

REGULAR MEETING

January 26, 1998

CALL TO ORDER:

A regular meeting of the Beaverton City Council was called to order by Mayor Rob Mayor Drake in the Council Chambers, 4755 SW Griffith Drive, Beaverton, Oregon, on Monday, January 26, 1998, at 6:36 p.m.

ROLL CALL:

Present were Mayor Drake, Couns. Evelyn Brzezinski, Dennis Doyle, Wes Yuen, Forrest Soth, and Cathy Stanton. Also present were City Attorney Mark Pilliod, Chief of Staff Linda Adlard, Finance Director Patrick O'Claire, Police Captain Paul Danko, Administrative Chief Gary Nees, Operations/Maintenance Director Steve Baker, Community Development Director Elaine Wilkerson, City Librarian Shirley George, City Engineer Terry Waldele, Sr. Engineer David Winship, Emergency Manager Mike Mumaw, Principal Planner Ali Turiel, Assoc. Planner Barbara Fryer, and City Recorder Darleen Cogburn.

CITIZEN COMMUNICATION:

Henry Kane, 12077 SW Camden Lane, noted that he filed the letter (in record) with the Planning Commission (PC), and called their attention to the attachments. He said the City could save much turmoil and cost if they requested the City Attorney to state in writing to the Council and the PC whether: 1.) the City's Comprehensive Plan and Development Code authorized the PC to issue a CUP for a materials recovery facility to process domestic solid waste and rotting garbage, and 2.) whether the PC, in 1998, can amend conditions five and six of the CUP given Miller Sanitary Service in 1996. He added that pages 9 through 15 of the legal brief he gave the City Attorney, deal with legal issues and contain many more authorities than were provided effectively by the attorney for Sequoia Park Condominiums. He said he had gone through their file and could not find the petition containing in excess of 100 signatures opposing this project. He said nobody seems to want it except Mr. Miller, who he said does not live within odor distance of the project, or the seven members of the PC, whom, he added, reside quite some distance from Fifth Avenue and Alger. He noted that Portland City Council would not allow that kind of facility two or three blocks from its City Hall.

Mayor Drake reported that the petition he was referring to was in the hands of the recorder for the Planning Commission and was in that file.

Coun. Yuen said Kane had asked the City Council to direct City Attorney Mark Pilliod, to look at the material he had provided, and stated that he thought Pilliod would look at the document since it was included with that material.

Kane said the attorney should give the City Council and the PC a

memorandum stating whether or not his suggestions could be done. He said there were hundreds of opponents whose property values were already going down, and they would be bringing this issue to the Council. He added that no one wanted to live within smelling distance of a garbage processing facility.

Coun. Yuen stated that he did not want to get into those issues because it was not the proper forum. He said he was trying to offer an opinion that if the City Attorney wasn't going to look at it, he (Coun. Yuen) would like to encourage him to do so because Kane had raised some important issues and had been following it very closely.

Barbara Wilson, 12820 SW 20th Court, Beaverton, said she intended to come to Council several months earlier because she wanted to deliver a special thank you to Mayor Drake for his efforts on the Dent property. She stated that without his efforts on that property, the acquisition would never have happened. She said several months ago when she was here, she was angry with Tualatin Hills Park and Recreation District (THPRD), because they were not complying with promises stated in their bond measure. She said THPRD was now making progress. She commented that she had doubted their sincerity before, but felt they were now turning around and they were going to see some very fine pieces of property become part of the THPRD acquisition.

Wilson said she talked to one of the Councilors during the past weekend, and hoped the conversation was not a reflection of the prevailing attitude of Council. She said she had made the phone call to the Councilor to call attention to an article in the *Valley Times* by Dick Schouten about water pollution and stream enhancement, as well as other similar letters. She added that parks were a good thing for neighborhoods and raise property values. She said when the THPRD purchased property for parks they pay the full market value, and did not want people to think people were coerced into selling. She added that Coun. Soth had stated several months ago that the City did not "default" to the Park District.

Wilson pointed out that when Elsie Stuhr took petitions out forty years ago for the formation of the Park District there were only 3,000 people in the City. She said to talk about open space at that time would have been ridiculous, since the whole City was open space. She noted that things had changed with 65,000 people in Beaverton and 165,000 in east Washington County, and there was a great need for open space and parks, preservation of wetlands and considerations for water pollution standards. She said she looked to the City for their help in getting parks, and the Mayor stepped up to the plate and said the right words to get a park that they otherwise wouldn't have.

Coun. Doyle thanked her for coming back and letting them know that things were going better.

Jim Van Osdell, 16815 SW Spellman Dr., said he supported the Nora Woods property for open space/greenspace. He noted that it was very

valuable property and would be a detriment to the City to lose that open space. He pointed out that the Cooper Mountain was a beautiful area and said he would strongly urge the Council to seriously consider helping support its acquisition with Metro and THPRD. He said Mayor Drake had, in the past, given serious support and encouragement and he hoped the Council would do so also. He presented his written testimony (in record).

COUNCIL ITEMS:

Coun. Brzezinski said she was going to an Oregon Progress Board forum at the Central Library and asked if anyone else was attending.

There was no one else attending.

Coun. Stanton reported that she went to the Electric Industry Deregulation Seminar, and was so bored she could not stay. She said she saved the literature, which contained some information regarding Senior Citizens and low income, and would share it with others.

Coun. Yuen said every day he drove down Schendel, which runs behind Walker Road and Fred Meyer and saw a couple of things that he wanted to report and have staff look into. He reported that there was a large truck/van parked on the inside corner of the curve, forcing traffic to go out and around it, causing a safety hazard. He said it has been there for several weeks, and suggested it should be moved. He then referred to the traffic light at the intersection of 158th and Schendel for traffic trying to turn left off 158th. He said either the pad was not registering or was in the wrong place because he recently went through two or three cycles before he got a turn signal, and noted that his co-worker said this happened all the time at that location. He asked staff to look into these issues.

Coun. Doyle expressed his appreciation to Steve Baker, Operations Director, and his staff who worked so hard during the ice storm. He said he was truly impressed with the quick clean up of the rock/sand off major roads. He said he also appreciated the memo discussing the problem explaining that they can only pick up so much, since Portland can only recycle a limited amount at one time.

Mayor Drake explained that Coun. Doyle was referring to the work order costs which had been outlined in a memo from Baker for the cost of the storm. He reported the composite cost for the City was approximately \$38,087 to lay down the gravel, the overtime associated with it and then picking it up. He noted that every time there was a severe storm like that, it presented additional costs for the City. He pointed out that the gravel needed to be cleaned up as quickly as possible, because once the ice thaws, the gravel becomes a skidding and sliding hazard. He said he had requested that memo from Baker because he thought the Council would be interested to know the cost of an ice storm.

STAFF ITEMS:

There were none.

CONSENT AGENDA:

Coun. Yuen MOVED, SECONDED by Coun. Brzezinski that the consent agenda be approved as follows:

Minutes of the regular meeting of December 1, 1997 and the special meeting of January 16, 1998.

- 98-18 Boards and Commissions Appointments
- 98-19 Liquor License: La Fogata (Greater Privilege)
- 98-20 Authorize the Mayor to Execute an Intergovernmental Agreement with Washington County for Utility Adjustments on the Farmington Road Project, Murray Blvd. to 173rd Avenue
- 98-21 PA 96002 Greenridge Office Building
- 98-22 RZ 960006/VAR 96027 Greenridge Office Building
- 98-23 A Transfer Resolution to Provide Appropriations for the Reorganization of the Community Development Department

Contract Review Board:

- 98-24 Contract Award – Software and Hardware for Scanning, Imaging, Records Management and Archiving in Support of the Municipal Court Business Reengineering Project
- 98-25 Emergency Contract Ratification – Sorrento Pump Station Underground Storage Tank (UST) Removal and Assessment

Coun. Soth said the minutes for December should be 1997 rather than 1998.

