

CANBY PLANNING COMMISSION
7:00 PM – Monday, December 10, 2018
City Council Chambers – 222 NE 2nd Avenue

PRESENT: Commissioners John Savory, John Serlet, Larry Boatright, Derrick Mottern, Tyler Hall, Shawn Varwig, and Andrey Chernishov

STAFF: Bryan Brown, Planning Director, and Laney Fouse, Recording Secretary

OTHERS: Roger Skoe, Susan Myers, Jesse Myers, Curt & Patty Green, Richard Montecucco, Kacy Carter, Joel Hale, Susan Ken Burkert, Jim Simnitt, Dave Gordon, Alex Simpson, Darek Czokajlo, Paul Satter, Caleb Sawatsky, Dany Tyler, Rodger Busse, and Jason Montecucco

CALL TO ORDER

Chair Savory called the meeting to order at 7:00 p.m.

CITIZEN INPUT ON NON-AGENDA ITEMS – None

MINUTES

- a. Approval of Planning Commission Minutes for November 26, 2018

Motion: A motion was made by Commissioner Serlet and seconded by Commissioner Varwig to approve the minutes for November 26, 2018. Motion passed 7/0.

NEW BUSINESS – None

PUBLIC HEARINGS:

- a. Consider a request for a Site and Design Review (Type III) for a proposed 10,500 SF two-story building for research, development, and manufacture of pest management products at 360 S Sequoia Blvd. (**DR 18-09 ENTO PARK/ALPHA SCENTS**).

Chair Savory opened the public hearing and read the public hearing format. He asked if any Commissioner had ex parte contacts or conflicts of interest to declare. There were none.

Bryan Brown, Planning Director, entered his staff report into the record. This was a request for a site and design review for a proposed 10,500 square foot two story building on S Sequoia Blvd. He went over the review criteria and described the subject site. This lot and the three lots adjacent were meant to share the same access and utility easement in a private road, however that road had not been constructed yet. This was so there would not be four additional driveways onto Sequoia. The applicant would be constructing a portion of the roadway. The zoning of the property was M-1, Light Industrial, and I-O, Canby Industrial Overlay Zone. He then explained the proposed site plan where the building would be located close to Sequoia. There would be a pedestrian connection to the public sidewalk and there would be a sidewalk on the private road. There would also be a loading bay with a roll up door, parking, landscaping, and stormwater detention facility. He showed elevations of the proposed building and reviewed the conditions that were unique to the application which

included a sign permit for any future signs and compliance with the City Engineer's findings and suggestions. Staff recommended approval with conditions. The only letter that had been received was from DirectLink indicating they could serve the site. The applicant did not need to submit a Conditional Use application because they would meet the 12 employees per acre requirement.

Applicant:

Jan Klimas, Wilson Architects, 404 E 15th St. Suite 7, Vancouver, WA 98663, stated the landscaping and stormwater issues had been addressed as well as the building design and type to conform with the City's code. Access to and from the site was set back so the parking could be in the rear along the stormwater facility as the sight sloped to the north. A neighborhood meeting was held in November, and one property owner that would be across the street from this site attended and was positive about the project. He thought this project would benefit the City and provide new jobs. There would be 13-15 employees. Regarding truck traffic, an occasional truck would come to the site but mostly it would be vans for shipping the small containers and packets.

Proponents: None

Opponents: None

Chair Savory closed the public hearing.

Motion: A motion was made by Commissioner Mottern and seconded by Commissioner Hall to approve DR 18-09 ENTO PARK/ALPHA SCENTS with conditions. Motion passed 7/0.

- b.** Consider a request for approval of the proposed N Holly Development Concept Plan, and an Annexation and Zone Map Amendment (Type VI) for properties located in an unincorporated area of Clackamas County, north of Territorial Road between N Holly and N Locust Streets. (**ANN 18-05/ZC 18-06 N HOLLY ANNEXATION & ZONE CHANGE**).

