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**City Council Regular Meeting Minutes
Council Work Session (Marijuana) Postponed**

**Monday, January 25, 2016
7:00 p.m., Community Auditorium**

***Minutes are unofficial until approved by Council.
Council approved minutes as presented February 22, 2016.***

1. CALLED TO ORDER AND ROLL CALL:

Mayor Peter Truax called the regular City Council meeting to order at 7:02 p.m. and led the Pledge of Allegiance.

ROLL CALL: COUNCIL PRESENT: Thomas Johnston, Council President; Richard Kidd; Victoria Lowe; Ronald Thompson; Malynda Wenzl; and Mayor Peter Truax.

COUNCIL ABSENT: Elena Uhing, excused.

STAFF PRESENT: Jesse VanderZanden, City Manager; Chris Crean, City Attorney; Paul Downey, Administrative Services Director; Jon Holan, Community Development Director; Collen Winters, Library Director; Dan Riordan, Senior Planner; Tom Gamble, Parks and Recreation Director; Rob Foster, Public Works Director (in the audience); J. F. Schutz, Police Chief (in the audience); and Anna Ruggles, City Recorder.

1. A. EMPLOYEE RECOGNITION:

Mayor Truax and Winters presented a Certificate of Retirement honoring Ann Dondero, Youth Services Librarian, for 36 years of dedicated service to the City, noting Dondero volunteered at the library for 10 years doing Story Time prior to becoming a City employee in 1980. Mayor Truax commended Dondero for her legacy as monthly program coordinator of "Be Enthusiastic About Reading" (B.E.A.R.) Program as well as the many other children's programs that Dondero has coordinated throughout her career as Youth Services Librarian.

2. CITIZEN COMMUNICATIONS:

Kathryn Harrington, Metro Council District 4, addressed Council announcing Metro is holding an event for Chehalem Ridge Natural Area to kick-off its master planning project on Wednesday, February 24, 2016, 6pm at Centro Cultural in Cornelius.

Theresa Carter, Birch Street, Forest Grove, addressed Council advocating Council's support on "Free Occupied Burns", Rural Organizing Project (ROP), noting ROP is organizing a protest vigil calling for a Day of Action Across Oregon on Saturday, January 30, 2016, to End Armed Occupation of Malheur.

3. CONSENT AGENDA:

Items under the Consent Agenda are considered routine and are adopted with a single motion, without separate discussion. Council members who wish to remove an item

from the Consent Agenda may do so prior to the motion to approve the item(s). Any item(s) removed from the Consent Agenda will be discussed and acted upon following the approval of the remaining Consent Agenda item(s).

- A. Approve Council and Urban Renewal Agency Board Joint Executive Session (Real Property) Meeting Minutes of January 11, 2016.
- B. Approve City Council Regular Meeting Minutes of January 11, 2016.
- C. Accept Library Commission Meeting Minutes of December 9, 2015.
- D. Accept Parks and Recreation Commission Meeting Minutes of December 16, 2015.
- E. Accept Planning Commission Meeting Minutes of December 7, 2015, and January 5, 2016.
- F. Accept Public Arts Commission Meeting Minutes of August 13, September 10, November 12 and December 10, 2015.
- G. Endorse New Liquor License Application (Full On-Premises) for Bites Restaurant, 2014 Main Street (Applicant: Thomas Gilstrap).
- H. Endorse New Liquor License Application (Full On-Premises) for Kama'aina, LLC, 1910 Main Street, Suite A (Applicant: Kevin Yamada).
- I. Accept Resignation on Committee for Citizen Involvement (CCI) (Martha Ochoa, Term Expiring January 31, 2016).
- J. **RESOLUTION NO. 2016-07 MAKING REAPPOINTMENT TO COMMITTEE FOR CITIZEN INVOLVEMENT (CCI) (Reappointing Briana Larios, Student Advisor, Term Expiring January 31, 2017).**

MOTION: Councilor Kidd moved, seconded by Councilor Wenzl, to approve the Consent Agenda as presented. **ABSENT:** Councilor Uhing. **MOTION CARRIED 6-0 by voice vote.**

4. ADDITIONS/DELETIONS:

Mayor Truax announced the work session scheduled as Agenda Item 10., Marijuana Regulations, most likely would be postponed, to which VanderZanden postponed the work session to a date uncertain (refer to Agenda Item 10. below).

5. PRESENTATIONS:

5. A. "Art In The Park" Selection

Gamble introduced Dana Zurcher, Public Arts Commission (PAC) Chair, and Kathleen Leatham, PAC member, who presented a PowerPoint presentation displaying three art sculptures: 1) Mobius by Ben Dye; 2) Tower by John Zlystra; and 3) Bird Watching by Matt Babcock. Zurcher outlined the extensive process that PAC underwent in the "Art In The Park" selection acquisition, noting the PAC selected "Mobius Sculpture" to be installed in Lincoln Park.

6. **CONTINUE PUBLIC HEARING FROM JANUARY 11, 2016: SECOND READING OF ORDINANCE NO. 2016-01 AUTHORIZING THE CITY MANAGER TO ENTER INTO A DEVELOPMENT AGREEMENT BETWEEN TOKOLA PROPERTIES AND CITY OF FOREST GROVE FOR FOREST GROVE MIXED-USE PROJECT LOCATED NORTH OF PACIFIC AVENUE AND WEST OF A STREET; FILE NO. 311-15-00022-PLNG**

The first reading of Ordinance No. 2016-01 by title occurred at the Council meeting of January 11, 2016.