Coun. Brzezinski noted that in the December minutes, it should be noted that Coun. Yuen was excused.

Coun. Doyle asked if the subject of AB 98-24 had a target date for completion.

Patrick O'Claire, Finance Director, said they were meeting with the vendor sometime later in the week to work out the time line. He noted that it would be in conjunction with the actual re-engineering of the Court software project that was being developed in-house.

Coun. Doyle asked if staff could they let them know when it was happening and asked what kind of protections they would have in terms of product acceptability.

O'Claire reported that it was scheduled for the end of March, and they would be doing some type of testing of the system as it was put in place. He said the consultants, CACI Inc., would be involved in the project to ensure the technology was there to support a good foundation for the imaging and scanning in the document retrieval process.

Coun. Stanton noted that AB 98-25 was an Emergency Contract Ratification, because staff had found some old underground diesel tanks near the reservoir. She explained it would cost \$100,000.00 to dig them out and check all the soil for residue. Speaking to the Boy Scouts in the audience, she pointed out that as communities they clean these things up, just like the Boy Scouts do clean-ups in the community.

Question called on the motion. Couns. Brzezinski, Doyle, Yuen, Soth, and Stanton voting AYE, the motion CARRIED unanimously (5:0) Coun. Yuen abstained on 12/1/97 minutes.

PUBLIC HEARING:

98-26 Public Hearing on Reallocation of Greenspaces Funds/Greenspaces IGA Amendment

Barbara Fryer, Associate Planner, gave the presentation, pointing out a map of the proposed Greenspaces projects. She reported that in September, staff came before the Council about the Greenspace projects with a proposal for the station-to-station trail between Beaverton Central and Beaverton Transit. She said Tri-Met was currently pursuing options for that particular trail so it was no longer a valid Greenspace project.

Fryer said the other proposals at that time were for the Dent property, the north/south alignment of the Fanno Creek Bikepath, as well as the Cooper Mountain (Mtn.) acquisition. She reviewed the actions and recommendations at the last meeting on those issues.

Fryer noted that the unencumbered funds were \$196,829, and outlined staff's recommendations. She said staff suggested decreasing that amount by \$76,300 to fund the north/south alignment of the Fanno Creek Bikepath. She said they would decrease the unencumbered funds by \$120,529 to go to the Dent acquisition, and decrease the Cooper Mtn. project by \$29,471 to go to the Dent acquisition. She said currently, the Dent acquisition had \$300,000, but with the unencumbered funds and the funds from Cooper Mtn., there would be a total of \$450,000. She explained the reason for the proposal, was the original proposal included the City of Beaverton paying \$300,000 for the Dent acquisition, Metro paying \$250,000 and THPRD paying \$950,000, for a total of \$1,500,000.00. She said the revised plan would move that \$250,000 Metro had committed to the Ladato Cooper Mtn. acquisition. She said a commensurate amount of money would come from the Ladato Cooper Mtn. acquisition to the Dent acquisition to make up that fund amount. She reported that the property had been acquired and THPRD made up the remaining amount from their funds but they expected to be

reimbursed \$150,000.

Fryer reviewed the recommended figures that were detailed in the agenda bill. She said current negotiations suggest that it would be adequate to purchase the intended area, which was about 100 feet north of the Creek, south to Nora Road.

Fryer clarified that they had the property appraised and the additional property was not available for sale. She said they offered the fair market value for the property but the owners decided not to sell. She pointed out that it was a willing buyer/willing seller project so they could not condemn the property to buy it.

Coun. Soth asked Fryer to indicate where on the other map the Urban Growth Boundary (UGB) was located.

Fryer did so, and said this was all in the UGB.

Coun. Soth asked if either parcel was in the City.

Fryer said they were not, and noted that the Ladato property was also referred to as Nora Woods.

Fryer said staff was proposing that they keep \$119,796 in the Cooper Mtn. acquisition. She recommended Council make that contingent on trying to purchase the entire piece, since they currently had enough funds based on fair market value to make that purchase.

Coun. Stanton asked if the figure was kicked up to \$119,000, did that change the total amount from Metro, THPRD or Washington County, and did it still include the Fanno Creek Bikepath funds.

Fryer stated that it did not change the amounts from Metro, THPRD or Washington County, and it would still include the Fanno Creek Bikepath funds.

The Bikepath was discussed, confirming that the City would not lose the grant fund amounts for the Fanno Creek Bikepath.

Coun. Doyle noted that he knew they had talked about that acquisition but asked why the portion above the line on the map was not available.

Fryer said they were originally trying to purchase the entire parcel, and Mr. Ladato said he was interested in proposing a development action but would not sell the entire parcel.

Coun. Brzezinski asked what the approximate acreage was of the red cross-hatched area on the map.

Fryer said she thought it was a little more than eight acres.

Coun. Brzezinski said when Fryer was discussing the shift of funds, she had stated that Metro had already increased the money from the Ladato property from \$500,000.00 to \$750,000.00, but Council did not have anything in their packet that guaranteed that. She asked Fryer what her basis was for stating they had already done it.

Fryer explained that it was based on staff communication and she did not have anything in writing. She said she did not know if or when they would take a formal action to allocate their funds to this particular project. She noted they were not under the same type of rules as the City was for their funds.

Mayor Drake reported that this was all being done with the blessing of their Executive and Presiding officers, and they had both been part of the commitment.

Coun. Brzezinski clarified the breakdown as follows: of the \$197,000 unencumbered money, staff was recommending \$76,300 go to the north/south alignment of Fanno Creek; that \$120,529 would be added to increase the City's commitment to the Dent property; and of the nearly \$150,000 that had been committed to Cooper Mtn., close to \$30,000 would also go to Dent, but the \$119,000 would stay there if they could get the extra property.

Fryer said that was correct except that the \$119,000 would stay if they could get the entire parcel of Ladato.

Coun. Brzezinski asked what the deadline was for expenditure of the funds.

Fryer said the deadline was September of 1998, but there was a possibility of one 6 month extension, if they had good reason. She noted that if the money was just sitting there unencumbered, it was likely to be taken away.

Mayor Drake clarified that they were not in any danger of losing the funds, since the City was actively trying to acquire some land. He said the key was that some homeowners had brought a lawsuit attempting to stop the development and the City was waiting to see the results from that.

Coun. Brzezinski asked if they had reason to think the City's \$120,000 would be enough to get the remainder of the property.

Fryer said there was a considerable amount of money left over from the \$875,000 and it could conceivably be purchased with the \$119,000.

Coun. Soth asked if the \$875,000 was more than enough for the purchase of the property, why was it put so high that they could not tell in ballpark figures how much they were actually looking at.

Fryer explained that the appraisal and negotiations were still not final and

she had been told by Metro not to reveal the current negotiated value. She reported that Metro funds had a cap on how much money they could spend on fair market value.

Coun. Soth asked then, if it did not end up costing the \$875,00, would the actual purchase price be pro-rated on the basis of contribution, or how would it be divided.

Fryer said they had not worked that out yet, which was why she recommended they allocate their money specifically for the additional acquisition.

