

**PLANNING COMMISSION
WEDNESDAY, NOVEMBER 13, 2013
6:00 P.M.**

**Wilsonville City Hall
29799 SW Town Center Loop East
Wilsonville, Oregon**

Approved
December 11, 2013

Minutes

I. CALL TO ORDER - ROLL CALL

Chair Altman called the meeting to order at 6:01 p.m. Those present:

Planning Commission: Ben Altman, Eric Postma, Marta McGuire, Peter Hurley, Phyllis Millan, and City Councilor Julie Fitzgerald. Al Levit arrived right after Roll Call. Ray Phelps was absent.

City Staff: Chris Neamtzu, Barbara Jacobson, Nancy Kraushaar, and Katie Mangle

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

III. CITIZEN'S INPUT - This is an opportunity for visitors to address the Planning Commission on items not on the agenda. There was none.

IV. CITY COUNCIL LIAISON REPORT

A. City Council Update

Councilor Fitzgerald reported the City Council recently met with the Tualatin City Council to discuss the process for the Basalt Creek Planning Program. First, they identified that Councilors Goddard and Stevens would be working on a planning subcommittee to define protocols, when the two councils would meet, which would take a couple meetings to get underway. It looked like planning for Basalt Creek would be an 18- to 24-month process. She believed the two councils had a good meeting, and there seemed to be uniformity in being open to all ideas. A few members of the public attended the first meeting and she hoped everyone would consider attending and let other people know about the meetings as well.

V. CONSIDERATION OF THE MINUTES

The September 11, 2013 Planning Commission minutes were unanimously approved as presented.

VI. WORK SESSIONS

A. Goal 10 Housing Needs Analysis (Mangle)

Katie Mangle, Manager, Long-Range Planning, noted the work session was a bit of a redo of the September meeting. The direction had not changed significantly. The errors on how the Metro population forecast was being incorporated into the analysis had been corrected. A lot of it was related to exactly how much housing growth was needed to accommodate that part; everything else was left intact.

Bob Parker and Beth Goodman of ECONorthwest presented the changes made to the Goal 10 Housing Needs Analysis via PowerPoint, noting that upon further review of Metro's city forecast for Wilsonville, they learned it did not include the housing growth forecasted for Frog Pond and some other areas. As a result, the analysis and forecast presented in the previous memorandum was low. ECONorthwest had several discussions with Metro to ensure they understood how the allocations had been done; what portions were inside the Wilsonville planning area, Wilsonville's city limits, and outside the city limits. Those figures had

been incorporated into a revised model. He reviewed the components of the Goal 10 Housing analysis noting the changes resulting from the changed allocations with these key comments:

- The main difference between the previous memorandum and Table 1 of the current memo in the packet was that 980 units in areas currently outside the City limits were not reflected in the previous forecast. Almost all of that growth would occur in the Frog Pond area. As a result, that added almost 1,000 new units to the overall growth forecast for the 20-year planning period. Overall, that increased the assumed or implied growth rate for the Wilsonville planning area from 1.4 percent to 1.8 percent.
- The consultants had worked with Staff to provide more concrete examples of density, which was discussed at previous meeting. He reviewed several photographs that provided visual examples of the densities seen in different locations of the city.
- Using a higher growth rate meant more dwelling units would be built within the 20-year planning horizon. Upon comparison, based on assumptions compliant with the State requirements to meet a 50/50 split and a minimum of 8 dwelling units per net acre, Wilsonville had approximately enough land on average to meet Metro's forecast growth over the 20-year period.
- He confirmed the growth rates were specific to the Wilsonville area. They varied slightly on TAZ but were very reflective of the overall growth rates Metro was assuming for the entire Metro region. Wilsonville was not that different in Metro's forecast. In discussions with Metro, the consultants had noted the fact that Wilsonville had grown substantially faster than what the Metro model predicted. The Metro forecast seemed to do a good job of forecasting at the regional level, but it was a little less in-depth at figuring out factors that might create growth pressures at the local level. The results show that Wilsonville would likely have a land deficit before 2034, which would be affected by other factors, such as faster growth and commuting preferences. The consultants had spent a lot of time considering how the housing part fit with employment and the options Wilsonville must use to accommodate those things.
- Monitoring development trends had not really changed, but would become more important if the balance between the amount of capacity the City had and the amount of growth Metro was forecasting was fairly even or even with a slight deficit. If the City's growth rates were faster than Metro projections, obviously, Wilsonville would run out of the land faster so there were implications to consider.
- With the revised assumptions, the housing needs analysis showed a need for more residential land, meaning the timing of Advance Rd might be needed be moved up considerably to accommodate that growth. Metro's forecast showed Advance Rd would not be needed until 2035, but these data suggested it might be needed quite a bit sooner.
- The broader implication in considering the revisions was that the City would want to continue working with Metro on the Urban Growth Boundary (UGB) process, both on the land needs side and the revised forecast. Monitoring would be important for the City to continue to gather information and provide input into the Metro process, in the event that the City was advocating that growth was going faster and there might be a need for additional lands.
- ECONorthwest was working on the final technical report, which had gone out for internal city staff review and had been circulated to Metro staff and the Department of Land Conservation Development (DLCD) staff. A summary report was also underway and would hopefully be completed by the end of the month.

