

REGULAR MEETING

November 2, 1998

CALL TO ORDER:

A regular meeting of the Beaverton City Council was called to order by Mayor Rob Drake in the Council Chambers, 4755 SW Griffith Drive, Beaverton, Oregon, on Monday November 2, 1998, at 6:36 p.m.

ROLL CALL:

Present were Mayor Drake, Counc. Wes Yuen, Evelyn Brzezinski, Forrest Soth, and Cathy Stanton. Councilor Dennis Doyle was excused. Also present were City Attorney Mark Pilliod, Finance Director Patrick O'Claire, Community Development Director Joe Grillo, Engineering Department Director Tom Ramisch, Library Director Shirley George, Police Chief David Bishop, Administrative Chief Gary Nees, Principal Planner Ali Truiel, Senior Policy Planner Steven Sparks, Senior Planner Barbara Fryer, City transportation Engineer Randy Wooley, Project Engineer Jerry Williams and City Recorder Darleen Cogburn.

PRESENTATIONS:

Mayor Drake welcomed Congresswoman Elizabeth Furse and honored her with a plaque in recognition of her work for the District. He said she had been very special to the First Congressional District for the last six years and explained that she had chosen not to run for reelection this year. He emphasized how helpful she had been to the City, not only in the areas of transportation but law enforcement, as well. He noted that most recently, Furse had been instrumental in breaking up a logjam in Washington D.C. involving the Community Development Block Grant money that the City had been allocated.

Mayor Drake read the plaque and presented it to Congresswoman Furse.

Furse responded by saying it was an honor to get the award but it was an even greater honor to serve the First Congressional District. She commented that the great thing about America was that anyone that wanted to serve, cared and worked hard enough, could serve. She talked briefly about her background as an immigrant to the United States, her citizenship in 1972, and her election to Congress in 1992. She said it had been an enormous honor to work with the City particularly with Chief Bishop on community policing issues. She commented on their success

in getting more cops on the streets and thanked the Council and Mayor Drake for their leadership and wonderful partnership.

Furse commented that it was typical of Oregon that a wonderful company such as Platt Electric would be so involved in the community that they would put money and attention into giving the protection of a new police dog. She said it had been a joy to work with the public/private partnership in Oregon and she appreciated the citizens of the First District who elected her three times. She concluded by saying she would remain in Washington County.

Mayor Drake thanked her for joining them and letting them honor her.

Presentation by Platt Electric Supply to the Beaverton Police Department

Chief David Bishop thanked Congresswoman Furse for her comments, and noted that, as Jay Platt came forward, it was a pleasure to have him present that evening.

Jay Platt said on behalf of the employees and their families of Platt Electric, he was happy to present a check in the shape of a bone, for \$5000 for the replacement of a police dog that had recently been lost.

Mayor Drake thanked Platt.

Mayor Drake acknowledged several Boy Scouts in the audience and asked them to identify the troop they were from and which schools they attended.

David Lisbin and Brian Loarts introduced themselves and said they were from Troop 124 of St. Matthew's Church and most of the troop members were from Cedar Park and Meadow Park Schools.

CITIZEN COMMUNICATION:

There was no one who wished to speak.

COUNCIL ITEMS:

Coun. Soth asked who was going to attend the League of Oregon Cities Conference. Mayor Drake, Couns. Soth and Stanton said they would attend.

Coun. Stanton reminded everyone that the next weekend (November 6, 7, and 8) started the Beaverton Arts Commission Showcase at the Beaverton Mall, and it was a neat thing to see. She said she was looking forward to the activities Saturday, November 7, at 7:30 p.m.

STAFF ITEMS:

Patrick O'Claire, Finance Director, referred to a memo in the Council packet regarding Beaverton's final tax levy rates based upon the final assessed valuation from Washington County. He said the memo (in the record) explained the cap or the gap between the rate that the City was using this year and the permanent rate, and quantifying that in a dollar amount based upon the current year's assessed valuation. He said the memo compared where they were in relation to the original tax base schedules that were presented to Council about two and one half years ago and brought forward the City's new tax levy. He noted it compared where the City was in the process of the five-year implementation of the increased tax levy.

O'Claire reminded Council that the Budget Committee meeting for the supplemental budget was scheduled for Thursday, November 19, at 6:00 p.m. in the Third Floor Conference Room.

Mark Pilliod, City Attorney, noted that he had distributed the annual report on the City's current or expected litigation as part of the annual audit to Council. He urged Council to call him if they had questions.

Pilliod said he would distribute the draft of the proposed ordinance that would finalize the decision the Council made for the Hagggen's application for Comprehensive Plan Amendment (CPA). He asked Council to review it and telephone him with any comments, questions or modifications. He said they were teaming up with the Hagggen's representatives in preparation for the actual findings and reasons for the decision and those would be forthcoming.

Pilliod verified that Council would have the quarterly report in their mail.

CONSENT AGENDA:

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

Minutes of the Special Meeting of October 19, 1998

- 98-290 Liquor License – Broadway Saloon & Eatery: Greater Privilege
- 98-291 A Resolution Establishing Fees for Appeals of Decisions of the City Traffic Engineer or the Traffic Commission
- 98-279 Bid Award – Replacement of Camera Control Unit (from 10/12)

Contract Review Board:

- 98-292 Retainer Agreement for Professional Services in Support of the Fiscal Year 1998-99 and 1999-2000 Capital Improvements Plan

Coun. Yuen referred to AB 98-279 and said he was uncomfortable with only one bid presented and accepted on the Camera Control Unit.