Chair Savory opened the public hearing and read the public hearing format. He asked if any Commissioner had ex parte contacts or conflicts of interest to declare.

Commissioner Varwig recused himself from voting on this matter since he would be joining the City Council January 2019 and this application, if recommended for approval, would be heard by the City Council in January.

Chair Savory drove by this location at least two dozen times per week.

Mr. Brown entered his staff report into the record. This was a request for approval of a Development Concept Plan in association with an annexation and zone change of property. The Planning Commission would be making a recommendation to the City Council who would make the final decision. The request that night did not include approval of a development application. The zone change would be from County zoning to R-1, low density residential. There were nine lots involved in the annexation and there was a City owned lot in the Development Concept Plan area. It was intended to be developed as a park in the future. There were eight other property owners who had also joined in the annexation. He described the lots that were proposed to be annexed with frontage on N Holly, NE 22nd Avenue, N Locust, and NE Territorial. In this area there were some portions outside of the Urban Growth Boundary and some that were inside the UGB. The City's annexation ordinance

required a Development Concept Plan be created for how the entire area would be developed to make sure the area could be adequately served by utilities and streets. The Development Concept Plan had to be approved before any property could be annexed. The streets would also be included in the annexation. There were about 56 acres in the Development Concept Plan and 46 acres were being proposed to be annexed. He showed aerial maps of the site. An email had been received from the applicant clarifying the amount of acreage that would be annexed. Excluding the right-of-way and City park, it was 41.48 acres. Another email had been received from Melinda Montecucco asking if N Holly would have sidewalks and that would be part of the development application, not this application. Two written comments came in with concern about the history of this area and how it had some of the best agricultural soil in the nation. They wanted to see growth and development occur somewhere else and to save the farmland. However, it had been decided in the past to designate this area as future urbanizable and it was late in the process to try to change that decision. Montecucco Rentals had submitted a letter that night in support of the annexation as well. Not all of the property owners who were requesting annexation planned to develop their properties, but would continue to farm it. The traffic study was done for the whole Development Concept Plan area and it had been reviewed by the City's traffic engineer. The City's traffic engineer thought there were a few items not included in the study that should have been. That information would be submitted with future development applications, and it was currently being done for a subdivision application for 81 lots. This information did not change in any significant way the level of service of the intersections which at the worst would be Level B. The amount of stacking expected at intersections was negligible. The traffic study did indicate that at full build out of the Development Concept Plan area, a left turn bay heading east to turn onto Locust would be required. He proposed an additional condition of approval that would require the traffic study to be completed prior to the City Council acting on the annexation request. The applicant had done an analysis regarding the need for the additional R-1 land in the City. In that analysis they had included how quickly developers had been able to build houses and on average it was building a home every 20 days. If every approved subdivision got built out in three years, the highest number of lots in any given period would be about 256. The population projections predicted that there would be 1,393 additional people in the next three years that would result in a need for 497 housing units. About 68% of those housing units would be single family housing. That brought them to a need of 342 new housing units in the next three years. The existing supply was 91 lots and if all of the approved subdivisions were developed it would bring in 410 new lots. However right now every home that was built was immediately absorbed. If the capacity of builders was relevant, then the applicant's analysis was probably accurate in regard to the timing of the approved subdivisions that would come online and the absorption rate. He thought the applicant's analysis was reasonable and that there was a need for more single family residential land. He discussed the proposed street pattern for the Development Concept Plan which included two cul-de-sacs near the park and showed how service could be provided to the properties currently outside of the UGB. He then explained the sanitary sewer master plan and water line master plan. Staff recommended approval of the application.

There was discussion regarding the required half street improvements to the adjacent streets when the properties were developed.

Chair Savory was concerned about NE 22nd which was currently a gravel road. He did not think it made sense to only pave half of it. He was also concerned about the condition of N Holly between Territorial and 22nd.