Discussion and feedback regarding the consultants' questions about these changes was as follows with responses to questions from the Commission as noted:

- Most of the visual examples provided had been pre-2000 development patterns, and lot sizes had decreased since 2000. Chair Altman was concerned the examples did not completely represent what could be expected in the future.
 - Ms. Mangle explained the idea had been to specifically address the 5 to 8 units per acre range and to give concrete examples of the lot sizes. The examples would be a helpful tool as the City began planning Frog Pond, because everyone would ask the same question as to what these numbers really translate into. Over the next six months, the goal was to at least have an example of most neighborhoods in the city starting with single-family but eventually doing multi-family as well.

- The Monitoring Plan was an excellent idea and the City maintaining that data on a regular basis and presenting a report with the metrics that had been outlined would be informative in forecasting to have data more tailored to Wilsonville's jurisdiction, as opposed to relying on regional data.
 - Mr. Parker confirmed the recommendation was to have the data collected annually and that was Staff's intent. Metro was very enthusiastic about the Monitoring Plan and validated that it would be a useful tool for them as well as the City. Very few cities in the region were doing it, and Metro found it very helpful in terms of thinking about how to calibrate their modeling. Ms. Mangle added that Mr. Neamtzu had some Planning Staff starting to work on the Monitoring Plan and think about which metrics could be easily and regularly produced with a goal of including it with the budget cycle for this year reporting on last year's data.
- As far as surrounding communities, Tigard and Lake Oswego completed their Goal 10 study last year. Portland had also done so as part of their Comprehensive Plan update. Sherwood could possibly be completing their analysis soon.
- In Table 5, shown on page 7 of 18 of the Staff report, the differentiation between the low-capacity and high-capacity scenarios was mostly in Frog Pond, but part of it was in the residential zones. Table 4 displayed the difference between the assumptions of capacity and the Comprehensive Plan designation. Villebois stayed the same because it was master planned.
 - The low capacity scenario still assumed the 90 percent single-family residential, as discussed previously. The high capacity scenario assumed 75 percent single-family detached.
- To the consultants' knowledge, Damascus was the only place that had attempted to correct an imbalance in density. The administrative rules do not provide a lot of direction about the requirements for justifying an alternative to the 50/50 split. There was a requirement for some jurisdictions outside of the Metro area that they consider land efficiency measures if considering a boundary expansion, and there was very little guidance on it. In their experience, Metro would let the City know when there was enough information to justify. Therefore, justification was not necessarily impossible; it was just one of those issues that cast a lot of uncertainty into the process and presented fairly significant legal challenges. It would require some serious effort.
 - Partly, the City would have to argue it was not forcing the need to expand the UGB more than it would otherwise with the alternative method. The City would need to document that it was meeting the identified housing needs. It would also require some fairly substantive modifications to the City's planning system to allow that to actually be implemented, meaning Comprehensive Plan and Development Code amendments to rezone land. The City would be unable to make much headway on balancing density by only focusing on Frog Pond; they would have to focus within the city as well, assuming there was no more expansion within the UGB.
 - Convincing Metro that Wilsonville needed a different, more accelerated expansion to the UGB to address the density was a different set of issues than the 50/50 OAR requirement, which had to be met within the UGB, not in future expansion areas.
 - The City did not comply with Metro's required 50/50 density balance already; being closer to a 60/40 provided the potential argument at Metro to correct that imbalance by doing something different with the land inclusion.
 - Ms. Mangle reiterated it was a different set of issues. It was not Metro's prerogative to help Wilsonville achieve lower densities, even though, for Wilsonville, lower meant closer to average densities. The land Metro Council approved to come into the UGB would be because land was needed for housing regionally. Expanding the UGB would need to perform against a separate set of metrics than the ones being discussed now and could not be used to solve their problems with the multi-family and single-family housing mix. However, if the City was trying to solve the problem of not having enough land for housing, it could request more growth area.
 - To address the density imbalance, Staff was factoring it into the assumptions for Frog Pond, which had been done. The math was the math; the numbers would only come to a certain conclusion, unless property was downzoned within the city. If the numbers zoned for multi-family or higher densities was changed, the numbers would change. However, it would require a significant engagement with private property that was already zoned with rights for private property development.