Mayor Drake said that Steve Baker, Operations and Maintenance Director, was not present at the meeting that night because he was attending to a spill in Fanno Creek and asked O'Claire to respond to Coun. Yuen's question.

O'Claire said the bid process was correct and suggested that Baker follow up in writing. He stated that he was comfortable with awarding the bid.

Mayor Drake noted that it was within the budget and asked if Coun. Yuen was comfortable with approving the bid that night providing an explanation from Baker would follow.

Coun. Yuen said he would support it but definitely wanted an explanation.

Coun. Soth noted that six bidders requested the packet, but only one responded. He said that since the camera control units had limited manufacturers as well as distributors, he suspected that was why only one bid was received.

Mayor Drake stated that he understood Council was comfortable with acting on the agenda bill, with further explanation due from Baker.

Coun. Brzezinski said she would abstain from the minutes since she was not at that meeting.

Question was called on the motion. Couns. Yuen, Soth, Brzezinski, and Stanton voting AYE. The motion CARRIED (4:0) (Coun. Brzezinski abstained from voting on the minutes.)

WORK SESSION:

98-293 Compliance Report – Buildable Lands Analysis

Mayor Drake complimented staff on their analysis in the report.

Alwin Turiel, Policy Research Manager, addressed the Council. She pointed out that there were two questions that had come up as staff had gone through the analysis. She reported that the two questions were "why are we doing this," and "what would happen if we don't."

Turiel said that Steve Sparks, Senior Policy Planner, would present a brief overview of the steps in the memo dated October 21, 1998 (in record), that explained how staff arrived at the analysis. She said he would focus on the set of decision points that staff would like to discuss with Council and what the City would tell Metro about finalizing the 2040 Compliance Program. She explained that they would do this because of the Urban Growth Boundary (UGB) and West Side Light Rail (LRT). She explained

that HB 2709 said the Metro region had to plan for a 20-year land supply in the UGB, and that requirement gave extra weight to plan for compact development within the region. She said when that was coupled with over \$1 billion in public investment in LRT, the impetus to plan for a very focused growth pattern was compounded by the transportation need and the land use need. She noted that set the stage for the adoption of the Urban Growth Management Functional Plan (UGMFP) and the Regional Framework Plan. She noted the two plans required compliance actions by the 24 jurisdictions within the Metro region and one of the biggest parts was compliance in the land use pattern. She explained that Sparks would talk about what was mandatory and also those items that they had discretion to discuss.

Turiel reiterated that people also asked what would happen if they did not do this. She said Metro was empowered to directly withhold transportation funds, on a regional level from specific jurisdictions for non-compliance. She noted Oregon had a top-down planning system, with a state plan, this region had a regional plan, and then there were local plans. She said the local plan had to be consistent with the regional plan and the regional plan must be consistent with the state plan. She said Metro was also positioned to take forward an enforcement action at the state level. She reported that local enforcement actions under ORS 197.319 included a number of sanctions, such as not only withholding grant money but it could also withhold State Shared Revenue Funds, which amounted to about \$3 million per year.

Sparks addressed Council and explained that staff was asked to determine the amount of available land inside Beaverton, to determine the amount of capacity the City could carry. He pointed out that the City was required by Title 1, to have 15,021 dwelling units and 25,122 new jobs by the year 2017. He reviewed the maps he had displayed and explained the pieces of property indicated by various colors, such as parks, churches, City land, etc. He noted that some parcels had environmental constraints and there was very little land to accommodate the numbers outlined in Title 1.

Sparks asked Council to turn to the tables on the last page of the staff memo (in the record). He said Table One indicted the growth requirements by the Functional Plan and noted that the City had done certain things to allow development to occur. He said the table reflected the number of dwelling units and jobs that had been created since June 1, 1996, or had been committed to being developed.

Sparks established that Table Two reflected the number of dwelling units and jobs that needed to be created within the City, and noted that there were steps that had been taken (but not followed) all the way through. He said Multiple Use Zoning amendments, which would increase capacity, had been completed and gave the example of the Murray Scholls Town Center planning study as being completed, but had not yet received City action.

Sparks noted that the third item in Table Two was most intriguing. He explained that Title 1 indicated that there were several steps that the City or each jurisdiction in the Metro region must do. He said one step was that in any zone that allowed residential development, the residential development should occur at 80% of the maximum density. He said by establishing an 80% minimum density requirement in those zones, under the vacant land, infill land and the redevelopment lands, the City indicated a fair amount of dwelling units (close to 6,000). He noted that in the vacant industrial and commercial lands as well as the redevelopment of commercial and industrial lands there were no mandated requirements. He stated that staff assumed a ratio of development of those properties and he reviewed the whole table and noted that accessory dwelling units were mandated by Title 1. He stated the City was getting close to meeting the minimum requirements.

Sparks distributed a copy of a memo from Metro (in record), about compliance with the Functional Plan. He noted that one of the items listed in the memo was Substantial Compliance with the requirements of the various titles in the Functional Plan. He explained that they did not go as far as to say what substantial compliance was, but gave a more obscure definition as "we will know it when we see it." He said by using 90%, the City would be considered in Substantial Compliance. He noted that under the first two tables, they calculated the City's compliance rate as being 89.3% of the target numbers for residential and 84% for jobs.

Sparks pointed out that under Table Three staff had identified a few selected rezonings and two other programs that could increase capacity to accommodate development. He referred to the display map and noted it indicated areas that could be rezoned to increase capacity and because of Substantial Compliance it was not necessary to do all of them unless Council directed full compliance with the target numbers.