Staff Report:

Holan and Riordan presented a PowerPoint presentation giving an overview of the purpose of the Development Agreement (as outlined in Exhibit A), noting a Development Agreement is necessary to accommodate project density and other design features necessary to achieve the City's redevelopment objectives for the property, because the Development Code update will not occur until sometime in April 2016. Holan and Riordan advised the Development Agreement does not specify any financial assistance or estimated project costs, noting any expenditure of funds related to the project will be addressed by a Disposition and Development Agreement (DDA) between the City, Urban Renewal Agency and Tokola Properties, Step 2 as noted below. Riordan reported the residential density will exceed what is currently allowed under the City's zoning rules and site plan mitigates potential impacts, i.e., off-street parking, noting no off-street parking is required in the Town Center for any use at this current time. Holan and Riordan reiterated the Planning Commission approved the Development Agreement unanimously with a motion recommending crosswalks for each leg of Pacific Avenue and A Street intersection and a motion to provide future egress from Phase I to B Street. In addition, Holan and Riordan explained the project approval process as outlined below:

- Step 1 is Council's approval of a Development Agreement, which is a quasi-judicial land use decision based on applicable Comprehensive Plan goals and policies; Design Review, which meets applicable design standards and guidelines for Town Center development, i.e., building location site and design of building exterior; and Site Plan Review, which meets applicable zoning requirements not otherwise modified by the Development Agreement.
- Step 2 is Urban Renewal Agency's (URA)'s approval of a Disposition and Development Agreement (DDA), which staff is negotiating potential public financial assistance to address funding gaps and to make the project feasible. Any expenditure of funds related to the project will be addressed by a DDA between City, URA and Tokola Properties at an URA Board Meeting in February and a Public Hearing will be held as required.

In conclusion of the above-noted staff report, Holan and Riordan advised staff is recommending Council adopt the above-proposed Ordinance approving a Development

Agreement between the City and Tokola Properties (Exhibit A), noting this Development Agreement provides exceptions to the site by increasing maximum density from 20 to 55 units per net acre and method for calculating density.

Questions of Staff:

In response to Lowe's objection, that criteria heard in executive session was not mentioned during staff's presentation, City Attorney Crean advised that a motion by a majority vote of the Council would be required to disclose executive session discussion, noting if Council passes such a motion, pursuant to law, all confidential executive session discussion must be disclosed in its entirety, to which Council made no motion. In response to Lowe's concerns, Holan advised the developer is accepting Section 8 housing vouchers (as noted below in applicant's rebuttal).

Public Hearing Continued:

Mayor Truax continued the Public Hearing from the meeting of January 11, 2016, and explained hearing procedures.

Written Testimony Received:

Holan and Riordan distributed copies of written testimony entered into the record at the Council meeting of January 11, 2016, and additional new written testimony received by the deadline date of January 25, 2016, 7:00 p.m. and entered into the record as noted below.

Opponents:

Ellen Hastay, Forest Grove, submitted an e-mail to Council dated January 21, 2016, in opposition of using public funds for purpose of luxury housing and advocating need for development that is affordable to a broad spectrum of the City's population and that addresses the pressing need for subsidized housing.

Very Unhappy Resident, submitted an anonymous letter to Council received January 22, 2016, in opposition of market-rate housing and advocating housing need for low-income people.

Andrea Davis, Forest Grove, submitted an e-mail to Council dated January 22, 2016, in opposition of using public funds for purpose of luxury housing and advocating need for affordable housing and this project will not bring higher wage earners into town.

Proponents:

Shirley Gamble, Forest Grove, submitted a letter to Council dated January 20, 2016, in support of the type of housing proposed and retail need and advocating project will provide housing alternative with features not found in Forest Grove for persons who are not ready for assisted living facilities.

Barry Wilson, submitted an e-mail to Council dated January 19, 2016, in support of affordable housing and advocating project will provide housing alternatives with features to meet the needs of retirement age persons who are able to promote discretionary spending in downtown Forest Grove.

Economic Development Commission (EDC), Tim Budelman, EDC Chair, submitted a letter to Council dated January 8, 2016, affirmed that the EDC voted unanimously to strongly support the proposed project with a recommendation to proceed, noting EDC believes the Tokola project will provide long-term investment; sustainable elements; support and catalyze future downtown development; and supports EDC's Strategic Plan and vision for downtown Forest Grove.

No other written testimony was received prior to the published deadline of January 25, 2016, 7:00 p.m.

Staff's Response to Written Comments Received:

Holan and Riordan referenced the PowerPoint presentation, which addressed review criteria regarding calculation of net density (consistent with Comprehensive Plan); play area location and criteria (Development Code does not govern location of play area); parking (94 spaces meets requirements); affordable housing (cannot be a reason for denying a land use application and ORS prohibits "inclusionary zoning", which precludes the City from establishing regulations to set-aside a certain number of units for low or moderate income households) and the Comprehensive Plan includes affordable housing policies; however, the Development Code may not include criteria requiring affordable housing; Forest Grove remains one of the most affordable locations for housing in the Portland region with median rent of \$756 per month; Forest Grove has the highest per-capita number of subsidized affordable housing units of any city in Washington County; and financial participation is not a criteria for the land use application process.