- Commissioner Postma replied in order to stay within the parameters of the City's current plan given this analysis; to not consider land outside the UGB. He was not sure the City wanted to do it a different way, but he was concerned that if they created a document and plan that took them down this road that Wilsonville had to fit within these defined parameters, had no other choice and would not explore any other options, it created an impetus that would be hard to change. He understood it would mean having difficult arguments before Metro, but there was a significant imbalance, based even upon what Metro said the City should have. The regulations did not give the City much flexibility but to correct the imbalance something different must be done. He was not sure there was a resolution to the problem.
 - Ms. Mangle noted that this Goal 10 Housing Analysis did not address densities, housing mix and housing types on the Advance Rd site; it focused on Frog Pond because it was the City's planning area and in the UGB. Advance Rd was identified as a place to grow, and nothing more.
- Chair Altman posited that the Commission should assess how they felt about where the City was right now, given the concern with the multi-family housing. How did they feel about it relative to the current plan, and when would they do that? Playing with the numbers had nothing to do with good planning but to develop a defensible argument for legal purposes. Where did the Commission get the community planning on what Wilsonville wanted into this mix?
- Frog Pond did not have a zoning density and was not zoned yet, master planned or anything; therefore, assumptions were made in the Goal 10 study because none had been adopted yet. The assumptions did not make the zoning policy, but were assumptions for a model. They were reflected in the Goal 10 document as the 5 to 8.5 units per gross acre shown in Table 4. Density was being specifically addressed in this project in the way assumptions were made. The rest of the assumptions in Table 4 were more or less about policy as directed by the Commission. Density was also specifically addressed due to a state requirement to demonstrate that density was being met citywide.
 - Density was also being addressed in what the City had done historically; development over the last decade or so was about 12 dwelling units per net acre. The assumed capacity was below that, but it met the state requirement of at least 8 dwelling units per net acre.
 - Given the density being considered and no zoning yet adopted for Frog Pond, could the City play with the zoning numbers for Frog Pond or would high density have to be along certain roads, for example, because that fit the model.
 - The 5 to 8 dwelling units per acre was 90 percent single-family detached with 10 percent of something denser, which could be single-family attached, like duplexes or triplexes, not multi-family.
 - Why not have 15,000 sq ft lots, which would still not mess up Metro's number. The City was not providing choices that people from other states are used to.
 - In developing the density of 5 to 8 dwelling units per acre, the consultants discussed refining a reasonable density level and the amount of development in Frog Pond in the concept and master planning process, which would be based in part on issues related to infrastructure investment and what worked fiscally, as well as what the market was looking to develop. Also, 5 to 8 dwelling units per acre was a reasonable low estimate of development density of a large area. It did not necessarily exclude 15,000 sq ft lots if allowed by zoning. The dwelling units per acre were determined following discussions with the Commission and considering that the issue would be revisited in much more detail in the concept and master plans.
 - The final density was not being decided; numbers had to be chosen for a model. The City would begin setting policy for Frog Pond in the concept planning process over the next year, which would include a discussion on density numbers but also on estimating the cost of infrastructure, amenities, etc. Planning for Frog Pond would occur in that process, not in the tables.
 - Staff also considered that the Planning Commission was interested in the density being a lower number of 5 to 8, preferably closer to 5. The number could be lowered a bit, but it would not really change the message of the report, which was that Wilsonville complied with Goal 10.