Mr. Brown clarified the developers were the ones to build the streets, and it would not be fair to make one developer improve the whole street. Also until the property developed, these improvements would not be made and it was unlikely there would be an increase in traffic on NE 22nd until the development occurred.

Applicant: Levi Levasa, Stafford Land Company, 8840 SW Holly Lane, Wilsonville, stated Stafford was a residential development company that mostly developed single family properties in the area. The project started with the Dodd's property and a lot of changes were made to the original Development Concept Plan due to staff and neighbors' feedback. After the neighborhood meeting, many of the surrounding property owners decided to join the annexation application. He explained how they had addressed sewer, water, and stormwater to serve the site. He clarified this was not a development application and no development was being proposed currently. He discussed how he had researched the absorption rate in Canby by looking at how many building permits were pulled for each subdivision since 2014 that were over ten lots in size. He had found it was 22 days from one permit to the next on average. Stafford could pull 4 building permits every two months. He thought the data gave an accurate representation of the absorption over time. It was clear that there was not a three year platted lot supply right now. Regarding the road improvements, they would be doing a half street plus a lane to ensure no one would be driving one way on gravel and the other way on pavement. If they had to improve the whole street, there would be an issue with proportionality and the possibility of a Local Improvement District which was a lot of administrative work for the City. Future developments on the other side of the streets would have to complete the streets and they would include bike lanes and sidewalks. This had been a collaborative effort and all of the criteria had been met.

Proponents: Susan Meyers, Canby resident, read a letter into the record from Montecucco Rentals who wanted to keep farming their property even after the annexation was approved. They wanted to retain the well on their land to continue to use it for farming and would like assurance that they would not be required to abandon the well as suggested by the City Engineer until they were ready to develop the property. They would not be improving 22nd Avenue until they developed. The street was currently being maintained by the residents on the street as the County refused to maintain it.

Mr. Brown said he had received an email today from the City Engineer indicating his memo was referring to the proper way to abandon a well, but it was only for properties that would be developed. The City was not forcing anyone to abandon their well. There was also the possibility that someone could develop their property and save their well.

Opponents: Paivi Vargas, Canby resident, was representing the NE Neighborhood Association. They thought that earlier decisions about the Urban Growth Boundary might be wrong today and today's decisions should be made honoring the current and future citizens' well-being instead of approving earlier mistakes.

Dana Tyler, Canby resident, was concerned about the farmland and losing the jobs and food sources that were currently being provided on the farmland. Allowing development in the middle of the farmland would force the farming uses out of business. There were traffic backups on Locust and Territorial during peak times and there was congestion on Territorial trying to get out onto I-5. She thought before any more homes were put in, there needed to be a Fire Station on that side of town. There would also be school capacity issues and she did not think the current economy would continue and there would be a slump in housing. Canby was known as the Garden Spot, but she thought that was being lost. She did not think this annexation was necessary right now.

Lawrence Vargas, Canby resident, said this piece of property was prime farmland and it would be a shame to lose it. The draw of Canby was the rural nature of the City and to do away with farmland would destroy that image. He was also concerned about the traffic, especially on Territorial where more developments were going in. He thought the current traffic issues would be exacerbated even more with the development of this property. The neighbors had been waiting 14 years for the park to be developed. He thought the new homes would be expensive and would not address the shortage of affordable homes in the City.

Paul Satter, Canby resident, had helped create the Riverside Neighborhood Association. At that time they wanted to preserve the agricultural land in this area. He asked why there was no longer voter approved annexation.

Chair Savory explained the State legislature made that change in 2016.

Mr. Satter said traffic in this area was an issue and was getting worse every year. He thought planners just wanted to provide buildable lots and did not take roads into consideration. Safety was also a concern due to people speeding. He did not think half street improvements made sense and stated water capacity would become an issue as well.

