on this proposal. Mr. Onyima responded that at this point, the changes do not influence the decision on this proposal since they have not yet been adopted. However, the intent of those changes is to create a greater mix of housing and affordability, which is related to this proposal. Mr. Wheeler clarified that as far as this application goes, this middle housing report provided some additional numbers, but it did not have an influence on the recommendation. This property is not one of the properties that would be influenced by the changes to middle housing regulations due to its industrial land use designation.

Next, the applicant Victoria Milne presented. She said that the property was owned by her father for many years and in that time, he did not receive any offers for development under the industrial designation.

Commissioner Ping realized that he had done work for the applicant and her father on a separate building some years ago. He said that he wanted to disclose that information as he is not sure if there is a conflict. Kevin McConnell stated that it is up to Oregon Ethics Commission to determine whether there is a conflict but that he is hearing a potential conflict. He said that Commissioner Ping needs to determine if he can be impartial. Commissioner Ping stated that he is able to be impartial as the work with the applicant was done a long time ago and there is no potential for future work with the applicants, so it will not have an impact on his recommendation. Mr. McConnell said based on this information, it is legally defensible to allow Commissioner Ping to continue hearing the proposal.

Ms. Milne expressed that she is not sure what to do to make the case more persuasive since the Planning Commission and staff have already recommended approval. She said that planned Tri-Met improvements to Division will make it an even busier street and changing their property to Corridor Mixed Use fills in the current gap between corridor districts in this area. Jerry Johnson, consultant for the applicant, added that the proposal for the CMU designation would be more appropriate for the property as it would allow for a continuum of housing types, provide more intensive development close to the downtown area, take advantage of transit corridor, and allow for a decent yield on a difficult slope. Peter Finley Fry, another consultant for the applicant, added that new development is safer for the fire department to deal with because it is typically sprinklered and constructed to current fire codes.

Commissioner Anderson asked for clarification on whether it is possible to develop the site as industrial, just not practical. Mr. Finley Fry responded that it could be developed as industrial even with the slope of the property, but access is also a problem. It is not practical for industrial

use because the Interstate and highways are far away. In addition, loud industrial uses are incompatible with the nearby residential neighborhoods.

Chair Drechsler said that the City needs more development and there is not a high likelihood of industrial development taking place on this site. There is a housing shortage and the City needs development dollars and continued progress, so he thinks it is an appropriate request.

Mr. Onyima gave the recommendation for Planning Commission to recommend approval to the City Council.

Commissioner Kaiser asked for an opportunity for discussion prior to the vote but that they can close the hearing. He said that he wants to go on record that there are no stops currently planned with the Division Transit Corridor project to serve this property. He said that he hopes Gresham and future developers will consider working with Trimet to install a stop at this location since the proposed development may be a significant source of ridership.

Commissioner Ruonala said that she struggled with this decision before and would choose a different zone district, but she thinks the proposal before them does meet the criteria. She would like the minutes to reflect the fire department's input.

Commissioner Anderson made a motion to recommend approval of the proposed Plan Map Amendment 19-26000311 to the City Council, which Commissioner Wich seconded. The motion was approved as follows:

Commissioner Anderson:	Yes	Commissioner Kaiser:	Yes
Commissioner Pramuk:	Yes	Commissioner Ping:	Yes
Commissioner Ruonala:	Yes	Commissioner Wich:	Yes
Commissioner Kamp:	Yes	Chair Drechsler:	Yes

III. Work Session: Capital Improvements Program

Sharron Monohon provided an overview of the Capital Improvements Program. She said that it is a plan for infrastructure repairs and replacements, capacity increasing projects, and infrastructure improvements to be completed or started within the next five years. These projects are determined by Council goals, master plans, condition assessments, and input from the public.

The 8 Program Areas for the Capital Improvements Program are:

- 1) Wastewater
- 2) Water
- 3) Transportation
- 4) Footpaths and Bikeways

- 5) Parks
- 6) General Development
- 7) Stormwater
- 8) Urban Renewal

Funding sources for these projects include utility rates, gas taxes, system development charges and grants. Most sources are restricted and can only be used for specific projects or categories. The pandemic has affected certain program areas more than others so they are still updating the finance plans for some areas, in particular transportation.