Mayor Drake explained that they were attempting to have some room to be part of the negotiations, and this was the action plan Council had requested. He said staff was trying to find a way to allocate the money to the best use, and have the flexibility to be able to acquire some or all of that property if possible. He explained that the Dent property deal needed to close and since the City had not noticed a public hearing for December, THPRD advanced the money. He said this shifting of dollars was so they could reimburse THPRD.

Coun. Soth asked where in the staff report was the reference to \$119,000.

Fryer said it was not in staff report. She explained that the original recommendation from staff was that Council either take the entire amount from Cooper Mtn. and dedicate it towards the Dent acquisition, or take the \$150,000 from the unencumbered funds and put it to Dent. She pointed out that this way all projects could potentially be funded and there could potentially be money in the bank to try to acquire the full Cooper Mtn. parcel.

Coun. Soth noted that then the staff report, was not an accurate reflection of what Fryer was now recommending. He stated that he expected the staff report to contain full details when he read it and these changes confuse the issues.

Coun. Stanton said in looking over the various plans, from the originals to now, she wondered, why they had committed \$150,000 to Cooper Mtn., but now they had changed that amount. She said her biggest concern was that they be part of the purchase of Nora Woods, since they committed that money a year ago.

Mayor Drake said that was what they were suggesting. He explained that Metro offered more money, and while working with the THPRD, they did some shifting while meeting the intent of the original recommendation by the Council. He said there currently was actually more money than there was before. He said they were recommending almost \$120,000 from the City so they would still be participating in Ladato.

Coun. Stanton stated that it looked like a "shell game," and asked why

they could not just give their \$150,000 to Cooper Mtn. and let Metro kick in the rest for Dent. She said this would have it all end up being the same in the terms of what people are paying, and then it would be more clear. She noted that this was a case of perceptions being everything.

Coun. Yuen said he appreciated Coun. Stanton's comments, but did not totally agree, and also stated that he liked Coun. Soth's question about where the excess money would go. He noted that in regard to the excess he saw it as a lot easier to reconcile pro-rata if they had three pots instead of four. He said he understood Coun. Soth's sentiments but on the other hand, if they followed the staff report it would make the process for handling the (hopefully) excess funds from Cooper Mtn. a little cleaner. He said it would also achieve the Council's intent to see that the property be acquired.

Coun. Yuen remarked that, regarding Metro's decision making process, related to the \$250,000; it was a commitment and not a process, so he wondered if that was also the case for this. He also asked if that was the case for the original \$500,000; was it just understood that there was that amount of money.

Fryer said it was her understanding that they did not hold a public hearing on either the original \$500,000 or the \$300,000. She added that Coun. Kvistad made a commitment in open forum but she did not recall an action item taken at that time.

Mayor Drake said he thought they were focusing on an area where they had no control. He explained that staff was asking Council to expend a certain amount of dollars to try to get the maximum purchase of some pieces of land. He said they were trying to acquire the Ladato piece that was not in the City and stated that they had worked hand-in-hand with Metro, THPRD and Washington County to come up with this combination. He reported that the City had been at the table the entire time, and the discussions had been led by Metro because it was Metro Greenspace's money that the voters approved. He suggested they look at the funding mix and adopt that or something different and move forward.

Coun. Brzezinski asked if Metro had the same September 1998 deadline for expending their dollars.

Fryer said they did not and explained that the bond measure specifically called for the local share dollars to be spent first, and Metro had a much longer time line for theirs. She said she didn't know the end date but she did know that it was at least a year out beyond the local share.

Coun. Brzezinski asked for the state and federal dollars that would be available for the Fanno Creek Bikepath, and if the City had to expend the \$76,300 by a certain date to get those dollars.

Elaine Wilkerson, Community Development Director, said there were several time constraints on the funds available, and she believed the

ISTEA money for the Bikepath was not available in the same time frame. She explained that they would have to move it back or split the project so elements would be expended within the time frames needed. She said she understood the Greenwood was hoping to do their construction next summer, which was why they were going through the development review process at this time.

Coun. Brzezinski asked if there was a way they could take the \$150,000 out of the \$196,800 they had unencumbered, leaving \$46,000 and then wait to make sure Metro did their \$750,000 for Ladato. She said she was worried they would spend the money, and then have what they were counting on fall through.

Wilkerson pointed out that Council could make their decision conditional on confirmation by Metro, so Council's decision wouldn't actually come into effect until that confirmation was in place. She said if it were not, Council could stipulate that it would return to the old position. She added that, in the meantime, when they had the decision from Council they could go to Metro for a confirmation. She said she thought they were unwilling to confirm that until they knew Council's position.

Coun. Stanton stated that Metro had known Council's position for over a year. She asked if there was a hard copy of what they were considering.

Fryer said it was not available because the recommendation was created at the eleventh hour. She summarized that the actual recommendation would be that Fanno Creek would get \$76,300; Dent would be a total of \$150,000 increase to make it \$450,000; and that Cooper Mtn. would be reduced to a total of \$119,796. She said this all added up to the total amount given in their bond measure; \$1,400,000, some of which had already been spent.

Coun. Stanton said the problem was that the figures were not adding up, nor subtracting out to the right amounts.

Mayor Drake asked Fryer to get the figures off her computer during the break and return to clarify this.

RECESS: Mayor Drake called for a recess at 7:35 p.m.

RECONVENED:

Mayor Drake reconvened the meeting at 7:49 p.m.

Fryer handed out copies (in record) of the breakdown, and explained that allowing this money to go to Dent and having the Metro money move from Dent to Cooper Mtn., would allow THPRD to have sole ownership of this property, as well as sole maintenance responsibility. She said it would allow things that wouldn't ordinarily happen if Metro were involved.

Mayor Drake clarified that Metro would not have an ownership share as

part of the City's agreement with THPRD.

Coun. Doyle congratulated the staff of the various agencies who had worked on this and said he thought they were wise in pursuing the Ladato and Cooper Mtn. parcels. He noted that the package was up to almost \$1 million, which was a substantial increase, and he thought it was terrific!

Coun. Stanton asked Fryer to clarify the staff recommendation for dollars before going on to the testimony portion of meeting.

Fryer reiterated the figures as follows: Dent total was \$450,000, Cooper Mtn. was \$119,796, Fanno Creek was \$76,300, with \$300,000 previously committed to the Dent total.

Coun. Soth asked if this would eliminate the connection between the two transit centers or the Fanno Creek Bikepath.

Fryer said that was correct.

Mayor Drake opened the public hearing.

Jim McElhinny, Dir. of Planning and Natural Resources with THPRD, said THPRD was very supportive of the plan City staff had brought forward, and thought it was a great opportunity for the City and citizens. He stated that this was a great partnership between Metro, City of Beaverton, THPRD and Washington County, and noted the area that had been purchased from Campfire, which was 18 acres of natural area along Johnson Creek. He also noted the nine acres in the Dent piece for a total of 27 protected acres; a recent transfer of land by the City to the Park District; and the Moshofsky piece along Willow Creek. He reported that piece completed a linear park between NW 115th Avenue to NW 173rd Avenue. He added that the following night, THPRD would meet with residents of the Stonegate Homeowners Association to talk about the completion of the trail that would go through that area. He reiterated THPRD's support of the proposal.

Coun. Yuen recalled they had received a letter from a 13-year old boy, about a year ago, who wondered why the trail had not been completed on the Moshofsky piece. He suggested someone should send the young man a letter to let him know that what he was asking about was about to happen.