Declaration of Ex-parte Contacts, Conflicts of Interest, or Abstentions:

None declared.

Applicant:

Dwight Unit, President/Owner of Tokola Properties; Jeff Edinger, Vice President of Tokola Properties; and Eric Gernard and Jim Walker, Studio C Architects, Applicant/Developer Representatives, had nothing to add at this time.

Proponents:

Howard Sullivan, Forest Grove/Cornelius Chamber of Commerce Executive Director, voiced the Chamber's support of the Tokola project, pointing out the City has done due diligence in its redevelopment efforts. Sullivan thanked those advocating on

homelessness, noting it is a huge problem throughout the state and nation.

Kathryn Harrington, Metro Council District 4, voiced support of the Tokola Properties agreement, pointing out this project will nourish the City; specifically, the downtown heart of the community. Harrington encouraged Council to be expeditious about this project, this opportunity and its redevelopment efforts.

Michael Goff, Forest Grove, voiced support of the project, pointing out there is a high no vacancy rate when seeking apartments and this project fills the needs of affordability and social mobility.

Alma Albrecht, Forest Grove, voiced support of the project, pointing out the senior community needs housing options for those who have worked hard and if the City is going to grow, Forest Grove needs their discretionary spending.

Todd Kelley, Forest Grove, voiced support of the project, pointing out this is an opportunity to revitalize downtown and it is a great start.

James Draznin, Forest Grove, voiced support of the project and provided insight about Hillsboro's success, fear of success and forward thinking, pointing out let's do something different that will strengthen this community.

Rod Fuiten, Forest Grove, former elected official, voiced support of the project, spoke regarding properties that he owns in the downtown areas, and provided insight of Forest Grove's history, which he pointed out was once a bustling small-town. Fuiten noted public-private partnerships have been proven to work and commended former city manager and new city manager for forward thinking and their efforts in trying to regenerate the downtown area. Later during testimony, Fuiten readdressed Council and voiced concern that when a governing body makes a quasi-judicial land-use decision, it is sitting in the role of a judge and is adjudicating individual rights, noting Council must take action in accordance with law.

Deborah Rogers, Forest Grove, voiced support of the project, pointing out Forest Grove needs something to help raise housing prices and increase real property values.

Matt Stone, Forest Grove business owner, voiced support of the project, noting he is a business owner in Forest Grove and invested in this community. Stone pointed out this project will attract new businesses, newer generation, and a long-term vision; otherwise, downtown will be left behind.

Cherie Savoyed, Forest Grove, voiced support of the project; however, she had concerns regarding parking and suggested building a parking structure.

Anne Newkirk-Niven, Forest Grove, Public Safety Advisory Commission member, provided insight on how small towns have historically changed over time, noting towns need to change; though, that does not mean saying no to other important issues that have been brought up this evening.

No one else testified and no other written comments were received.

Opponents:

Linda Ebert, Portland, advocated for homelessness and affordable housing and encouraged Forest Grove to be a leader in addressing homelessness. Ebert noted there is no demand for luxury apartments but there is a great demand for affordable housing.

Theresa Clark, Forest Grove, advocated for affordable housing and voiced concerns pertaining to topography of the site and potential soil contaminations that could cause health-related issues.

Russ Dondero, Forest Grove, submitted a copy of his written testimony, noting he is not speaking against the development per se but simply asking Council to persuade the developer to cast a broader net for the benefit of all residents. Dondero advocated for homelessness and affordable housing and provided insight as a member of the Washington County Homeless Advisory Plan Committee. Later during testimony, Dondero readdressed Council and pointed out that Fuiten was a member of the ad-hoc committee who recommended market-rate housing and then Dondero asked to hear each Councilor's points of view.

Liz Swensen, Hillsboro, Forest Grove United Methodist Church, advocated for homelessness and affordable housing and provided insight about services her church provides for the homeless community.

Eric Canon, Forest Grove, submitted a copy of his written testimony, advocated for homelessness and affordable housing, and provided insight as the Chair of the Interfaith Committee on Homelessness and as a member of the Washington County Homelessness Advisory Plan Committee.

Jack Koran, Forest Grove, advocated for an increase in affordable housing and urged Council to reject the project and seek community input and consider what is best for Forest Grove.

Celeste Goulding, Forest Grove, United Church of Christ, advocated for homelessness and affordable housing and provided insight about services her church provides for the

homeless community and urged Council to delay voting until after the Annual Town Meeting.

Victoria Eaton, Forest Grove, addressed Councilmembers' initiatives that they support as elected officials and referenced Council Key Goals 1, 2 and 3. Eaton voiced other concerns as well, noting there is no industry to support new jobs and mentioned that a community space would be amazing. Eaton urged Council to postpone voting for two weeks.

Margaret, unknown last name, Forest Grove, voiced concerns pertaining to the proposed development's lack of sustainability focus and parking. Margaret asked what objective that Lowe pointed out earlier was missing in staff's presentation, noting there appears to be a lack of transparency, to which Riordan referenced staff's PowerPoint presentation and City Attorney Crean explained the concern lies with Council if they want to disclose what was discussed in executive session as it requires a majority vote of the Council, to which Council made no motion.

Megan Eatough, Forest Grove, representing Adelante Mujeres, advocated in support of affordable housing.