- The analysis provided a lot of information that would feed into the Frog Pond concept planning process, but also into housing policy decisions and applications presented to Council, who would have more information about the City's housing need. Information from the analysis would feed into local policy decisions.
 - The big picture was that Wilsonville had about enough land, depending on how much was built, but would probably run out of land in 20 years, which would inform conversations with Metro. The City was on Metro's track; the best thing to do was to be prepared with arguments and data, and articulate the need for housing specifically around Wilsonville.
- The state and Metro's regional requirements pertaining to housing were clarified. The state required each city to conduct a housing needs analysis that addresses housing need over a 20-year period based off a forecast, which led to a conclusion about how much housing would be needed by needed housing type (single-family detached, single-family attached, apartments, manufactured homes and government-assisted housing). The state administrative rule also required that jurisdictions in the Metro region also assume a 50/50 split or justify of a different split, and a minimum density of 8 units per net acre.
 - Appealing or pursuing an alternative split involved the Oregon state legislature, not Metro. Issues around concept planning, master planning and UGB amendments all involved a Metro process.
 - The Planning Commission would make a recommendation to City Council, who would adopt the housing study, which would go to the State for acknowledgement that certain items have been met. Hopefully, the City would know any concerns the State might have well in advance as staff had submitted the draft report to DLCD for comment.
- Similar to the TSP, some Comprehensive Plan and Code work had been done to follow-up and fully comply with Goal 10 numbers. As part of this specific action, they were not getting far into the Comprehensive Plan policy structure.
 - It was important to keep in mind that this housing analysis data provided the current state of the city and would be used to make informed decisions for the future. Then the Commission could discuss where they wanted to go and what methods would be used to get there.
 - Wilsonville had a Comprehensive Plan and the city had largely been planned already. There were continually choices to be made about the details of how the Comprehensive Plan was implemented, but neither the Comprehensive Plan nor the policies within it would be revisited at a substantive level. Frog Pond, the area not yet planned, was the focus of the policy discussion. They had policy discussions about Town Center, not to move Town Center, but to consider opportunities about how it could possibly be done better or more effectively.
 - An evaluation had also been completed of the Comprehensive Plan policies and implementation measures in the housing element. There might be things the Commission could consider looking at, but nothing regarded Goal 10 compliance. There was no urgency to change anything at this point.
 - There was still upcoming citizen involvement. The Commission had not yet engaged the community in a meaningful way; an open house is planned for early next year. The development community had yet to weigh-in on some of the issues as well. All of which was important to consider as the Commission went forward and thought about Comprehensive Plan policies and where the City was at this point. The Comprehensive Plan was completely rewritten in 2000. Staff had not had an opportunity to focus on the Comprehensive Plan or Development Code, but Mr. Neamtzu and Ms. Mangle were both working on that and would bring forward pieces for the Commission's consideration in upcoming meetings.
- Looking at Table 1, if all of the new housing was single-family, it would drop the City's ratio to somewhere around 40 percent multi-family/60 percent single-family. If 50 percent was single-family detached, the density would be somewhere around 56 percent multi-family and attached.
- The 18.5 percent conversion from gross to net in Table 3 involved some complex mathematics, not just multiplying the gross times 18.5 percent. Ms. Goodman agreed to provide the formulas to Ms. Mangle.
- There were two different types of net to gross conversions: the 18.5 percent, which was a Metro average used to get a citywide average, and then what was actually planned on the ground. Part of what was shown in Ms. Mangle's examples was areas with relatively low gross densities but higher net densities, partly due to the requirement for open space. How open space played out in the net to gross