McElhinny said they would be happy to do that.

Coun. Soth asked if THPRD had talked to Metro about the maintenance on Cooper Mountain.

McElhinny said THPRD General Manager, Ron Willoughby, had talked to Mike Burton, Metro, and had discussed the fact that THPRD would be willing to enter into discussions for an agreement to maintain that piece should it be acquired.

Katherine Sayles, 16985 SW Kemmer Rd., thanked them for a lot of work, and said they could see \$119,000 they had not seen before. She noted that through their insightful discussion the complications and the convoluted mathematics since Dent was acquired, were clarified, and said the Dent property was signed, sealed and delivered. She explained that her concern was that the Cooper Mtn. site could fall through the cracks, with no confirmation from the Metro or the other two agencies involved. She said she gave Council a small packet (two parts), and noted that the paperwork was only talking about the previous commitment of \$150,000 in May, 1996. She said attached to that was the only evidence from Metro regarding the \$300,000, where it stated that the City had matching funds, which would be lost if they give away the \$150,000. She agreed with Coun. Stanton that since the Park District was in need of money, rather than taking it out of the Cooper Mtn. site, Metro could give that money directly to THPRD. She explained that would remove the fear that Cooper Mtn. would be lost, and satisfy THPRD at the same time. She said she saw no reason for the convoluted mathematics.

Sayles said they wanted written confirmation of Metro's position on this amount, and noted the City had a strong stake in the property. She said the issue had come up before regarding the fact that it was actually in the County and pointed out a map about the Goal 5 area, and displayed her own map. She said several properties had been annexed to the City, because the City was requiring annexation if development went forward. She noted that the entire Nora Woods property was under a development proposal, but the neighbors had appealed the entire 15 acre development to LUBA. She reported that the whole site was nearly 15 acres, divided into three, five-acre zones, the central piece was in a ravine which was un-buildable, and Mr. Ladato was negotiating for the sale of 10 acres on the southern portion. She said if Council pulled away the \$150,000 all the cards would be in Metro's hands, and requested that the City retain participation.

Mayor Drake clarified that the Council did allocate almost \$120,000, so the City was participating.

Sayles reiterated that they did not want to lose the matching funds, and were asking for a fair portion of the new moneys, which represented \$150,000 to use as leverage with the other agencies. She said THPRD had \$700,000 in the Greenspaces fund which were uncommitted, and Cooper Mtn. was number one on their acquisition list. She noted that Metro also had over \$2 million with no negotiations going on for the site for which that money was allocated beyond the UGB. She reported that the subject had come up with Mr. Ladato, and the issue would be simplified if they purchased the whole site. She stated that the Nora Road issue would go away if they purchased the whole site, and Nora Road would also go away if the whole site was purchased.

Sayles said she had important technical information that the Council needed to have. She said there was a sewer scheduled to go through the

ravine, but there was not supposed to be any construction going on there. She said the hydrologist neighbors hired predicted catastrophic failure of the slopes if any part of the development went through. She pointed out there was a large retention pond to be situated on the northern portion that the hydrologist predicted would cause flooding downstream into the City. She reported that the engineer stated the impact would be six times greater than what the developer had stated. She said she appreciated their continuing support. She said they have a wide base of support from people all over Cooper Mtn. and beyond, and asked Council for their continued support.

Mayor Drake said when he had talked to Sayles a few years ago, there seemed to be some evidence that there would be significant contributions of land by the owners. He asked if that had happened at this point.

Sayles said the situation in May of 1996 had a current option with a developer that was about to fall through (1996). She said it did fall through one month after the City gave them the money and they could not raise more money. She said they had a window of opportunity for six months when they could have obtained the site directly from the owner, but THPRD delayed until after the developer had bought the property about seven months later. She said there were still possibilities for the adjacent land, and noted that she and her husband owned five acres in the corner of the site. She noted that said the cost of the sewer coming across the street was very prohibitive and they were not talking about developing that property. She described the location of the UGB, and said they were allowing a corridor for the large mammals directly through the UGB.

David Stein, 16675 SW Spellman Dr., noted that the last time he came it was only he and his wife, and now there were 14 or 15 others in support of trying to maintain support of the \$150,000. He said he tried to run the numbers provided by staff, and had come up with \$120,000 instead of \$150,000. He said when you run it all together, there was a potential of \$1.25 million, which was reduced to \$94,000. He said it seemed like THPRD wanted to do the Dent property alone so they could control it, which made him question why they were involved with the Cooper Mtn. property. He said he did not think it mattered who bought it, and said he thought jurisdictional control was unimportant, because it would all be part of the land bank.

Coun. Doyle clarified that what Stein was essentially saying was that an increase from \$875,000 to \$994,000 was not enough.

Stein said that was a possibility.

Coun. Doyle noted that he had heard other people say they should stay at the \$875,000. He said they were trying to do things for a couple of different projects.

Stein said Mr. Ladato was the "key to the gate" and he thought the

\$30,000 difference could seal the deal. He said Metro was being very illusive about what was going on.

Mark Hereim, PO Box 2144, representing Friends of Beaverton Johnson Creek, said he thought all of the residents could be gratified that the City and THPRD were able to complete the acquisition of Dent property. He stated that he thought what they had that evening was an effort to accomplish many different things. He explained that he thought the City's first priority in considering how to allocate this money should be their commitment to THPRD for the purchase of the Dent property; it was a matter of keeping the City's word.

Hereim noted that he thought the current plan, in contrast to some others, was actually representative of a good faith effort to acquire a lot of property and go beyond the original proposal. He stated that the Nora Woods property was very desirable for preservation, and was near the headwaters of Johnson Creek. He said that through the simple act of purchasing property near the source of the stream, they would eliminate a lot of nuisance trying to clean up a stream in the future. He said he hoped the City and the other agencies involved would make every effort to make the purchase possible, and try to buy all parcels connected.

Mayor Drake stated that he thought the effort after that meeting should be focused on the fact that Metro had money left and if the deal was close, pressure should come back onto the Metro Council. He said, if Stein was correct and it was as small an amount as he predicted, then there was the opportunity for all of these people to write John Kvistad and other members of the Metro Council and ask them to make up that difference. He suggested that after City Council made their decision, they (those testifying that evening) should go, en mass to Metro Council and speak to them. He noted that with the up and down that had gone on, they would be well served to put pressure on (Metro) officials to lock up a commitment.

Hereim commented that there was a certain amount of "mushiness" or uncertainty with the Metro money.

Coun. Doyle remarked that without some form of the "mushy" Metro money, nothing Council did that night would facilitate the purchase of this property. He suggested that, since it is a was a concern whether Metro would come through with the amount they had committed to, if they did not, then the deal would be dead.

Hereim said the City had the second largest amount, and that \$300,000 was nothing to quibble at.

Coun. Doyle reiterated that without the Metro money it would not happen.

Ross Tewksbury, PO Box 25594, Portland, 97298, Friends of Beaverton Creek (FBC), asked the Council to consider some other possibilities, and asked them to take more time. He explained that the area he was

concerned with was in the farthest east section of Beaverton, and in the very adjacent areas of unincorporated Washington County, which will one day be Beaverton. He indicated on the map the West slope annexation area, just west of the Raleigh Hills Fred Meyer store. He noted that there were a few remaining undeveloped sections there, and also there were the headwaters of Beaverton Creek. He said he had been working on it with THPRD and their biggest problem was finding any willing sellers. He said he hated to think of that area along the Creek being wall to wall buildings. He expressed his hope they would consider this area, and keep them in mind for the future because Beaverton Creek was a poor cousin to Fanno Creek. He stated that he was in favor of all of the projects.