Coun. Stanton asked if the City owned all of the properties indicated on the map.

Sparks said the City did not own all of the properties.

Coun. Stanton asked if it would have to be mandated to private citizens or corporations who owned the property, or persuade them to want to do it.

Mayor Drake explained that Periodic Review was one of vehicles that the City would normally use as a benchmark or periodic process of evaluation.

Coun. Stanton asked if that had happened in the last 20 years.

Coun. Soth reported that about 12 years ago they went through an extensive process that was part of Periodic Review, where they rezoned properties following public hearings and there was opposition to some of

the rezones. He said it was a comprehensive look at rezoning all over the City.

Coun. Stanton asked if the owners objected.

Coun. Soth said it was the owners that objected because they had other plans for their property, which did not meet the requirements of the particular zone to which they had been assigned.

Sparks said he would not go into the specific rezoning proposals but had two things he would like to point out. He said one of the options was preparing a *transfer of development rights* ordinance to be included in the zoning ordinance. He explained that the ordinance would require parcels that had some sort of environmental constraint to build out to full potential of those parcels. He gave the example of a one acre parcel with the potential to build eight units, but two of those units would be in the environmentally constrained lands, so those two units would be built on the portion of land that was not environmentally constrained.

Mayor Drake said that was commonly known as density transfer.

Coun. Stanton asked about a Planned Unit Development (PUD).

Sparks responded that this was different than a PUD in that a PUD required a Conditional Use Permit (CUP) to be reviewed by the Planning Commission (PC). He said staff envisioned this as instead of a requiring a CUP, it would require a Type III Design Review Permit.

Sparks pointed out the exception (he referred to the last line of Table Three) and Metro had said that jurisdictions could request an exception to the requirements of the various titles. He said staff felt that they were fairly close in everything and it was not necessary to request an exception at that time, but certain actions would need to be taken by the Council in order to not request an exception. He said if some of those ideas were not palatable, then they needed to be discussed.

Sparks said he would answer Council's questions about the process. He referred to a larger format of Table Three and said he would like to go through each of the items listed in order to gauge Council's reactions to each of them. He commented that if one or more were totally unacceptable he would scratch them from the list. He stated that if the Council thought they were acceptable then staff would study them further and bring them back through the public hearing process.

Mayor Drake asked about rezoning the church owned parcels. He said that if most churches were currently in a Conditional Use status in residential, then he assumed that if they were no longer a church it would revert back to residential. He asked if in that case, Sparks was recommending R-2 for the density issue.

Sparks responded that that was one assumption. He said, also, if an R-2 zoning was created for those parcels perhaps that might be incentive enough for those underutilized parcels to explore putting some sort of housing component on church owned land.

Coun. Stanton said that was one of her questions, and asked if it meant with the church building and parking lot staying intact or did it mean additional units. She asked if the City changed the zoning under the churches to R-2, would that meet Metro's requirements.

Sparks explained that would mean that the whole parcel would be redeveloped. He said the City would make the pitch and it was up to Metro to accept it or not. He noted that so far, they had not heard any feedback from Metro on this staff report.

Coun. Stanton pointed out that some church facilities were on corners, but some were in the middle of the block. She noted that if the church should leave, and apartments were built in its place, then other issues would arise that would impact the neighbors. She suggested dealing with each parcel individually.

Mayor Drake reminded them that the underlying zoning for churches was initially residential, but they had CUPs. He said he would assume if the Council was more comfortable, (this might not make the density issue as attractive), but it could be zoned R-5, (which was the prevailing zone in the City). He explained that then they could see a reduced number of units there as opposed to 2,213, maybe they would see 700, 800, or 1,000, whatever it would be. He commented that even if they took that one out, and took everyone except the requested exception, they would probably have 1,400 units there also. He said there were multiple ways, but the church issue, if they went to an R-5, that would be more palatable to the public. He noted that the Director had suggested R-4, which gave a tighter density but still offered opportunities for what is commonly known as single-family occupancy.

Coun. Stanton explained that her problem in looking at it was that they could change all church-owned parcels to R-2, then they would be done for the Metro housing requirements. She said she was worried about what that did to the "certainty" in the neighborhoods, and "certainty" was part of the Comprehensive Plan criteria.

Mayor Drake reiterated that "certainty" would be taken care of with R-5 zoning.

Coun. Soth asked if it was realistic to envision that these properties (some which had new buildings), could be counted as dwelling units (even on a projection) for the foreseeable future. He noted that because churches were conditional uses, in residential zones, there might be situations about transportation issues. He stated that he did not see R-2 or R-5 as

realistic, because it was not going to happen, most property in that category had been purchased with the idea of expansion.

Mayor Drake noted that it was a 20-year plan.

Coun. Soth said even at 20-years out, if one looked around the City and saw the new church buildings that had been put up within the last five to ten years, he wondered if it was reasonable to expect that within the next 20 to 30 years that it would change. He did not think that it would change, so he did not think that was realistic.

Turiel said that as areas became more urban, church and school sites become the most underutilized sites in the jurisdiction. She noted that in the case of public schools and churches there was often joint use and they had a community serving function. She said as areas became more urban, church sites became redevelopment sites. She explained that the church stayed in place and sponsored developments such as senior housing on the site because there was a social need for that kind of housing in the community. She said it was to create a potential for those kinds redevelopment that fostered the church as a place that helped the community.