Amy Smetana, Forest Grove, Homeplate Youth Services, advocated for more services for homeless youths.

Karin Pfeiffer-Hoyt, Forest Grove, Sustainability Commission member, referenced the Sustainability's Action Plan on social equity and urged Council to reflect on the needs of citizens.

No one else testified and no other written comments were received.

Others:

Tom Beck, Forest Grove, Planning Commission Chair, provided insight of the proposed project, noting a \$1.5 million investment by the City is a mistake and spending dollars out of redevelopment is of concern and bad decision-making, pointing out this project will not do everything the City thinks it will do and noted the City needs a really public plaza. In response to Council President Johnston's inquiry about the Planning Commission's unanimous decision, Beck replied the Planning Commission looked at land use, stating his concern is that this is a bad project to put public money into because it is about spending money the agency does not have yet. Later during testimony, Beck readdressed Council and urged Council to take a two-week postponement since the Annual Town Meeting would be held this Saturday.

Kylie Martin, Forest Grove, submitted a copy of her written testimony on behalf of a

group of Pacific University students and advocated that some of the project be affordable housing, pointing out she has been using student loans to pay to live on campus because there are few affordable housing options off campus.

MJ Guidetti-Clapshaw, Forest Grove, submitted a copy of her written testimony and urged Council to build a multi-purpose community center on the city-owned property site instead and let development happen on private property as well as encouraged Council to do more to support existing businesses.

Sean Clapshaw, Forest Grove, voiced support, pointing out the project is a good thing for Forest Grove and maybe Phase II will have a community center. Clapshaw announced he is willing to match \$5,000 to get things done (for a community center).

Linda Lewis, Forest Grove, voiced support, pointing out she would like to see people coming to Forest Grove but stressed there is still a need of creating activities to get people involved.

Aldie Howard, Forest Grove, spoke about the history of Forest Grove, urged Council to postpone voting for a month, and instead suggested convening a committee because people do not understand urban renewal.

Matt Stone, Forest Grove, voiced support and urged Council to consider approval of the development plans, noting affordable housing can be considered in other areas of Forest Grove.

No one else testified and no other written comments were received.

Recess: Mayor Truax called for a recess at 9:56 p.m. and with consensus from the Council reconvened the meeting at 10:05 p.m.

Applicant's Rebuttal:

Dwight Unti, President/Owner of Tokola Properties; Jeff Edinger, Vice President of Tokola Properties; and Eric Gernard and Jim Walker, Studio C Architects, Applicant/Developer Representatives, was given an opportunity for rebuttal, noting Forest Grove is facing a lot of challenges, i.e., affordable housing and homeless, and they recognize this project cannot solve all issues but the key issue is downtown revitalization and seeking improvement and this project is intended to do this. Unti advised it may feel like a rushed process, but it has really been a long deliberating process to get to this point, noting Tokola is invested in the community long term and believes in this community. Unti reaffirmed the project would create jobs as well as ongoing jobs and add 120-140 residents spending discretionary monies on local businesses, noting downtown businesses are not able to sustain themselves, it's a

repeating cycle. Unti highlighted design concepts and details of the project, noting the project provides for sustainability, energy conservation measures, such as energy saving appliances and light sensors, and includes a rain garden. In response to testimony heard pertaining to Section 8 housing, Unti made it very clear that they absolute will accept Section 8 Housing Vouchers, noting it is State law and they adhere to State law. In response to testimony heard pertaining to no demand for this type of housing, Unti replied there is a lack of rental housing in all income ranges, pointing out this is the first type of development in Forest Grove and it will offer housing options that do not currently exist. Unti pointed the word “luxury” means high-end amenities that the project will provide, such as a roof top terrace. As far as environmental contamination on the site, Unti replied the site appears clean with no environmental concerns. In conclusion of the above-noted rebuttal, Unti affirmed they have demonstrated compliance with the City’s applicable criteria, pointing out there is risk in delaying the process, noting the time to do this development project in Forest Grove is now. In addition, Unti noted Tokola would like to begin construction in 2016 before interest rates increase.

Public Hearing Closed:

Mayor Truax closed the Public Hearing.

Council Discussion:

Lowe responded to testimony heard, stating she is well known for her sustainability initiatives and the one thing that she demands is citizen voices and the community’s right if using public monies. Lowe thanked everyone who spoke their minds on either side of the issue and announced she encourages citizens to contact her directly who would like to speak to any issue. In addition, Lowe stated using public monies for public-private for-profit development is a moral, ethical line that prevents her from moving forward, noted she has never supported using public monies for public-private development.

LOWE MOVED TO TABLE/DEFER ORDINANCE NO. 2016-01 FOR TWO WEEKS UNTIL THE ANNUAL TOWN MEETING IS HELD TO ALLOW MORE TIME FOR CITIZEN INPUT. MOTION DIED DUE TO LACK OF A SECOND.