Mayor Drake noted that if they had five times the amount of money they had, they could do everything. He added that the good news was that if the Metro Title 3 regulations that were proposed were close to being enacted, it would be a good chance for some of the waterways to have more preservation.

Mike Richmond, 9278 171st Avenue, said he understood the City agreed to commit \$150,000 to the purchase of the entire property, which consisted of about 45 or 50 acres available for acquisition, but it had now shrunk to about 15 acres. He stated that he would like to see a resolution or request that Metro confirm they were negotiating with Ladato for the entire parcel because that was very important. He noted that from the time the City made that commitment, until now not much had happened. He reported that when he spoke to Metro a few months earlier, they hadn't really decided yet about the property, and Ladato's office told him that Metro wasn't really interested.

Richmond said he thought the property with the development application would be good to look at. He said even though there was an assumption that these things were clearly communicated, sometimes they were not, and asked that the interest in the property be clearly communicated. He pointed out that the pending LUBA appeal was very complicated and very expensive, and the neighbors had scraped together personal money to appeal it. He said if the LUBA appeal was upheld, the property value would be very low, but if the appeal lost, then the value would be very high. He reported that Metro said they could not commit any more funds because they could not pay more than the appraisal, but they were not looking at more than the one southern piece. He stated they needed to look at the whole piece. He explained that the discussion was centered on the southern piece because that was the most expensive project to develop and represented the most income potential for Mr. Ladato.

Richmond stated that they should do the whole thing, and he was there to say that the neighbors were committed to the LUBA appeal and would go down to the wire.

Coun. Brzezinski said she understood Richmond's point about making sure Metro understood they were interested in the whole piece of

property, but wondered if he was saying the whole piece of property or nothing.

Richmond said he would not go that far.

Coun. Stanton asked if, two years ago when the City went through the process, he thought the Council designated \$150,000 for Cooper Mtn. She clarified that was not what they did; they earmarked \$150,000 for Cooper Mtn. if other moneys could be leveraged.

Richmond said he thought it was a pledge or possibility but he thought they were talking about the whole thing. He noted that the subject of the southern piece didn't come up until Mr. Ladato had his development application and could see the economics.

Coun. Stanton noted that two years earlier they had been the first jurisdiction to say they would put even a dime into it.

George Gogue, 16985 SW Kemmer Rd., said he was pleased at the proposal staff had made, and applauded them for their work, but had serious concerns about shifting the \$150,000 around and the potential effect. He asked how they could get written or irrevocable confirmation from Metro that the matching fund requirement was waived. He also asked how, in order to redirect this fund, the City would need to find that the \$150,00 committed to Cooper Mtn. was no longer necessary to accomplish the goal of acquisition.

Mayor Drake asked what he was referring to.

Coun. Soth said it was in the second paragraph on the back of the white page with the graph.

Coun. Doyle asked Fryer if that was to support the original recommendation of zero dollars, given the eleventh hour revised proposal that would not be germane to her recommendation.

Fryer said it would be required to make any change in the \$150,000 originally allocated to the Cooper Mountain project so he was correct that the Council still needed to make that finding for that particular proposal.

Coun. Doyle said he thought they were not eliminating it, they were just changing the amount.

Gogue said he was concerned that Metro would say in the future that there was no document that said they had waived anything, which would likely hurt the whole deal.

Mayor Drake explained that the recommendation was roughly \$120,000 and modify it by \$30,000, and noted that THPRD was recommending \$75,000 and the County, \$50,000. He added that they would send Metro a copy of the proceedings, and noted that the City was required by their

agreement to hold a public hearing which was the purpose of that meeting. He explained that after the public testimony, he would close the hearing, and the Council would make a recommendation. He said staff would come back with findings to support what had been recommended by the Council.

Gogue asked if the Mayor was saying they would wait until they heard back from Metro before going forward.

Mayor Drake said that was not what he's saying. He explained that staff was recommending that \$119,796 be allocated to Cooper Mtn., which they would send forward to Metro, and in doing so they could spend that money for Cooper Mtn. if they wished. He reiterated his suggestion that those who were concerned, should each send a letter to the Metro Council to get them to respond, not one letter with many signatures. He noted the City would send a letter in support of Metro purchasing the property. He said he had talked with Mike Burton, John Kvistad, their staff, and with the City's other partners, and the City had put pressure on the County to contribute something. He remarked that the real issue was that the speakers were asking the City to do something, but they each needed to write letters to the Metro Council for support.

Ton Augustine, 10230 SW Crestwood Ct., representing the Board of the Denney/Whitford NAC, said he appreciated everything they were doing that evening. He said he was there to remind them that they would also lose some matching grant money for the multipurpose Fanno Creek Bikepath. He said the NAC hoped the Council would hold to the staff report and allocate the \$76,000 to Fanno Creek.

Barbara Wilson reported that she had walked the Ladato property and said it was beautiful. She said she hoped they would maximize the money they put into this property and work to preserve the property's natural beauty.

Coun. Stanton asked if it was private property.

Wilson said it was.

Mayor Drake closed the hearing.

Coun. Brzezinski said Wilkerson stated they could pass something contingent on getting a commitment from Metro and asked if that was realistic.

Wilkerson said she thought it was reasonable.

Coun. Brzezinski noted that they needed two things in writing: 1) that the change from \$150,000 to \$120,000 did not mess up the matching fund commitment; and 2) that Metro would spend up to the \$750,000 of the funds available. She stated that if they got those two things in writing then she was perfectly agreeable with the staff recommendation, pending

what she heard from the rest of the Council.

Wilkerson said they were proposing that the resolution with the findings would go back to the Council, and she thought they could try to get something from Metro in the interim before they brought it back. She said she thought it might take more than the two weeks they were trying to turn it around.

Mayor Drake agreed they would probably need more time than the two weeks.

Coun. Soth said one of the sticking points was the finding earlier regarding the staff report, where it inferred that the entire \$150,000 was not required, which was not the case. He proposed that the language be changed so it was clear the City was not proposing to take away the entire \$150,000, but was reducing it to the funds available from what was left of the Greenspaces Program.

Wilkerson said she did not see any problem with that. She said they would bring the proposal back indicating very clearly that it was a reduction and terms on which that reduction would be done.

Coun. Doyle said he thought he heard staff say that to acquire the entire property, the \$1 million was adequate at fair market value. He noted that would include not only the piece with red stripes on the map, but also the piece under contention.

Wilkerson said they could not give an opinion on that at that point but it would be available for staff to negotiate on that portion which was not in consideration on the south two thirds. She explained that the problem was the litigation; the LUBA case was on the entire property, and because the Greenspaces money must be spent with a willing seller, it must be on the terms of the seller. She said if the seller only wanted to sell two thirds, they could not force him/her to sell the other third. She stated that it was a complex situation and one of the possibilities might be for non-Greenspace money to be used for the northern portion. She said they should secure the position that they were prepared to fund this and have the balance used for the northern portion, so if it turned out they could acquire the northern portion, that would be a desirable end. She stated that if it turned out they could not acquire the northern portion, they would be back with that remainder still available.