Coun. Soth responded that was only true to the extent that a piece of church property did not have a master plan that was partially built out. He noted that the Nazarene Church on Hall Blvd. had a master plan in 1979, which envisioned the use of the entire parcel for educational facilities as well as the parking lot. He remarked from that standpoint there was nothing in the master plan that would lend itself to that kind of concept. He said obviously they had no plans to move with that kind of a plan in place, which was why he thought it was unrealistic.

Coun. Brzezinski referred to page three on the report and said there was 4% for home-based businesses and agreed with Commissioner Donovan that was underestimated. She suggested they compare the home based business licenses from 1990 and 1997, and see if it had increased.

Coun. Brzezinski referred to page five, the top paragraph, and asked if Beaverton Creek was both a Station Area and a Station Community.

Sparks said it was both and pointed out the location on the maps.

Coun. Brzezinski commented that on page five, in talking about the mandatory minimum density, one or two of the ways would result in more homogenous development and the other two ways would allow more flexibility. She commented that she would prefer the more flexible approach than the more homogenous approach.

Coun. Brzezinski noted that on page 6, "Overall Assumptions," she understood how hard it was to deal with, but she did not see who they could assume that no additional public or quasi-public uses would be

developed. She explained that for example they knew they would certainly need more schools, and if this was an exercise to prove to Metro that the City could do it, then maybe the City would not have to take that land down. She continued that from a realistic view they certainly knew that would need schools as well as some other types of things.

Sparks reported that he was scheduled to meet with the School District in the next few weeks to go over their analysis. He said he hoped they would be able to determine how much land they needed and where. He suggested that perhaps growth could be accommodated at existing schools with some sort of capital facilities improvement. He noted that the new schools would be opened at capacity and obviously land would have to be deducted, but they did not know how much. He said that would have to be revised as they went along.

Mayor Drake stated that through the initial work on the Murray Scholls Town Center, he thought that staff realized, that where they had a net of two or three acres for a school, he and Council agreed that would not be adequate. He said based on his discussion with the representative of the School District, he thought they would see some deductions, because they knew (especially with the kind of potential housing numbers) there would be a requirement of perhaps two schools.

Sparks noted that locations were other considerations to complicate the matter. He said there was a lack of parcel sizes mandated by the School Board and there were only a couple of places in Beaverton where schools could be put in. He noted that one of those places was the quarry site and it was not in the City of Beaverton for this analysis. He suggested that perhaps the bulk of the growth seen for that area could be accommodated down there, and he questioned taking out 15 to 30 acres for the study.

Mayor Drake noted that there was a potential for considering the nature and intensity of the development at Murray Scholls the addition of acres for the edge to build a school. He said this would accommodate the need for school capacity and growth capacity as well.

Coun. Brzezinski referred to page nine, the verification paragraph, and said she was tremendously impressed that staff looked at all the parcels, and she was interested that some things did not accurately represent what was on the ground. She asked if any systematic errors were found.

Sparks noted that the analysis was only as good as the data, from Metro, the County tax assessor and the City's GIS system. He said the interns did not indicate that there was routine error, but they found some instances where there were some discrepancies because of redevelopment.

Coun. Yuen recalled that two years ago when they went through the Urban Growth Management Plan, he asked Elaine Wilkerson (Community Development Director at that time), if they could make those targets, and

she said they could, and now he was being told they couldn't. He wondered what was different.

Turiel explained that staff actually went out and looked and did *on the ground* assessment and the data was only as good as the data that initially went into the analysis.

Coun. Yuen questioned if the real targets put forward were the ones they had today.

Turiel said that given what the Functional Plan required the City to do, which were 80% minimum densities and accessory units, essentially if staff had better *on the ground* data earlier, they probably could have calibrated those targets so that they could meet them.

Mayor Drake explained that Metro was looking very broadly at the region and then they started talking with the counties and the cities to see what they thought they could do based on the current available land and what was known about the land. He said with those numbers, one thing Turiel stated (in the report) was that they were actually looking at the true density achievements from 1990 to 1995, (what was literally *on the ground*). He continued that what they found was that in Beaverton they did not come as close to the density minimums that other cities had. He said Beaverton was at 62% and he was surprised at the time because he thought they were higher based on the comments he had heard in the community. He said in reality, he was a tough on staff as anybody when it came to trying to be accurate at numbers initially. He said the report had gone through three sets of hands from the initial analysis, but the numbers were first diagnosed and assembled about two and a half years ago and none of the people who assembled the numbers were presently employed by the City. He noted that he had been alerted by Joe Grillo, Community Development Director, when he joined the City about the numbers being inaccurate. He commented that he was pleasantly surprised about how close the numbers were based on the broadness of the initial information

Turiel noted that they had been communicating with the other planning partners around the region. She reported that the City was not doing too badly compared to a few jurisdictions in Clackamas County that were at 30% and 40% of their allocations, particularly on employment.

Coun. Yuen pointed out that when they first started out it was basically "swags, slightly educated swags," and now there were better numbers in Table Two, which told them this was how they could comply. He said he was comfortable with telling Metro that those were the numbers the City was going to do and noted that he didn't see the value of inconveniencing local citizens to do more than that. He said those numbers and that methodology was the agreed upon plan, and to go beyond those means would break the trust with the citizens.

Yuen pointed out that one of their goals as government was that the City and the citizens needed to be put first. He stated that the Council was not there to make Metro happy, but to run a livable, manageable city for the citizens. He said he was willing to do what they said they would do, including the methodology, but he was not willing to rezone churches or take neighborhoods that had areas zoned for R-7 and R-5 and turn them into zoning for R-2. He said he would not do density transfers, not unless there was a PUD and a public hearing process. He stated that he was not willing to do most of the items listed on the chart.