Wenzl responded to testimony heard, referencing her tallied votes among those that testified as proponents and those that testified in opposition, noting the majority of the opposition heard pertains to affordable housing and the Development Agreement does not contain any financial obligation. In response to Wenzl’s inquiry pertaining to parking, Unti replied the 94 parking spaces are onsite parking for residents, noting retail parking is on-street parking and there is parking in the public parking lot located on 21st Avenue. In response to Wenzl’s inquiry pertaining to the Request for Proposals (RFP) process, Downey replied no responses were received from the RFP, noting the City received a

letter of interest for a possible hotel but it was submitted late and was later withdrawn. Downey reported Tokola Properties approached the City and expressed interest in pursuing a mixed-use development and possibly including a hotel at the site, noting over the course of several months, Tokola refined their development concept based on a market analysis and the City's objectives for the property. In addition, Wenzl discouraged changing the topic of the Annual Town Meeting (ATM), noting with the ATM being held this Saturday, it would be unfair to the Committee for Citizen Involvement who has worked extremely hard in preparation for this year's ATM.

Thompson responded to testimony heard, stating he cares significantly about issues of homelessness as well as veterans, disabled and aging citizens in this community. Thompson stated he is in favor of this project primarily because he thinks the City needs more jobs in the downtown area, noting future development will eventually meet the needs for low-income housing and help the homeless as the local economy improves.

Council President Johnston responded to testimony heard, stating parking issues can be taken care of by enforcing parking regulations and building a community center is taxed money, paid for by taxpayers, and has monthly membership fees of up to \$100 per family. Johnston added he wishes the City could build all the things the community needs and wants, but the time to move forward and take action is now. In addition, Johnston voiced concern of using student loans to pay for housing, pointing out students could rent a three-bedroom house off campus for about the same costs of student housing on campus.

Kidd responded to testimony heard, stating a great deal of the testimony heard pertains to affordable housing and parking is adequate for this particular project. Kidd noted downtown parking has never been a problem within a five block radius. Kidd referenced census data, noting Forest Grove has the highest per-capita number of subsidized affordable housing of any city in Washington County, which ensures there is equity. Kidd noted he has worked endless hours on affordable housing and over 20 years building homes for Habitat for Humanity. Kidd noted this project is an apartment complex that will provide options for senior housing versus high costs of residential living facilities. In addition, Kidd gave a brief overview on the purpose of an urban renewal district, noting redevelopment supports and benefits the whole community. Kidd stated he does not support delaying this project, noting Council must make a quasi-judicial decision because the clock is ticking (120-day rule); otherwise, if the Council fails to make a decision, then this land use application will be approved as submitted by the State whether the City approves or not.

Mayor Truax responded to testimony heard, noting this project is transformative and will get Forest Grove to a place where it will make a difference. Mayor Truax pointed out other statewide concerns, such as mental health services, environmental and economic

sustainability and social justice, noting this project will help these and other issues in some small way.

Hearing no further discussion from the Council, Mayor Truax asked for a roll call vote on the motion made at the meeting of January 11, 2016.

VanderZanden read Ordinance No. 2016-01 by title for second reading.

ROLL CALL VOTE: AYES: Councilors Johnston, Kidd, Thompson, Wenzl, and Mayor Truax. NOES: Councilor Lowe. ABSENT: Councilor Uhing. MOTION CARRIED 5-1.

7. PUBLIC HEARING AND ORDER NO. 2016-01 APPROVING DESIGN REVIEW FOR THE FOREST GROVE DOWNTOWN MIXED-USE PROJECT (LOCATED NORTH OF PACIFIC AVENUE AND WEST OF A STREET). FILE NO. 311-15-00022-PLNG

Staff Report:

Holan and Riordan presented the above-proposed order adopting the Design Review Findings, noting Council has approved the Development Agreement (Agenda Item 6 above) with Tokola Properties for Phase I, a four-story, mixed-use residential apartment and commercial development project comprised of 78-apartment units (including five live-work units), approximately 2,500 square feet of commercial space, 94 parking spaces, and a privately constructed/publicly accessible plaza area comprised of approximately 2,900 square feet on 1.53 acres located north of Pacific Avenue and west of A Street in downtown Forest Grove (former Times Litho property). In conclusion of the above-noted staff report, Holan and Riordan referenced the Design Review Findings as outlined in Exhibit A; Design Plans as shown in Exhibit B; and Conditions of Approval as outlined in Exhibit C, noting the project complies with the applicable criteria and design standards and guidelines for Town Center development, i.e., building location site and design of building exterior.

Public Hearing Opened:

Mayor Truax opened the Public Hearing and explained hearing procedures.

Applicant:

Dwight Unti, President/Owner of Tokola Properties; Jeff Edinger, Vice President of Tokola Properties; and Eric Gernard and Jim Walker, Studio C Architects, Applicant/Developer Representatives, presented the Design Review and architectural elements of the project, including photographs of the design concept; materials palette; site development areas of Phase I and 2; project detail summary; building area; parking mix; 4th level roof terrace; community garden; garden shed; play area; building elevations; and other development specifications, noting the Tokola project is located in

the Town Center and reflects a contemporary design with subtle queues reflecting the historic feel of downtown and the height of the proposed building is four stories (approximately 55 feet) with retail storefronts to encourage a lively streetscape.

Proponents:

Testimony was heard concurrently with Agenda Item 6 above.

Opponents:

Testimony was heard concurrently with Agenda Item 6 above.

Others:

Testimony was heard concurrently with Agenda Item 6 above.

No one else testified and no other written comments were received.

Public Hearing Closed:

Mayor Truax closed the Public Hearing.

Before proceeding with Council discussion, Mayor Truax asked for a motion to adopt Order No. 2016-01, which resulted in the following motion to amend.