Peggy Peterson, Canby resident, discussed the traffic she observed on Holly and Territorial. It was already dangerous, and she worried what more development would do.

Dana Tyler, Canby resident, asked about the well on the IFA property and if there were pipes across Holly Street. Chair Savory did not know the specifics about the IFA property.

Rebuttal: Mr. Levasa agreed traffic was a concern, and he relied on the experts for the traffic study. They had hired Lancaster Engineering to do the traffic study and the City's traffic engineer, DKS, had reviewed it. They were the experts and they had to rely on what the experts said. The concerns about Territorial were called out in the traffic study, especially turning onto Locust and at some point a left turn lane would be required. That would be addressed during the development stage, and more traffic studies would be done specifically for the developments. When development occurred, there would be requirements for street improvements that would include travel lanes both ways and pedestrian amenities and often included off-site improvements. He knew there was farming history in Canby and that Canby had prime soil types. There were maps in the Comprehensive Plan that identified the soil types and discussed which properties should be developed first. This property was identified in 1984 as a Priority A growth area, which was the top priority. Any transportation plan that had been done since then had taken the future development of this area into consideration. Other properties that had the same soils had been brought into the City and developed, and properties that had been identified as a lower priority, Priority B and C, had been brought in. All of the soils in Canby were good. It was true they would not be building affordable housing. This was not the area for affordable housing as affordable housing was usually denser development with smaller lots and taller buildings. The Comprehensive Plan had designated the area as low density residential with a minimum lot size of 7,000 square feet. Adding to the supply of lots would help balance the supply and demand and keep pricing lower and bring more attainable housing to the market. Regarding the character of the neighborhood, this property was next to R-1 subdivisions on two sides and development of this property would match those neighborhoods. He understood it was difficult for some people to transition farmland to development, and any development would require another neighborhood meeting and more details about what would be constructed. Regarding the IFA water line across Holly Street, the developer would locate that line and make sure it was protected when the street improvements were done. At the neighborhood meeting the park was a big concern. The developer would like to improve the park, however that was a decision of the City whether SDCs would be collected or the developer would improve it instead of paying SDCs.

Chair Savory closed the public hearing at 9:02 p.m.

Commissioner Deliberation:

Chair Savory drove up and down Holly a couple dozen times a week as well as the gravel road on NE 22nd Avenue. He wasn't quite sure how a half street improvement would be done there. Canby's soil was unique to the United States and was highly prized. Zoning the property as R-1 was great, but he didn't think that the infrastructure on N Holly, NE 22nd, and on Territorial was up to the challenge of dealing with all of the new traffic from developments that had been approved over the last couple of years from N Redwood on down to N Maple. Right now people got off at Hwy 99E and NE Territorial to miss going down Hwy 99E. He drove down to N Holly to bypass a good chunk of Hwy 99E. People used to go all the way down to N Birch until speed bumps were put in and contrary to what was previously stated, it had decreased the amount of traffic on N Birch considerably. He drove it twice a day and didn't have to wait in long lines. He thought they were putting the cart before the horse. If this had been considered since 1984, he would have thought that forward-thinking individuals would have put in adequate roads and then put in a development rather than hoping that the roads like N Holly would be improved. There was no guarantee of that. He had driven down N Redwood between Territorial and Fred Meyer and Hwy 99E and that was a nightmare and they kept promising that N Redwood would be improved. His feeling was that before an annexation he would like to see some assurances at the very minimum that there would be improvements on N Holly St, NE 22nd, and NE Territorial. On those streets alone he saw people riding their bicycles dangerously close to cars and drivers had to swing around them because there was no place for a bicyclist to go. He would like to see the improvements on the roads strictly from a safety point of view. Traffic was terrible there. Historically the city and the county waited until the development went in before they thought about improving the roads. He was not going to vote in favor of an annexation at this particular time.

Commissioner Hall said without the annexation and eventual future development, they would not get improvements to the roads. This was an annexation application and they had to look at whether or not they would accept the property into the City. Development would come later. He was in favor of the annexation.