Coun. Yuen said his question had to do with real world experience since June 1, 1996, and he wondered about the build rate.

Sparks said it was 63% and the analysis was from June 1990 to June 1997.

Coun. Yuen asked about employment numbers and if the City had a sense of the influence City policy had on employment. He questioned if policies restricted the potential number of employees. so if some of the policies were changed regarding building height and other types of structural restrictions, could the amount of potential employment be increased without changing zoning on any land.

Sparks used the Town Center Regional Center Development as an example and said it had an unlimited building height. He explained that the Regional Center proposed 200 feet as a maximum building height and clearly nothing was being built that high. He suggested that any other area in the City where they were looking at employment gains, the multiple use areas, the town center areas, were taking into consideration the height limits that were being proposed or were currently in place. He said he didn't think the analysis that was done would be called into question based on policies the City had, for example the building heights or parking ratios, or other constraints that could be put on the development of a parcel.

Coun. Yuen recalled that recently the discussion about pedestrian corridors and street frontages had been brought before Council and it seemed to him that those types of issues would influence what people wanted to build. He suggested they keep in mind the impact on what would make someone build something, and noted that everything they did in government impacted someone in some way. He said every regulation made something more expensive for somebody, and at some point in time it became so expensive that it reached a break-even point and it could not go any further. He noted that the more they front-loaded things the less profitable things became. He suggested considering (as they looked forward) the impact of what they were doing as a government, and how it might restrict the ability of employers, and those that would develop facilities for employers, to provide structures within the current zoning without changing the zoning.

Mayor Drake noted that Coun. Yuen was referring to the Regional Center text that the PC looked at. He explained that staff was meeting with key property owners downtown, to see how they could transition from the current suburban downtown to a more traditional downtown, which was what was envisioned. He said that by accepting the Federal Transportation Administration (FTA) money, to put Light Rail throughout the City they made a commitment that they would build a more transit oriented environment in the City. He commented that it was not their intent to hurt any business. He explained that about a decade ago they grandfathered in auto dealers, but they were not allowed to expand because that was auto oriented business. He reiterated that the City would never do anything intentionally to run them out of town because they were good employers. He said if they were going to change their downtown to make it more transit oriented and pedestrian friendly there would have to be some transition in building types and the types of business drawn to that area. He explained that as elected officials the balance was put into their hands to work with property owners and citizens to make the transition. He noted the popularity of *The Round* and referred to the kind of mixed-use development it was and noted they were really running a fine balance between that kind of development and existing property owners who said "be mindful of the fact that we are still here...." He commented that Coun. Yuen was asking the kinds of questions that every community in the region was wrestling with.

Coun. Yuen said *The Round* was an example of a point that he was trying to make and noted they lost a certain amount of residential units due to a wetland that the Federal Government decided was on that property. He said through no fault of the City, the numbers went down and they could help themselves by trying to minimize that impact.

Mayor Drake commented that it was a fine balance and referred to Coun. Yuen's comment by emphasizing that the City could help itself.

Sparks asked if they got a copy of the PC's one page summary.

Coun. Brzezinski noted as to feedback on the options, that she felt somewhat the same as Coun. Yuen, except she would take out all the options that said *rezone*, and would consider further analysis of the Transfer of Development Rights (TDR) options. She said if they kept those in that would reduce the short-fall in both categories by about half. She noted that would put them over the 90% for the dwelling units, and over 90% for the jobs, at which point, she would be inclined to request exception from Metro. She said she wanted to learn more about the TDR and would be inclined to take out the *rezone* options.

Mayor Drake said Metro was certainly aware because the Council intervened in the affordable housing suit. He said he was representing the Metro Policy Advisory Committee (MPAC) to the Affordable Housing Technical Advisory Committee and at some point there would be a requirement called "Fair Share." He commented that each community

would be required to take a share of the affordable housing requirement. He explained that the committee had duration of 15 months but could meet for a longer period of time. He said it would also be part of the mix as they moved through it and the methods and tools that would need to be used to accommodate that, would be interesting.

Coun. Brzezinski said that did not mean they had to do rezoning.

Mayor Drake said there would be a package of tools that could include rezoning and density transfers or density bonuses, things to serve as an incentive to make something more affordable, and all of the other traditional means to do so.

Sparks referred to Table Two and said the development would be only 80% in that zone, but with the affordable housing included it would go to 100%. He said an option may be to get more dwelling units in order to pencil out that subsidy to affordable housing.

Coun. Brzezinski said regarding the option, she agreed with Commissioner Maks, that church rezoning should be on a case by case basis, since some churches were interested in putting housing on their property as part of a community. She said she would like staff to consider how that might be done.

Coun. Yuen said he agreed with Coun. Brzezinski. He disagreed with a blanket rezone, and it might be reasonable to make some assumptions regarding what might happen with churches. He gave the example that they make assumptions about home businesses, they do not go out and count them, and perhaps they could do the same thing with churches. He said perhaps they could discuss with Metro the fact that the Council might not be interested in taking action in changing the zoning, but could make some assumptions about what might happen in the future regarding properties.

Coun. Yuen noted that Coun. Soth's comments were very applicable about putting any kind of zoning you wanted but whether or not anyone would do anything with it was a whole other matter. He said the more realistic approach was to find out what the experience was, see what that meant, and then attach a number to it, much like they did with the home based housing.