The schedule for adoption includes the Planning Commission hearing in mid-April, Budget Committee hearings in late April, City Council hearing in May, and finally, the Council enactment in June.

Then various staff went over the goals of each program area as well as the ongoing and proposed projects in each program area.

Commissioner Anderson asked if there have been additional conversations with RKM about the Sunrise site or joint ventures with the site to the east. Emily Bowers, Director of Urban Renewal, responded that there have not been additional conversations as the developer is focused on completing Phase III of Rockwood Rising. They are interested in taking some concepts to the Gresham Redevelopment Commission later this year about the Sunrise site. Steve Hopkins is the owner of the triangle site and currently does not have interest in developing it.

Commissioner Pramuk said that she is pleased about the footpath on Hogan as it is something the City has needed to do for a long time and the Planning Commission has talked about it on multiple occasions. She is also pleased about the footpath on Division where a lot of transportation improvements are being done. She is glad to see that they are investing in this type of project in light of the new development that the Commission voted to approve tonight. She also supports the improvements at Hogan and Burnside, as the area is increasingly trafficked by both cars and pedestrians. In addition, she is glad about the work being done on existing parks and the undeveloped parks plans because the Planning Commission had felt that they weren't being heard on that issue the last couple years. She said that this was an important step because now they can apply for grant money and start implementation. With Gresham growing, improving and increasing the number of parks is more important than ever. She said that she is a little concerned about switching over from Bull Run to well water. Her concerns are that water quality will be impacted due to agricultural and industrial byproduct getting into the water supply, causing the need for the water to be chemically treated.

Mr. Fancher responded that the water source they are looking to pull from is water Gresham is already drinking. It comes from the well field that the City of Portland and Vancouver draw from and have been drinking for many years. Gresham has also bought this water for decades. It is a

sand and gravel aquifer that has no risk of drying up. They have extensive water quality testing requirements so it will be extremely safe. It will also provide more consistent water quality because it is coming from a source that is deep underground so it is less sensitive to pollutants from landslides and fires.

Commissioner Kaiser said that he is impressed with the amount of projects and the optimism for getting things done during such a trying time. He said that the tree canopy inventory that the Planning Commission and Urban Forestry Subcommittee have talked about doesn't fit into one of the categories in the budget plan and wondered how they can deal with that. Mr. Fancher responded that this work would most likely come out of the operating budget and wouldn't be a capital project, which is why it is not included.

Commissioner Kaiser said that in both the transportation and parks sections, there is a budget item called "development coordination projects" and asked if a project that appears in the unfunded section would disqualify it from using funds in the funded section. Mr. Fancher responded that the development coordination line item is a catch-all, but if there is a specific project identified and it happens to be in the unfunded section, they would need to bring it into the funded section before they could issue Systems Development Charge credits for that project or pay for it with the credits. They may need to do a mid-year update of the CIP in that situation.

Commissioner Kaiser asked about how the master planning process for unfunded parks might work if in the unfunded section. Mr. Fancher responded that as they go through the process with the Parks Community Advisory Group, they hope to determine where the Metro money should be spent and potentially supplement it with SDCs. They anticipate this process will take a while, but there may be a scenario where they want to advance design or construction of a project. Ms. Monohon added that development coordination projects tend to be a placeholder so that they can take advantage of smaller things that need to happen to complete another project underway. An example would be contributing a small amount of SDCs to a development that is in progress in order to complete a project that otherwise may not be able to be completed. Including the development coordination project doesn't mean a project can't be brought forward from the unfunded section. For parks, the biggest challenge is that none of the projects are 100% SDC-eligible. Something else must be included to fund a portion of the project, such as grant funding, that they can package together. The Metro funding is a key piece that plays into that package.