Coun. Stanton MOVED, Coun. Brzezinski SECONDED, to approve the funding increase of \$150,000 for Johnson Creek Area II/Dent Property, \$76,300 for the Fanno Creek Bikepath to secure the grant funds, \$119,796 for the Cooper Mountain property, for a total of \$346,096; and direct staff to draft a resolution to amend the IGA with Metro as to the projects to be funded and including any findings necessary and also securing a definite and irrevocable commitment from Metro to say they were pulling out of the Dent property so they would go into the Ladato/Cooper Mountain property.

Coun. Stanton said she needed something sure and definite and irrevocable and was not sure of the wording since it was Metro. She stated that otherwise, she wanted to go back to two years ago when they first put the \$150,000 in for seed money.

Mayor Drake said they could not use the word irrevocable because they could not make another government do anything, and suggested they use the word "feasible."

Coun. Stanton said she understood that but needed more than the word feasible.

Mayor Drake said they could get Metro's commitment but they were still beyond the control of the City.

Coun. Stanton asked if "serious intent" would work.

Mayor Drake said it would, and said the words "definite and irrevocable" could be replaced in the motion with "serious intent."

Coun. Brzezinski asked for an amendment. She said she understood the City could not make Metro spend money but she would like to have something in writing from Metro stating that the City's reduction from \$150,000 to \$120,000 did not mess up the matching funds. She would also like something in writing that Metro was interested in the entire property.

Mayor Drake explained that could come in a request to Metro and questioned the need to modify the motion because all along the attempt had been to buy the entire piece.

Coun. Brzezinski said that was fine but she was still concerned about the matching funds.

Mayor Drake noted there was never an equal amount to the match by the original plan; it was \$150,000 from the City and \$175,000 from THPRD.

Coun. Brzezinski said she thought the original Metro commitment was \$300,000, and stated that she didn't care how it got done but she wanted to protect the City.

Coun. Doyle explained that he thought the motion maker's intent was if they did not get the assurance from Metro, they would revisit the issue and restore the original amount. He said this made a strong statement to Metro that they were holding Metro to their commitment to the City. He noted that if they could somehow ratchet the amount up to \$850,000 then they had done yeoman's work, but if not, they should go revisit it. He said this way they have leveraged it up and he did not see how anyone would lose.

Mayor Drake noted that they needed to also get a commitment from the County, and asked staff to get some finality from the County.

Coun. Soth said there was a recommendation from the County Park and Recreation Advisory Board but he didn't know if the full Board of Commissioners had taken action to approve it.

Mayor Drake said they had not, so as part of their sending out requests, staff should also request a commitment from the County.

Coun. Soth said he normally had a problem with spending money outside the City, but in this particular case it was a very desirable piece of property, and at some time it would become a part of Beaverton since it was within the UGB. He said he would vote in favor of the motion and thought it was a good resolution of the money issues.

Question was called on the motion. Couns. Yuen, Brzezinski, Doyle, Soth and Stanton voting AYE, the motion CARRIED unanimously (5:0)

RECESS: Mayor Drake called for a recess at 8:55 p.m.

RECONVENE:

Mayor Drake reconvened the meeting at 9:04 p.m.

ACTION ITEM:

Wetland Mitigation for *The Round* at Beaverton Central and Henry/Rose Biggi Road Projects

Greg Kurahashi, of Kurahashi & Associates, reviewed overheads which indicated where the wetlands were. (Copies are in permanent records.)

Coun. Soth asked if the ditch behind the Westgate theater was classified as a wetland.

Kurahashi said it was.

Coun. Soth asked if the other piece was a wetlands, also.

Kurahashi said it was a detention area that was created for a gravel parking lot behind the theater, and noted it had been a difficult situation for both the City and the developer. He explained that the Army Corps of Engineers had taken jurisdiction over that area, and because of a comment that was in their rules, they could make a decision to take responsibility for improvements in an area. He said it was a strange situation; the Corps had a requirement that if it was in a certain portion of the 404 permit, they didn't have to worry about it but in another portion they did. He explained that the Corps asked if it was an NPDS project and USA said was not, so it became something the Corps wanted to look at. He said the area was something that was created by the developer of

the gravel parking lot to treat the water. He reported that they originally thought both the ditch and the parking lot were not wetlands.

Mayor Drake remarked that this was the value of the partnership Mr. McElhinny had referred to earlier.

Kurahashi said THPRD owned the property and PGE had an easement over it.

Coun. Soth clarified that this is the piece just south of the BN Road and runs parallel to and just behind Resers food property. He noted that Urban Renewal agency had a piece which they turned over to the City.

Coun. Stanton noted that looking at the overhead and exhibit B, they were not identical in terms of space.

Kurahashi said the overhead was correct. He said the wetlands were being mitigated by the standards of the Corps of Engineers, and that a very important point he wanted to make was that the Corps took responsibilities for portions of the area and DSL did not take responsibility. He said DSL only took the corner of the ditch.

Coun. Yuen referred to the staff report where it talked about the additional engineering being treated as a change order of \$16,100. He wondered about the coincidence of the numbers on the last page of the staff report under change order for the violation at *The Round* being \$17,100. He asked if it was just coincidence that the numbers were so similar.

Kurahashi said it was coincidence.

Coun. Soth MOVED, Coun. Brzezinski SECONDED to approve the change order in the amount of \$57,100 appropriation for engineering and construction costs associated with the mitigation of the wetlands of both *The Round* and Henry/Rose Biggi sites, and direct the Finance Director to make the appropriate transfers and bring them to Council at the next supplemental budget meeting.

Coun. Stanton thanked McElhinny and his organization for letting them know this piece of property was available.

Coun. Doyle said he would like to add his thanks as well and said it was a good thing Light Rail didn't take it.

Question called on the motion. Couns. Yuen, Brzezinski, Doyle, Soth, and Stanton voting AYE, the motion CARRIED unanimously (5:0)

WORK SESSION:

City Annexation Policy (continued from 12/1/97)

Mayor Drake asked that they make the comments as concise as possible.

Alwin Turiel, Policy and Research Manager, made the presentation, and reviewed where they had been and where they were going. She said they had spent time at the last session reviewing the general issues and said she had given them a revised copy. She noted that this work session was an opportunity for the staff to get direction on where the Council wanted them to go. She explained that the Comprehensive Plan had an annexation policy, but it was out of date, and needed to be revised in order to become more in line with Beaverton's current philosophy.

Turiel said the proposed policy was included with the material they had received, and noted that the focus was on the issues that underlie the proposed annexation policy. She said it would go to the Planning Commission and a public review process before they come back to Council, and reported staff had already met with members of the community. She said rather than focusing on the editing, she wanted to focus on the issues. She said they were divided into three major topics to help the discussion to go more easily: land use, providing service, and cost of service.

Turiel asked the Council to brainstorm their thoughts on these issues, and said the first topic would be Land Use. She asked them what "bigger, greater Beaverton" meant in terms of image and was it important.

Coun. Soth said it does enhance the City's image because of the connection between population and the allocation of gasoline taxes and other funds. He said in using those to improve the City, plus the fact that there were many people who equate annexation with an identification with a City. He said in his view when that identification exists, there was a good possibility that those people who like the idea were going to participate in City issues, whatever they may be. He added that with the resolution of the Portland/Beaverton USB this again would be important.

Coun. Yuen said he disagreed with Coun. Soth, even though he understood what Coun. Soth was saying. He noted that in response to the question, he wrote, "Do we care?" He said as a citizen of the City, he did not think about how big the City was but how it felt. He noted that Beaverton had a sense of community and he had appreciated and tried to maintain that sense of community. He said he thought people feared losing the sense of community. He reported that living in a larger city people often do not feel connected to their government, and stated he was not interested in annexation as a way to enhance the City.