Coun. Soth referred to page three, paragraph B, he commented that anytime they did that they needed to have access. He gave the example of if he had a piece of property with a 100 foot frontage and wanted to split it into to two 50 foot parcels, and his house was in the middle of it, how would access be permitted to the other part without tearing down the existing house. He noted they would look at a house that would be livable for over 50 years more, so access (as pointed out in a number of PC comments), transportation issues and the provision of that infrastructure

were all important. He said they had to look at being able to do this some way without impacting what was already there.

Coun. Soth referred to page five, minimum density standards, and said they needed to consider the affect would it have on the County assessor's method of assessing lots. He noted that they assessed property on the basis of zoning, so if they changed the zoning on a lot, it would affect the assessment and tax situation.

Sparks explained that he did not think under the minimum density requirement, it would change the assessment, since it did not increase the potential for development. He said if they carried the example forward to the rezoning proposal it would impact tax assessment.

Coun. Soth said that went back to paragraph B on page three.

Sparks said if they were in an R-5 zone, the tax assessor would assess it for the potential for that zone. He said they could still only put two dwelling units on a 14,000 square foot parcel.

Coun. Soth referred to page eight, concerning vacant land, and said he thought staff was saying that was worthless for development with the structures on them, therefore those structures would have to be removed in order to make them conform with whatever the restrictions might be. He said that would be saying that a \$25,000 house would not be viable and stated he thought that was incorrect.

Sparks explained that assumption was made for statistical purposes, and agreed that there were plenty of examples of property where there were single family detached homes on those parcels. He said they were looking at parcels of five (or greater) acres and there were plenty of examples throughout the county where they had actually picked up the building and moved it if that was the wish of the property owner. He reported that there were even more examples of taking the structure down and structural improvements of greater than \$25,000. He explained that for their analysis (trying to capture as much vacant land as they could) they used that figure. He said he knew well-heads which were worth more than \$25,000, and he did not want to say that a seven-acre parcel (which had a wonderful amount of capacity for this purpose), was not a vacant parcel because then it would go into redevelopment and the numbers would decline dramatically.

Coun. Soth said he had a problem with that concept in that one did not define a parcel in terms of size (as Sparks just described). He explained that he was looking at the central part of Beaverton where the value was applicable, and people were comfortable and happy to live there.

Sparks said he was sure Coun. Soth was right and he did not want to debate the issue. He said a Carrying Capacity Analysis was done by the

KCM Company, from Allen Ave. to Center Street and he agreed with Soth and it might be beneficial to do an analysis of parcel size.

Coun. Soth pointed out that he had asked before, and wondered what happened to the community if they continued to put 2000 to 2500 square foot homes on 4000 square foot lots, where there was no room around them for people to live. He said it was part of the physiological studies, which had been done by many institutions about what happened when you crowd rats together. He noted that the pressures of modern civilization were becoming too great for a lot of people to accommodate and those who advocated the greater density should be required to live there.

Mayor Drake stated that as much as he agreed with Coun. Soth, for everyone to have the opportunity to have some property, the bottom line was that homes were getting so expensive now that people could not afford the kinds of lots that they all started with. He commented that they needed to bear in mind that there was going to be a balance and one thing Metro was wrestling with was there were more people coming out to Washington County than going into Portland. He said everyone was following the Urban Reserve discussion and the jobs/housing imbalance was being looked at, especially in Washington County. He noted that the issue of smaller lots was not because people were in love with density or no yard; it was because they could not afford larger lots. He said it was market driven. He stated that it was important to keep in mind that they had a diverse community with diverse needs beyond just the traditional 8,000 square foot lot. He said Council had worked very thoughtfully with what staff had brought to them, and it all pointed to the fact that not everyone could afford to live in all areas. He said they all needed to be three dimensional and able to think beyond the traditional household.

Coun. Soth said when he reviewed the past 30 years of development and looked ahead to what some of the higher density developments would look like by the time the year 2017 rolled around, he asked himself if they were building or encouraging the kinds of things that would be detrimental to everyone. He expressed his concern at what it would be like in 15 to 20 years as a result of the crowding. He said he wondered how this was going to work and was Metro going to provide the wherewithal to maintain a lot of those areas simply because they were mandating those kinds of things. He stated that he agreed with most of the Planning Commissioners' comments. He noted that the accessory dwelling units for some of the lots in town (if not all) did make a lot of sense, because there was a trend now that for whatever reason, the kids 25-30 years old moved back home again.

RECESS:

Mayor Drake called for a brief recess at 8:14 p.m.

RECONVENED:

The regular meeting reconvened at 8:24 p.m.

Mayor Drake suggested that since that portion of the Council Meeting was an informal work session, and the chair of the PC was there, they might want to hear from him. He noted that Council comments were very constructive. He said for example Coun. Yuen's ideas were good regarding church owned parcels, and that some may or may not be available for redevelopment. He pointed out that it being zoned strictly R-2, for example (as staff had in the report presented) to maximize the units, would not be realistic because of the locations in existing neighborhoods. He gave the example that the church behind the library on Allen Ave. would be a great candidate for R-2/R-4 rezoning. He noted that the church on Brockman (if it were ever redeveloped) would maybe fit into the neighborhood as R-5 and would be less intrusive.

Mayor Drake suggested that Council take no final action that night and suggested taking time to talk internally about what was presented and discussed on dwelling units and jobs that evening. He said collectively as a staff, they would come back with some specific further explanations about how they arrived at what they had presented. He said they would then bring the numbers back and see if that might change some of their views. He suggested that would possibly give them some room to look at the numbers a little differently without feeling they were putting something on the community that would upset their commitment to the community and their belief about what the community should look like in the future. He said they might find some room on some of the numbers with some better explanations. He noted that some of what he heard that night he had not thought about when he reviewed the report and though the same was probably true for staff. He noted that they might come back with some modified numbers that would be palatable to the Council and the community bearing in mind that this was a 20-year document. He suggested they do nothing but look at the report and come back with some very specific examples of where they thought they could modify some of the numbers to better fit the general comments that night.