Mr. Fancher said that it is a good point and they will need to have something in the CIP because they likely will advance at least one project from the unfunded section and he does not know how they will account for that. Ken Koblitz said that as long as a project is in the SDC methodology and SDCs are charged for it, the City can issue credits. It does not have to be in the funded section.

Commissioner Anderson said that as a follow-up to Commissioner Pramuk's question about the change in water supply, he knows there were water quality areas in Gresham put in place 10 or 15 years ago. He was told at a Rockwood PUD meeting that this water is less acidic than the Bull Run water, which means pipes are less likely to get damaged. The City of Portland sent out a notice of termination to terminate existing water supply agreements as of 2026 in order to renegotiate more favorable terms to wholesale water users. There will be agreements back and forth for emergency use for various districts.

Commissioner Ruonala asked for clarification on the Hogan - Powell to Burnside project. She said that there is a reference to combining this project with SDC projects G9 and G29 and wanted to know what those projects are. Chris Strong responded that the G stands for General and the SDC projects are typically defined by their intersections. He thinks one is for the Powell intersection and one is for the Burnside intersection and the Hogan project meshes those projects together. Commissioner Ruonala said that she has always had a problem with curb tight sidewalks on the west side of Hogan because they are unsafe, especially on arterials or heavier-traffic streets. She asked if there will be a buffer or curb tight sidewalks with this project. Mr. Strong responded that they had to work around existing utility lines so they included separation where they could.

Chair Drechsler said that in previous years they had talked about getting smarter light connections between intersections, in particular going north-south, and asked if there was any update. Mr. Strong responded that they have had projects in the past that coordinated operations of different traffic signals, such as the project on Kane in 2019, but there is nothing in progress now. He said that they occasionally work with Regional Transportation Systems Maintenance Operations funding to do those projects. Regarding travel through town, as part of the Travel Time Project, they are installing a variable message sign and adding intelligence at the signal controllers along key corridors that are able to measure how traffic is moving. Chair Drechsler responded that the smart board is great and continuing to use technology to address traffic issues is a lot cheaper than adding lanes.

IV. Other Business/Adjournment

Review of February 8, 2021 Minutes

Commissioner Ruonala and Kaiser proposed a couple changes. Commissioner Pramuk moved to approve the minutes with the amendments presented by Commissioners Ruonala and Kaiser. The minutes were unanimously approved, with the exception of Commissioner Kamp who abstained as he was not present at this meeting.

Update from Chair

Chair Drechsler gave an update on the letter that had been drafted by the Commission to be presented to Council. The letter was supposed to have been disseminated to the Council members, but the presentation has been tabled to a future Council meeting, date to be determined. He also requested a joint session between the Commission and Council as required by the City Charter. This session will likely take place in July. He is waiting on commitments, but the Council agrees on the necessity of these items and they will be worked into the schedule. Prior to the joint work session, the Commission should have their own work session to discuss what they want to get out of the joint work session.

Commissioner Pramuk said that the reason they wrote the letter was to have influence on the budget and she is concerned that it will not have any impact if not presented to Council soon. Chair Drechsler responded that there is urgency, but the response has been that Council's current priority is hiring a new City Manager. He has also requested a meeting with the new mayor to allow improved communication through less formal channels.

Commissioner Pramuk explained to Council Liaison Piazza that at the beginning of the year, the Planning Commission was concerned about pending budget decisions that could impact the planning department and their capacity to adequately manage development in the city. They put together a letter to communicate these concerns and to get the Planning Department on a more stable funding path. Chair Drechsler was to present this to Council to have influence on budget decisions.

Councilor Piazza responded that the Finance Committee is just starting to meet to discuss the budget and asked if Chair Drechsler could email the letter to the Council members so they can read it in advance of his presentation at a meeting. Chair Drechsler responded that he submitted it to the City Recorder about a month ago and will follow up with her. He said that the Commission is also trying to improve communication with City Council and having a liaison will help.

Commissioner Anderson reminded everyone that the ethics form is due April 15.

The meeting adjourned at 9:03 p.m.

Chairperson

Recording Assistant

Date

Date

A full recording of this meeting is available upon request.