Commissioner Mottern liked the fact that it was R-1, larger lots, and that it was a well-developed plan for a larger area. He was concerned with the fact that a lot of annexations had been approved lately. The last annexation that was approved they were told that they had exceeded the 300 lots needed. He appreciated all the hard work that was done, but the numbers reflected what the applicant wanted to prove. He was not in favor of this. He would like to see what had been annexed in and how it settled in 2019 before they approved anymore annexations.

Commissioner Serlet said his big concern was the impact on Territorial's traffic. They had approved a lot of projects on the north end of town, especially with the Redwood development and the other R-1.5 developments along Territorial. He had grievous concerns about the impact and livability of the residents along there and what this was going to do in the future until this could all shake out. They could not seem to get an answer on what was going to become of Territorial and what they could do about it. Another question was the park. It was wonderful that they had the park land because it was a great benefit to the citizens of our city. But when they had the discussion about the Redwood project with the 66 acres he brought up issues about maintaining the park and the answer was they would deal with it when they got there. It was all about the shortage of resources on how to maintain the parks they had. Here was another one they were throwing on the plate and he wondered how they were going to take care of it and keep it going. He liked the R-1 zoning. Overall he shared many of Chair Savory's concerns. He was not in favor of the annexation at this time.

Commissioner Boatright said this was just a request for annexation and the property was in the Urban Growth Boundary. The roads would not be improved until the property was developed. He suggested when the development application came in that the half street improvements on Holly be completed all the way to the

Territorial intersection. He did not want to tell a property owner that they could not develop their land because of the soil. They just passed a fee for the parks which should help with park maintenance. Regarding the traffic and concern about all of the new developments, the issues with traffic were not caused by occupants of the city but with traffic that was going between Oregon City and I-5 and Wilsonville. He was in favor of the application.

Commissioner Chernishov said after listening to what the applicant's traffic engineer had stated that the worst conditions on the roads would be a Level B, he thought if that was not acceptable to the City that they needed to revise the Transportation System Plan and create new standards for the traffic engineers to use. He was in support of the annexation.

Motion: A motion was made by Commissioner Chernishov and seconded by Commissioner Hall to recommend approval of ANN 18-05/ZC 18-06 N HOLLY ANNEXATION & ZONE CHANGE to the City Council. Motion failed due to a tie vote of 3/3 and Commissioner Varwig recused. The application would be forwarded to the City Council as a denial.

FINAL DECISIONS

(Note: These are final, written versions of previous oral decisions. No public testimony.)

a. Final Findings (DR 18-09 ENTO PARK/ALPHA SCENTS).

Motion: A motion was made by Commissioner Serlet and seconded by Commissioner Hall to approve the final decisions for **DR 18-09 ENTO PARK/ALPHA SCENTS**. Motion passed 7/0.

b. Final Findings ANN 18-05/ZC 18-06 N HOLLY DCP, ANNEXATION & ZONE CHANGE.

Mr. Brown said staff would create new findings representing the recommendation for denial.

ITEMS OF INTEREST/REPORT FROM PLANNING STAFF

- a. Next regularly scheduled Planning Commission meeting for Monday, December 24, 2018 was Christmas Eve, a City Holiday, so the meeting had been cancelled. The next regular meeting was scheduled for Monday, January 14, 2019. Mr. Brown discussed the upcoming agenda item Project Shakespeare.

ITEMS OF INTEREST/GUIDANCE FROM PLANNING COMMISSION

Chair Savory thanked Commissioners Varwig, Serlet, and Mottern for their service on the Planning Commission and presented them with Certificates of Appreciation.

ADJOURNMENT

Motion: A motion was made by Commissioner Hall and seconded by Commissioner Varwig to adjourn the meeting. Motion passed 7/0. The meeting was adjourned at 9:27 p.m.