Coun. Stanton said she had a question regarding the response to her question number three on the memo dated November 2, 1998 (in record). She said her question was regarding the TEK Station Area, and wanted to know if it was in the County and how the South TEK Neighborhood Plan was different from the TEK Station Area.

Sparks said the full title was the Carrying Capacity Analysis for the Beaverton Regional Center and South End TEK Station Area.

Coun. Stanton said Sparks reply clarified her question. She referred to Title One, section 5A-1, and asked if staff had come up with the same number that Metro had as far as vacant land or was the City looking better or worse than what they thought.

Sparks responded that he thought they were looking better. He explained Metro based their numbers on something entirely different than the staff

analysis and Metro's analysis was based entirely on a non-parcel-specific analysis of the aeriels of the region. He gave an example of the SW Bible Church on Murray and Weir, in that Metro considered that a vacant parcel and that was why staff did a side-by-side analysis.

Coun. Stanton asked if the City had more vacant land than Metro thought.

Sparks said he did not know that for a fact and would have to look at Metro's data. He explained that he thought what Metro identified as vacant land, City staff identified in other areas as redevelopment or infill for example.

Coun. Stanton said infill and redevelopment were the same thing. She expressed her concern that Metro had based their numbers on what they considered empty land that really wasn't empty. She pointed out that if they did that, then their numbers were too high for the City of Beaverton to begin with. She suggested that might be an avenue to be explored because that could change their target numbers. She emphasized that if the City could show that Metro thought there was more "dirt" in the City than there really was, then Metro could have conceivably given the City higher numbers based on that conclusion. She predicted that if they could show that the "dirt" wasn't there to begin with, that might require Metro to review the numbers and bring them down.

Sparks said they could look into that and if they were to go along the lines of requesting an exception to the numbers, then he thought they would have to require Metro to review the numbers. He said it was too late for staff to go back and start revising numbers in the Functional Plan.

Coun. Stanton asked if they could get an extension beyond the Metro deadline of November 19, 1998.

Turiel said they had not requested an extension at that time and staff was hoping to do the compliance report and submit it by the November 19 deadline.

Mayor Drake said he would prefer to take a look at some of the points discussed that night including the logistics change and see if there was any interest based on the answers they gave in modifying those numbers. He stated that he thought they could answer some questions that weren't answered prior to that night and as Mayor he could interface with Metro if the need arose.

Coun. Stanton asked if they had discussed the Public Facilities Capacity issues with all the partners.

Sparks replied not all of them; they had met with some and had more ongoing discussions scheduled within the next few weeks with the Tualatin Hills Park and Recreation District, and others.

Coun. Stanton asked if they would have discussion before November 19, when the report was scheduled to be submitted.

Sparks said in terms of the Public Facilities Analysis, he did not know all of the details of the Compliance Report. He said he understood that as part of that report, the City stated they had adequate facilities to meet the targets.

Coun. Stanton read from page seven of the Functional Plan and asked if the target numbers would be based on estimates generated by Metro, without any idea whether or not the City could meet the public facilities need for sewer, water and parks.

Mayor Drake said storm, sewer and water were not the main issues. He pointed out that the real issues were transportation and schools, and they were being addressed in the next few weeks. He said he thought they had received good direction from Council and the PC that they needed to resolve the school capacity issue one way or another as discussed earlier.

Coun. Stanton referred to accessory dwelling units, and said she did not see it on table two (it was there), she wondered if they would be within the current Code.

Sparks explained that the Functional Plan listed (as suggestions) types of criteria that could be incorporated in a second unit ordinance. He said it would seem reasonable that it would be consistent with the existing zoning.

Coun. Stanton gave the example that if she and the neighbors each had accessory dwelling units next to each other, it might not be safe because of fire issues.

Coun. Stanton referred to an area off of Davies and Scholls, which she said Sparks wanted to move to R-5. She inquired about the current zoning there.

Sparks said north of the area was R-7 and south was R-5.

Coun. Stanton asked if that would go in as transitional zoning so the setbacks would be the same, which would mean the fence lines would have to be maintained.

Sparks said in that instance, below and on the sides it was R-5 and above it was R7.

Coun. Stanton expressed her concern that in an effort to meet the targets, they would turn the current Code and the Comprehensive Plan upside down. She questioned if they would be allowing R-5 between R-7 because that would get the numbers.

Coun. Stanton noted the suggested rezoning of Cascade/Nimbus to Office Commercial. She pointed out that only employment targets were mentioned and she wondered why there were no dwelling units, because multi-family was an allowed use in Office Commercial.

Sparks said he was looking at where he could get more jobs. He explained that in looking at the type of development that was currently out there, if he changed it to Office Commercial, then perhaps more office use would be encouraged and more second-story units would be built there while still assuming surface parking.

Mayor Drake reported that the service sectors were expected to increase in the next two decades especially in Washington County. He said he thought it was a reasonably logical deduction and that was one of the issues, where more information could be provided.

Coun. Stanton stated that she was not a fan of Transfer of Development Rights (TDR). She explained that liked the PUDs and maybe her bias had to do with developments in her own neighborhood, where they wanted to transfer zoning densities. She declared that she would need to be sold on

TDR and she asked that in terms of rezones were they talking about specific targets and not a blanket changing all R-2 to R-1.