Coun. Stanton stated that she thought annexation was not applicable to the City's image. She explained that the image was not based on size, it was based on byproducts of living in a City. She said improving the City's image was not the reason people came into Beaverton; they were doing it for services that were provided.

Coun. Doyle explained that he had looked at the question as someone outside the City, and generally, bigger was equated with better. He said if

the City could grow and keep the sense of community the same, they would have done their job.

Coun. Stanton said once they hit the 50,000 mark in population, there was no more value for them in being bigger.

Mayor Drake said he would disagree to some extent. He explained that there was some advantage to having a certain size, which allowed the City to have specialty staff that smaller cities did not have, but instead had one person serving multiple tasks.

Coun. Stanton said she could appreciate that but read the question at face value.

Coun. Brzezinski said she interpreted the question differently; she interpreted it to say to the outside observer, did bigger mean better. She said it enhanced the City's image if two things happened: 1) if they managed the growth well, and 2) if they had grown because people wanted to annex.

Turiel stated as a conclusion statement, she heard a general feeling that growing or not growing was not so much the issue, as how well the City grew. She next asked how they would plan for a greater Beaverton.

Coun. Doyle responded that they could not just let growth happen. He asked Turiel what an *active plan* was, from her perspective.

Turiel said an *active plan* was joint land use planning, and often facilities planning, between the County and other agencies. She said they were talking about jointly enforcing each other's planning for the larger area.

Coun. Stanton said she understood that to mean it was actively working with the County to get them to use City code and the City Comprehensive Plan when they were giving out permits in the County.

Coun. Brzezinski asked Turiel about the term *sphere of influence*.

Turiel said she was talking about the greater Beaverton area when using that term. She summarized that the Council was in consensus on this issue with a definite yes on both active plans and public facilities plan.

Coun. Soth commented that an *active plan* to him said they had cooperation with their neighbors and at the present time they did not have. He said SB 122 pretty much answered the public facilities question because they were required to do that.

Coun. Brzezinski said she had a question about the third bullet which addressed Pre-annexation Development. She referred to the memo that discussed following Tigard's lead, handling the County's development processes. She asked if Tigard requires that the developments they work on follow Tigard's requirements or the County's.

Turiel replied that her understanding was that Tigard had an agreement with the County to provide all of the permitting services with Washington County using Tigard's code. She noted it had gone very well for them.

Coun. Doyle stated that he thought if a development was going to be part of the City it made a lot of sense to follow their code. He said he did not think it would discourage future annexations.

Coun. Brzezinski commented that she understood the question to mean that people might be discouraged because they would have to jump through more hoops to meet City requirements, so they would be less inclined to want to join the City.

Coun. Stanton said she thought it might discourage future annexations. She explained that there had been some areas that waited to come in after they had their permits and plans approved by the County because the landscaping and some other standards were less. She said she did not think it would discourage annexations because if they were using City of Beaverton code they wouldn't have to refuse them.

Coun. Yuen said he thought the questions were related, and suggested that under the first bullet, the word "permit" should be changed to "require." He explained that if something was ultimately going to come into the City, it needed to be built to City specifications, and said he was tired of annexations that came in that were not built to City code. He pointed out that the other side of it was that if all the City was doing was providing planning services and not the other services like mediation, police, traffic calming, and the Code Enforcement, then he thought it would not be attractive for people to come. He did not think it was in the City's best interest to have people annexed to the City who don't come in at the level (at City standards), they want them to come in at.

Turiel said it sounded like the Council uniformly agreed that they wanted development to happen to City standards.

Coun. Soth suggested it would behoove them to get with the City of Tigard and Washington County, because he was hearing that Tigard's requirements did not differ substantially from what the County's were, while Beaverton's did. He commented that he was hearing that if the City was going to do that, there needed to be a set of common standards. He explained that would discourage a developer from wanting to work in a certain area because whatever procedure was being used there was better for him than the procedure being used in the other jurisdiction.

Coun. Yuen asked what was meant by *service beyond current City limits*, in the next bullet which was Providing Service.

Turiel said they were talking about the various services and displayed a list of service providers. She pointed out that there was an interesting collection of service providers.

Coun. Yuen noted that if the City extended service beyond the City limits, then there wasn't a reason for people to annex. He explained that the City would be giving away the reasons to be part of a City, to people who weren't going to be paying for it. He said he did not understand the rationale for even considering that.

Mayor Drake reported that it was working well with Tigard because it was such a tiny area. He said the County would like the City to include the area east of 185th all the way to the County line, which was a service area larger than the City itself. He asked how they would handle political issues, for example, if someone did not like the service they got. He wondered if they would call the County Commission even though the City was contracting it, or would they call the City. He said he thought they had to be careful not to give away certain things or take on political headaches they would have relatively little control over.

Coun. Brzezinski suggested they talk to Tigard and find out how it worked, and if they had problems. She said maybe others in the room knew, but she would like to get some feedback from Tigard. She stated that she felt differently about the planning and development services. She explained that she saw the value of doing the development services, because they wanted that vision in mind when things outside the City were being developed. She said she had not heard a reason why they should give away those other kinds of services that the citizens were paying for.

Coun. Soth said one of the things they have done in the past was to extend services beyond the City limits under contract with the provision that they would annex. He suggested they should hook services to some sort of future annexation.

Coun. Stanton said she was answering, "Yes," to the first two questions under the first bullet on Providing Service. She explained that she wanted adequate service to be a prerequisite for annexation or a funding plan in place for annexation to occur. She said a lot of what was in their urban service area was already built to substandard levels.

Turiel said it sounded like the Council was in agreement that for service beyond the City limits, the feeling was basically positive, but they better have City services or some way to get there planned, before they came in. She said the next bullet asked: *What Services Should They Promise.*

Coun. Stanton stated they should promise what was required by state law and what they do because they want to. She said she was not about to promise anybody anything and no one got to move to the top of the CIP who was recently annexed.

Coun. Doyle noted that it seemed a given that services would be at the same level as anybody else. He said they should pay the same money and they would get the same benefits, no more and no less.

Coun. Soth stated that some provision had to be made for the day when Washington County declared they were out of the Urban Services business and the people in unincorporated areas better get to the City and join them. He said somewhere in there they needed to address that possibility in annexation plans.

Turiel clarified that their consensus on annexation plans were, "Yes."

Coun. Yuen asked if the assumption by Council was that she was asking if they should have annexation plans.

Turiel clarified that staff wanted to know if Council was interested in considering annexation plans.

Mayor Drake said by being part of the planning for annexations, the City would get some control.

Turiel introduced the next bullet: *Service Costs*.

Coun. Doyle commented that it was a good idea to assess service costs. He explained that if they were not going to subsidize their current taxpayer's expense, he assumed they would try to move to a "pay-as-you-go, be it the payment process, the design review, or whatever.

Agreement was they should figure out the costs before they annex.

Mayor Drake asked the Council what if it came out that it was a higher crime area, because some parts of the City don't have the response calls that others do. He asked on what basis they would make the determination.

Turiel asked what happened when they did have areas that cost more to service than others. She asked what happened when they had shortfalls.

Coun. Stanton noted that LIDs (Local Improvement Districts) were not liked by some, but she felt that was the only way the City should take in an area with failing septic tanks, or which needed sidewalks and street lights.

Coun. Brzezinski said she thought it differed according to what the shortfall was. She stated that if was such a thing as a higher crime rate, the City would not charge them more for police services. She said it would be determined by the issue on a case by case basis.