MOTION TO AMEND: Councilor Wenzl moved, seconded by Councilor Kidd, to amend Exhibit C to Order No. 2016-01 and 2016-02 by adding a new Condition of Approval No. 37: Applicant shall improve each leg of the Pacific Avenue and A Street Intersection with marked pedestrian crosswalks (meeting Engineering Division requirements).

Council Discussion:

Hearing no discussion from the Council, Mayor Truax asked for a roll call vote on the above-noted motion to amend.

ROLL CALL VOTE ON AMENDMENT: AYES: Councilors Johnston, Kidd, Thompson, Wenzl, and Mayor Truax. NOES: Councilor Lowe. ABSENT: Councilor Uhing. **MOTION CARRIED 5-1.**

Before proceeding with Council discussion, Mayor Truax asked for a motion to adopt Order No. 2016-01 as amended.

VanderZanden read Order No. 2016-01 by title as amended.

MOTION: Councilor Kidd moved, seconded by Councilor Wenzl, to adopt as amended Order No. 2016-01 Approving Design Review for the Forest Grove

Downtown Mixed-Use Project (located north of Pacific Avenue and west of A Street). File No. 311-15-00022-PLNG.

Council Discussion:

Hearing no discussion from the Council, Mayor Truax asked for a roll call vote on the above-noted motion.

ROLL CALL VOTE: AYES: Councilors Johnston, Kidd, Thompson, Wenzl, and Mayor Truax. NOES: Councilor Lowe. ABSENT: Councilor Uhing. MOTION CARRIED 5-1.

8. PUBLIC HEARING AND ORDER NO. 2016-02 APPROVING SITE DEVELOPMENT REVIEW FOR THE FOREST GROVE DOWNTOWN MIXED-USE PROJECT (LOCATED NORTH OF PACIFIC AVENUE AND WEST OF A STREET). FILE NO. 311-15-00022-PLNG

Staff Report:

Holan and Riordan presented the above-proposed order adopting the Site Development Review Findings, noting Council has approved the Development Agreement (Agenda Item 6) and Design Review (Agenda Item 7) with Tokola Properties for Phase I, a four-story, mixed-use residential apartment and commercial development project comprised of 78-apartment units (including five live-work units), approximately 2,500 square feet of commercial space, 94 parking spaces, and a privately constructed/publicly accessible plaza area comprised of approximately 2,900 square feet on 1.53 acres located north of Pacific Avenue and west of A Street in downtown Forest Grove (former Times Litho property). In conclusion of the above-noted staff report, Holan and Riordan referenced the Site Development Review Findings as outlined in Exhibit A; Design Plans as shown in Exhibit B; and amended Conditions of Approval as outlined in Exhibit C, noting the project complies with the applicable approval criteria, including compatibility with surrounding uses.

Public Hearing Opened:

Mayor Truax opened the Public Hearing and explained hearing procedures.

Applicant:

Dwight Unti, President/Owner of Tokola Properties; Jeff Edinger, Vice President of Tokola Properties; and Eric Gernard and Jim Walker, Studio C Architects, Applicant/Developer Representatives, presented the Site Development and architectural elements of the project, including photographs of the design concept; materials palette; site development areas of Phase I and 2; project detail summary; building area; parking mix; 4th level roof terrace; community garden; garden shed; play area; building elevations; and other development specifications, noting the Tokola project is located in

the Forest Grove Town Center and reflects a contemporary design with subtle queues reflecting the historic feel of downtown and the height of the proposed building is four stories (approximately 55 feet) with retail storefronts.

Proponents:

Testimony was heard concurrently with Agenda Item 6 above.

Opponents:

Testimony was heard concurrently with Agenda Item 6 above.

Others:

Testimony was heard concurrently with Agenda Item 6 above.

No one else testified and no other written comments were received.

Public Hearing Closed:

Mayor Truax closed the Public Hearing.

Before proceeding with Council discussion, Mayor Truax asked for a motion to adopt Order No. 2016-02.

VanderZanden read Order No. 2016-02 by title.

MOTION: Councilor Wenzl moved, seconded by Councilor Thompson, to adopt as amended (Exhibit C) Order No. 2016-02 Approving Site Development Review for the Forest Grove Downtown Mixed-Use Project (Located North of Pacific Avenue and West of A Street). File No. 311-15-00022-PLNG.

Council Discussion:

Hearing no discussion from the Council, Mayor Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors Johnston, Kidd, Thompson, Wenzl, and Mayor Truax. NOES: Councilor Lowe. ABSENT: Councilor Uhing. MOTION CARRIED 5-1.

9. **RESOLUTION NO. 2016-08 AUTHORIZING CITY MANAGER TO EXECUTE OREGON PUBLIC SERVICE RETIREMENT PLAN COVERAGE AGREEMENT BETWEEN THE CITY OF FOREST GROVE AND THE STATE OF OREGON FOR NEWLY HIRED POLICE OFFICERS AND FIREFIGHTERS TO PARTICIPATE IN THE PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)**

Staff Report:

Downey presented the above-proposed resolution requesting authorization to execute the Oregon Public Service Retirement (PERS) Plan Coverage Agreement between the City and the State of Oregon, effective February 1, 2016 (as outlined in Exhibit A), noting the City Attorney has reviewed the draft agreement. Downey reported Council adopted Resolution No. 2015-75 on October 30, 2015, by which the City announced its intent to participate in PERS for all of its sworn police officers and firefighters hired on or after the effective date of the PERS agreement. Downey noted the Forest Grove Police Association (FGPA) and International Association of Firefighters Local No. 1660 (IAFF) have agreed to put its sworn police officers and firefighters hired on or after the effective date into PERS. Downey gave an overview of the agreement, noting the City has agreed to pay six (6%) percent contribution for the Individual Account Program that is due from members and the City does not intend to participate in the State and Local Government Rate Pool for Tier 1 or Tier 2 members, noting participation will be permanent and is irrevocable once the coverage agreement goes into effect. In addition, Downey advised the fiscal impact is difficult to determine, noting the initial PERS rate will be 12.65 percent compared to 17.3 percent for the City's current defined contribution rate. In conclusion of the above-noted staff report, Downey reported staff and the City's retirement actuaries plan to meet with Council in March to discuss actuarial changes, which could significantly increase the costs of the City's defined contribution benefit retirement plan.

Before proceeding with Council discussion, Mayor Truax asked for a motion to adopt Resolution No. 2016-08.

VanderZanden read Resolution No. 2016-08 by title.

MOTION: Councilor Lowe moved, seconded by Councilor Thompson, to adopt Resolution No. 2016-08 Authorizing City Manager to Execute Oregon Public Service Retirement Plan Coverage Agreement between the City of Forest Grove and the State of Oregon for Newly Hired Police Officers and Firefighters to Participate in the Public Employees Retirement System (PERS).

Council Discussion:

In response to Kidd's inquiry pertaining to mandatory compliance, Downey affirmed both unions understand and agree the election to participate in PERS is irrevocable.

Hearing no further discussion from the Council, Mayor Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors Johnston, Kidd, Lowe, Thompson, Wenzl, and Mayor Truax. NOES: None. ABSENT: Councilor Uhing. MOTION CARRIED

6-0.

10. WORK SESSION: MARIJUANA REGULATIONS

Due to time, VanderZanden postponed the above-noted work session to a date uncertain.

11. CITY COUNCIL COMMUNICATIONS:

Due to time, Mayor Truax postponed Council Communications to the next Council meeting of February 8, 2016.

12. CITY MANAGER'S REPORT:

Due to time, Mayor Truax postponed City Manager's Report to the next Council meeting of February 8, 2016.

13. MAYOR'S REPORT:

Due to time, Mayor Truax postponed Mayor's Report to the next Council meeting of February 8, 2016.

14. ADJOURNMENT:

Mayor Truax adjourned the regular meeting at 11:05 p.m.

Respectfully submitted,



Anna D. Ruggles, CMC, City Recorder

*Minutes are unofficial until approved by Council.
Council approved minutes as presented February 8, 2016.*

1. **CALLED TO ORDER AND ROLL CALL:**

Mayor Peter Truax called the Work Session to order at 5:30 p.m.

CALL: COUNCIL PRESENT: Thomas Johnston, Council President; Richard Kidd; Victoria Lowe; Ronald Thompson; Malynda Wenzl; and Mayor Peter Truax. **COUNCIL ABSENT:** Elena Uhing, excused.

STAFF PRESENT: Jesse VanderZanden, City Manager, and Anna Ruggles, City Recorder.

2. **WORK SESSION: BOARDS, COMMITTEES, AND COMMISSIONS (B&C) INTERVIEWS**

The following applicants were interviewed for the following B&C positions:

- Karen Hessen (Mason Brown) – Library Commission and **Public Safety Advisory Commission, At-Large, Term Expiring December 31, 2017.**
- Elizabeth Beechwood – Library Commission; interview will be rescheduled.
- **Larissa Whalen Garfias – Historic Landmarks Board, Term Expiring December 31, 2016.**

Council interviewed the following applicants on November 23, 2015, for the following positions:

- Thomas Epler who resides outside of the city – Community Forestry Commission, which has no vacancy outside of the city. **Pending his acceptance to Public Safety Advisory Commission, Rural Fire District, Term Expiring December 31, 2017.**
- **Jane Burch-Pesses** who resides outside of the city – Community Forestry Commission, which has no vacancy outside of the city, and Sustainability Commission, which has no vacancy. **Pending her acceptance to Library Commission, Term Expiring December 31, 2017.**

Council interviewed the following applicants on December 14, 2015, for the following positions:

- Michael Howell – Budget Committee, which has no vacancy, and **Community Forestry Commission, Term Expiring December 31, 2016**
- Kenneth Cobleigh – Sustainability Commission, which has no vacancy,

Community Forestry Commission, which vacancy was filled, Planning Commission, which has no vacancy, and **Parks and Recreation Commission, SW, Term Expiring December 31, 2017.**

In addition, Ruggles reported Council interviewed MJ Guidetti-Clapshaw for a position on the Committee for Citizen Involvement (CCI) on September 14, 2015, and at the time of her interview, there was no vacancy on CCI so instead, Guidetti-Clapshaw accepted an appointment on the Historic Landmarks Board (HLB). Ruggles noted Guidetti-Clapshaw has expressed interest in continuing her term on HLB and is seeking an appointment on CCI, since CCI will have three vacancies effective February 1, 2016. **Pending her acceptance to Committee for Citizen Involvement, Term Expiring January 31, 2020.**

After Council deliberation, Council collectively made recommendation to make the above-noted appointments as shown in **bold**. Resolutions making formal appointments will be considered at the next regular Council meeting of February 8, 2016.