conversion was a development-to-development requirement. If the net to gross conversion was viewed two different ways, it made a little more sense. Basically, Wilsonville often planned in gross acres, but the state requirements were in net acres; therefore, Staff had to calculate an estimate of net acres.

- While retirees would be a growing part of the population, it was difficult to determine how they factored into the income numbers, especially in Table 6. The data was based on the American Community Survey data for Wilsonville, which assumed the income distribution would remain more or less constant over the 20-year period in real terms.
 - One struggle with housing studies was that incomes were not necessarily indicative of wealth. Someone in a single person household who made less than \$21,900 per year was in a very different financial situation than someone in a four-person household. Having one's mortgage paid off clearly changed the financial outcome as well, so none of that was really factored into Table 6. Many boomers had not planned very well for retirement and might end up being in these income levels when they retired. Table 6 was intended to be demonstrative of the number of households that might fall under different income ranges and have different housing needs.
 - Indicators of housing affordability and wealth were discussed more extensively in the longer Staff Report, as well as the fact that some indicators were not as good as others. Generally, when housing affordability was considered, there was better data vis-à-vis wealth for renters than for homeowners, because homeowners could afford to pay more than HUD standard of 30 percent of their income on rent and still have enough left for other necessities. The data in Table 6 estimates future housing need by income bracket based on information from today.
 - How retirees factored into the numbers might be a more important question if the City pursued the alternative route trying to justify an alternative approach to the 50/50 split. It could also go the other way; the aging population could demand more small homes rather than large.
 - Data had been presented in previous meetings about things such as whether people own or rent by age. There were a relatively high number of seniors in Wilsonville, and many were in single-person households. To some extent, the market might already be starting to accommodate that demographic. It was extremely challenging for communities to think about how to plan to accommodate seniors, when considering the life cycle, the housing needs over that period of time, the financial capacity of people to purchase housing, and whether assisted care would be needed at some point. Those were all important needs that required land and would be require more land over the 20-year planning horizon.
 - The upside was that Wilsonville's planning system was flexible enough to accommodate those things as necessary. The way the City had thought about building communities and allowing for a range of housing was certainly supportive of the best planning practices to meet the needs of the aging population.
 - It was very difficult for those who desired a single-level home, especially a new home, to find one in Wilsonville. The economics was fairly difficult for the construction industry. Single-level homes were not available even for those who could afford it. That these homes should be considered in the housing mix was suggested.
 - On Map A-1, Page 16 of 18, TAZ Boundary 969 showed 769 new dwelling units over a 25-year period, 2010 to 2035, which included Brenchley Estates; therefore, much of it was already built.
 - Some of TAZ Boundary 985 had been in the urban reserve, but not in the UGB now because reserves were not counted in the UGB. The 25 dwellings from the Coffee Creek area would be included because they were within the UGB.
 - With the projected population growth, the larger the lots, the more land Wilsonville would need. At some point, the city would need to grow even larger, if the City pursued the ability to have large lots.
 - If the City was going to try to increase the size of the lots, more land would have to be incorporated,-especially since Wilsonville was close to the balance now, according to the consultants' estimates.

Mr. Parker reviewed the Next Steps involving several meetings, which included the joint City Council and Planning Commission meeting scheduled for December 2, 2013 and a public forum with the Committee for

Citizen Involvement (CCI) on January 8, 2014 when the results of the housing study would be presented to the community. Later in January, City Council would review the draft of the full housing analysis study and then the public hearing process would begin.