Sparks said it was target specific only.

Coun. Stanton stated that she believed that Metro would "grade on the curve," and if the City did a good job they would be close enough. She noted that the State Shared Revenue had not been included in the general fund dollars, specifically so if they should ever lose it, it would not be the end of the world.

Mayor Drake disagreed with her and said there was \$7 million in improvements on Canyon and listed other projects. He said there was potentially a huge amount of money to lose.

Coun. Stanton summarized by saying she wanted to go forward with the statement that the City was doing the best job it could with the dirt available and the infill potential available. She stated that she did not think it was prudent to kill themselves or denigrate the neighborhoods in order to meet the requirements imposed on the City by another agency.

Sparks said when the numbers were originally established there was a lot of horse trading with other jurisdictions in Washington County and that would still happen in the analysis. He said Metro would look at Beaverton as part of a region.

Coun. Soth said regarding the trend of people working at home instead of going to a place of work everyday, would that be considered an increase in a job or a job transfer.

Sparks said that would be considered a new job in Beaverton.

Mayor Drake asked if there were any more comments.

Turiel said she calculated the analysis a little too conservatively using Table Two numbers. She reported if you took the Citywide dwelling units and the Citywide jobs they were currently at 90.3% of the residential allocation and 85% of Citywide job allocation. She said they could probably make a good case for substantial compliance without doing anything further regarding residential, should the Council decide to do that. She noted that an exception would have to be made or something done to increase employment capacity.

Mayor Drake said they would look at some of the numbers based on Turiel's comments and see if there was any potential revision without creating any of the concerns that Council expressed.

Joe, Grillo, Community Development Director, said he appreciated their comments, and thought they could see some of the anguish the staff went through in this process. He cautioned Council on the amount of factors that had no control and emphasized the importance of Council comments on the kind of community being created. He advised that they would have to fold in other items to meet some of the targets, some of which they knew and some of which were not familiar at that time. He noted that schools and parks would be two items that would compete straight up with finding opportunities. He encouraged Council to understand that the options pointed out were options. He said staff was not asking Council to state unequivocally that they would exercise any and all of those options down to the smallest detail. He emphasized that whatever stayed on the option list (as it was submitted to Metro), that clearly staff and Council would have to look at those options in depth. He said it might be that what would fall out of that list would be only a couple of churches or perhaps they would become viable from their current zoning to R-5 or perhaps one could go down to an R-2.

Grillo said that in conclusion he did not want Council to feel that they were unduly boxed in under Table Three, Options, and that if that Table was submitted to Metro then the Council would be committed to doing the

entire list. He reiterated that staff would come back to Council on November 16, to provide more insight to their issues and concerns.

Coun. Yuen commented that the PC had discussed the concern of loss of industrial land within the City and that concern had not gone away. He said they should have the same concern about jobs, residential, and the livability of the City. He stated that he did not think the residents would be willing to change the livability of their residential neighborhoods to meet Metro's goals. He explained that as City leadership they should not trade the viability in the long-term interest of the City regarding employment and business for the sake of meeting some job numbers. He said if they believed that industrial-type high-paying jobs were priority then they should not trade those for low-wage retail service-sector-types of jobs, if that was what was needed to make Metro's numbers. He pointed out that that did not serve the long-term interest of the City and the citizens would not support it and he personally would not support it.

Mayor Drake agreed that was a good point, and one thing they needed to bear in mind was that service sector included the software industry. He noted that he served on a Growth Management Committee which gave him some real insights about what Portland was thinking in terms of what they were trying to do to get their place back in the region. He said it was commonly known that many jobs had made a flight to the suburbs, especially to Washington County. He gave an example of the Pearl District, and noted that Portland Development Commission was targeting software industries to move there because of its attractiveness as a daytime place, i.e.: near light rail, great places to eat, and generally everything within walking distance of work. He said they needed to be aware when they talked service that they were not just talking about fast food, but they needed to be mindful of the kinds of services that were clean, high-paying professional jobs which was exactly what this community loved.

Coun. Brzezinski asked if they should keep the agenda bill for reference.

Mayor Drake said to keep the agenda bill and noted there would be more information coming.

ORDINANCE:

Second Reading and Passage:

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

98-288 An Ordinance Amending Chapter 6 of the Beaverton Code Authorizing the City Traffic Engineer and Traffic Commission to Establish Traffic Control Devices

Coun. Soth MOVED, SECONDED by Coun. Stanton that the ordinance embodied in AB 98-288 now pass. Roll call vote. Couns. Soth, Stanton, Yuen and Brzezinski voting AYE, the motion CARRIED unanimously (4:0).

Pilliod passed out the draft of the Haggen's ordinance.

Coun. Yuen said since he was not at the second meeting he assumed that he could not vote.

Pilliod said legally he could, he would have to say that he was familiar with the evidence.

Coun. Yuen remarked that he was quite familiar with the evidence.

Pilliod said the question that the Council needed to answer when it adopted the ordinance was "does this ordinance and its findings reflect the decision that was announced at the meeting." He said Coun. Yuen could vote on that issue if he was familiar enough with the record.

Coun. Yuen said he fully supported the Council's decision and would like to be on record in support of what the Council did.

Pilliod said Coun. Yuen could say that, outside the voting or he could participate.

ADJOURNMENT:

There being no further business to come before the Council at this time, the meeting was adjourned at 9:00 p.m.

Darleen Cogburn, City Recorder

APPROVAL:

Approved this 29th day of March, 1999

Rob Drake, Mayor