Council took no formal action nor made any formal decisions during the above-noted work session.

3. **ADJOURNMENT:**

Mayor Truax adjourned the regular meeting at 6:15 p.m.

Respectfully submitted,



Anna D. Ruggles, CMC, City Recorder



A place where families and businesses thrive.

**City Council Work Session Minutes
Not-For-Profits Contribution**

**Monday, January 25, 2016
6:30 p.m., Conference Room**

***Minutes are unofficial until approved by Council.
Council approved minutes as presented February 8, 2016.***

1. CALLED TO ORDER AND ROLL CALL:

Mayor Peter Truax called the Work Session to order at 6:20 p.m.

CALL: COUNCIL PRESENT: Thomas Johnston, Council President; Richard Kidd; Victoria Lowe; Ronald Thompson; Malynda Wenzl; and Mayor Peter Truax.

COUNCIL ABSENT: Elena Uhing, excused.

STAFF PRESENT: Jesse VanderZanden, City Manager; Paul Downey, Administrative Services Director; and Anna Ruggles, City Recorder.

2. WORK SESSION: NOT-FOR-PROFITS CONTRIBUTION

Downey and VanderZanden facilitated the work session, noting the purpose of the work session was to aid in the decision-making process, if Council wants to establish a policy for in-kind donations and/or contributions of revenue to not-for-profit organizations as part of the budget process. Downey reported this policy would require establishing an application and criteria process for evaluating requests, noting in the 1990's, the City allocated \$21,000 and held an additional Budget Committee Meeting. In addition, Downey presented a PowerPoint presentation outlining the history dating back to FY1991-92, when social service agency donation allocation was set at 1/10 percent of the operating budget, noting contributions had occurred for many years prior. Downey reported in FY1992-93, \$21,095 was distributed in funding; FY1994-95, budget reductions occurred due to Measure 5 eliminated social services agency donation allocation; and in FY1996-97, a separate line item for the Senior Center was approved as part of the budget process for \$10,000 and has continued since, noting in FY2013-14, \$22,500; FY2014-15, \$30,000; and FY2015-16, \$35,000 was approved as part of the budget process. Downey referenced slides listing examples of some of the current contributions departments make, including a wide variety of community-related events during the year involving paid fire and police personnel as well as other City personnel and providing equipment at events; Aquatic Center donates passes for fundraisers annually; Parks and Recreation donates bark chips and delivery; Light and Power gives cash contributions annually to FG Uncorked, Corn Roast and Light Parade and does other non-cash contributions, i.e., hanging banners, holiday lighting and decorations, and provides paid staff and equipment at events; and Public Works donates surplus fire hydrants to not-for-profits, which included paid staff time to paint the hydrants, and provides paid staff and equipment at events. Downey noted the Senior Center

contribution excludes building maintenance, because the facility is city-owned property. In conclusion of the above-noted staff report, Downey and VanderZanden advised staff is seeking guidance from Council, if Council wants to establish a policy for in-kind donations and/or contributions of dollars and if so, should the policy be for “all” not-for-profit organizations.

Council Discussion:

Mayor Truax opened the floor and roundtable discussion ensued pertaining to whether the City should establish a policy and funding criteria for allocating and/or contributing revenue or in-kind donations to not-for-profit organizations. Downey and VanderZanden addressed various Council concerns, inquiries, and scenarios posed by Council pertaining to other cities having larger budgets; types of in-kind donations, i.e., goods and services given by the City for community-related events and having no process to quantifying direct costs to the City; budget source for funding and whether to consider a funding cap and funding criteria based on funding requests pertaining to the City’s vision and goals and overall financial strength of not-for-profit organizations; process for making decisions when requests are made and budget allocation of taxpayers’ dollars to support not-for-profit organizations and other fundraising activities, such as requests to purchase tables at fundraising events, noting currently, there are no budgeted funds allocated to provide for these types of cash contributions. In response to various Council inquiries pertaining to the Senior Center and its operations and the City’s obligation to support the Senior Center, because it is city-owned property, Downey pointed out the Community Development Block Grant (CDBG) contains a binding deed agreement that requires the senior center to operate as a “senior center” for a period of 10-years after being awarded any CDBG grant funding; otherwise, all monies awarded for improvements would need to be repaid by the City, because the City owns the facility. In addition, when Downey posed the question whether there was Council consensus for purchasing tables at fundraising events, noting this is routinely requested, to which the majority of the Council (four) did not support these types of cash contributions and expressed that these types of requests should be out-of-pocket, personal expenses by the attendees. In response to Council inquiries pertaining to policies other cities currently have, VanderZanden and Downey advised staff has made no inquiries to other cities, noting this work session is to determine if there is Council consensus to proceed with establishing a policy for allocating and/or contributing revenue to not-for-profit organizations prior to this year’s budget process getting underway. In conclusion of the above-noted Council discussion, Council collectively voiced consensus to ask staff to gather information from other cities, if other cities have established policies, obtaining a few samples of the policies, and scheduling a follow-up work session at a later date.

Council took no formal action nor made any formal decisions during the above-noted work session.

3. **ADJOURNMENT:**

Mayor Truax adjourned the regular meeting at 6:54 p.m.

Respectfully submitted,



Anna D. Ruggles, CMC, City Recorder