Turiel asked if was correct that it should depend on what service was needed.

Coun. Stanton said infrastructure would be one definite yes, but you could not assess people for a service like police protection and enforcement.

Mayor Drake gave the example of the West Slope area where the County was told the City would not take the roads until they were brought up to City standards. He said the County had been very willing to negotiate with the City, and staff had done a great job.

Coun. Brzezinski said it would be a mistake to write down that they were all as strong on the LID issue as Coun. Stanton.

Coun. Soth commented that to form a LID was a tenuous job at best, because it was the people who would have to pay who would have to approve it. He said it did not always work.

Coun. Yuen stated that as a general policy, shortfalls should be borne by the annexing area. He noted that on the other side, he thought there were potential situations where the City Council might look at an area and decide the need was great enough, or the long term value would outweigh the short term cost, to accept the expense.

Turiel stated that it sounded to her, like the Council felt it depended on the need, and that shortfalls should borne by the annexing area if possible. She said she heard that equity was important.

Turiel explained that the last bullet dealt with ways to decrease the City's service costs associated with annexation. She said the usual things discussed were economies of scale, and getting a larger, more compact area in an effective way. She also mentioned the timing and the size of the areas annexed.

Coun. Soth stated that he would like a statement in the policy that said if an area was created as an island (unincorporated area), the City would take aggressive steps to annex that island. He said you could describe it in many terms, and an example was the "Walnut Triangle" in Tigard, where they had many service problems. He commented that he did not think an island should exist within an urbanized area.

Coun. Brzezinski stated that she did not understand how the third bullet was a policy issue. She said she would look to the technical people to advise them on that.

Turiel explained that it was intended to ask if it was an important criterion.

Coun. Brzezinski said she did not see how it could not be important.

Coun. Yuen referred to page 24 of the policy, and said there were two bullets he had questions about. He read from one bullet as follows: "Potential effects of land use changes following annexation..." (See policy in agenda bill.) He asked how much of that applied to the City's annexation policies given that service provisions for the Fire District, THPRD and Beaverton School District would not change.

Turiel explained that it was an outgrowth of SB 122 in anticipation of the

possibility they could have some shifts.

Coun. Yuen read the second and last bullet as follows: "Potential for City controlled development by redevelopment at..." (See policy in agenda bill.) He asked if the thought was they would actually build gateways that would say, "Welcome to Beaverton."

Turiel explained that there were some key parcels at some of the major entrances, particularly vehicular entrances into the City, that could probably benefit from Beaverton's design review process. She noted that could probably help the City present itself a little better.

Coun. Doyle asked at what point the staff envisioned a discussion of how big the City would get.

Turiel said they were getting very close to that. She said if they agreed that the USB would be the goal, they had an USB of 18 square miles right now that would eventually be 25 to 30 square miles. She explained the City had agreed upon boundaries with Washington County, Multnomah County and Portland. She reported that the boundary with Tigard was also pretty well agreed upon, and this year they would be working on the boundary with Hillsboro. She said when that was completed, the City should know what the USB was, and then it was up to the City to decide if that was, in fact, "greater Beaverton."

Mayor Drake noted that the City "fired a shot over the bow of Portland" seven or eight years ago when they set a tentative USB and City boundary which was roughly contiguous with the School District boundary. He said that as a Council they had set that recently, but noted there had been a lot done between then (seven to eight years ago), and now. He said the Hillsboro/Beaverton boundary was the last step towards an ultimate definition.

Coun. Stanton thanked Turiel and said she did an excellent job.

Coun. Yuen agreed it was a great job and said it was the kind of presentation he would like to see more of. He said it helped Council to have something to focus their thoughts on.

Bob Tenner said they talked about working with the County and other cities, but asked about other service districts, for example, the West Slope Water District. He commented that if the City took those folks in, they (West Slope), he did not think they would put down a whole new water line. He noted they had problems with a lot of these service districts in the past.

Mayor Drake explained that it was part of the SB 122 process, and it had been clarified in the discussions over the last two or three years. He said it had been well defined who would take what and what the process was for taking one service provider out of the process and bringing the other in.

Coun. Soth noted that most of the services being discussed were already in place, and there was no change being contemplated in the foreseeable future. He reported that in Oak Hills there was no current interest for them to join THPRD. He said in terms of the water district there might be some mergers at some point by larger districts, but that would be at some time in the future.

OTHER BUSINESS:

Business License Fee Waiver - Barnard

Coun. Stanton MOVED, Coun. Brzezinski SECONDED, to waive the \$50 per year Business License Fee for Ms. Barnard.

Coun. Stanton stated that she thought it should be done on a year-by-year basis, or for as long as Ms. Barnard resided on the property.

Pilliod said it would be best to act on it yearly.

Coun. Soth asked if they were opening the door to similar requests, since it was a commercial real estate operation.

Mayor Drake commented that he was of two minds on it. He explained that at first he was going to call Ms. Barnard and explain the fees, but then after looking at it another time he decided it was a policy issue, and she wanted the code changed. He said that was not appropriate, but on a case-by-case basis it could be argued various ways. He clarified that she had her own home and three others and at some point this real estate would be marketable. He said, however, considering her age and her condition he wanted to leave it to Council.

Coun. Yuen said he was sympathetic to the person who was retired and disabled but rentals had income.

Mayor Drake noted that it came to \$1.50 per unit per month.

Coun. Yuen stated that rental property owners incorporated the cost of such fees into the rental. He said he was sympathetic to her but he also agreed with Coun. Soth in that he was not sure it was a good policy statement. He explained that when he thought about the numbers, he did not see why she was asking to be relieved of \$50 on three units.

Mayor Drake reported that Ms. Barnard said she had never been in business, but she did declare an income, and he said she would have normal deductions for normal business costs.

Coun. Stanton said she based the motion on the letter, with no other information. She said she was willing to waive it for this year.

Question was called on the motion. Couns. Brzezinski, Stanton, and

Doyle voting AYE; Couns. Yuen and Soth voting NAY, motion CARRIED.
(3:2)

ORDINANCE:

Suspend Rules:

Coun. Soth MOVED, SECONDED by Coun. Brzezinski that the rules be suspended and that the ordinance embodied in AB 98-28 be read for the first time by title only at this meeting, and for the second time by title only at the next regular meeting of the Council. Couns. Brzezinski, Doyle, Yuen, Soth, and Stanton voting AYE, the motion CARRIED unanimously (5:0)

First Reading:

Pilliod read the following ordinance for the first time by title only:

98-28 An Ordinance Amending Ordinance No. 2050, the Development Code, Reducing the Financial Guarantee Requirement of Developers for Subdivision Improvements; TA 97002

EXECUTIVE SESSION:

Coun. Soth MOVED, SECONDED by Coun. Stanton, that council move into executive session in accordance with ORS 192.660 (1) (h), to consult with counsel concerning the legal rights and duties of the governing body regarding current litigation or litigation likely to be filed. Couns. Soth, Stanton, Yuen, Doyle and Brzezinski voting AYE, motion CARRIED, unanimously. (5:0)

The executive session convened at 10:20 p.m.

The regular meeting reconvened at 10:25 p.m.

ADJOURNMENT:

There being no further business to come before the Council at this time, the meeting was adjourned at 10:26 p.m.

Darleen Cogburn, City Recorder

APPROVAL:

Approved this 16th day of March, 1998

Rob Drake, Mayor