Commissioner McGuire suggested being very specific about the desired outcomes for the public forum in January, because she believed the consultants would encounter the same issues the Commission had. They should present the findings and focus the conversation around Frog Pond and getting input specific to that. It was important to know what specific questions would be asked of the public when inviting them for input.

- Mr. Parker agreed, adding it was important that the questions involve things the public could actually have some sort of input on, not whether the City should comply with the Metro Housing Rule. The consultant team already had some ideas about specific things to discuss at the public forum, which the Commission could provide additional input on at a future meeting.

VII. OTHER BUSINESS

- A. 2013 Planning Commission Work Program
- B. Commissioners' Comments
 - OCPDA Training Summary (Altman & Millan)

Chair Altman stated he was disappointed because the Planning Commission training primarily focused on quasi-judicial decisions, rather than what Wilsonville's Planning Commission typically did, so it was not that helpful. He had hoped to get an update on a lot of case law.

Commissioner Millan said she had been struck by a couple of things. One was the panel of commissioners from other cities whose experiences had seemed fairly similar to Wilsonville's in terms of getting public involvement. The other commissioners had taken steps to make sure they were very clear in conveying what people could really affect. Second, there had been a concern for privacy and that people were providing their address when giving public testimony, essentially on television. Some locales had shifted away from doing that and just obtained the addresses in writing. As a new commissioner, she found the training and chatting with other commissioners about their experiences useful.

Barbara Jacobson, Assistant City Attorney, agreed to prepare materials regarding case law for Chair Altman, particularly concerning things the Planning Commission typically addressed and new case law, which could be discussed further if needed.

VIII. INFORMATIONAL ITEMS

- A. Basalt Creek Concept Plan update

Chris Neamtzu, Planning Director stated the kick-off meeting had been good and anyone interested could review the tape of the meeting. Many engaged citizens attended, including property owners, many of whom were concerned about transportation improvements; those living in nice homes, who were tracking the project closely; and business owners in the southwest Tualatin Concept Plan area and not within the geographic boundaries of the study area who were interested in how the planning related to their operations; as well as interested developers in the area. Having a lot of public involvement on the concept plan was guaranteed.

- He and Ms. Mangle were working with Tualatin's city staff to finalize a scope of work with the consultant team. He was apprehensive to put a timeline on it as two cities were involved as well as two committees. Each community was on different levels as far as information needs, so it would be a challenging process from a coordination standpoint.
- The Consulting team of Fregonese Associates with CH2M Hill was in the negotiation process for the contract. The firm had an exciting interactive model-building tool, "Envision Tomorrow" software, which

allowed for multiple scenarios to be developed relatively rapidly with outputs for different kinds of returns on investment.

Ms. Mangle added Councilor Fitzgerald had mentioned the subcommittee that City Council was forming to help define the decision-making process. Questions included whether there would be a steering committee, what form it would take, and whether to include Planning Commissioners or City Councilors on the subcommittee. Staff had not yet decided how much or in what capacity the Planning Commission would be involved. She was somewhat protective of the Commissioners' time because of the upcoming work on the Frog Pond and Advance Rd areas, but was aware of the desire to be engaged in the Basalt Creek project.

B. Industrial Form Based Code

Mr. Neamtzu stated Staff had submitted a proposal on the Industrial Form Based Code well over a year ago, but Staff changes had occurred at the State, so Wilsonville finally had a scope of work, and the City received \$63,000 dollars to work with architect Marcy McInnelly of Urbsworks and her partner, Joseph Readdy. Keith Liden, who had consulted for the school district and was very familiar with Wilsonville, was also on the team. The timing was not ideal, given everything else that was happening, but it was added to the work program because Staff wanted to accept the money and move the project forward. Property owners, the Chamber of Commerce, the brokerage community and other interested parties would be involved. Given the adoption of the Day Rd Design Overlay, Staff would revisit some of those design aspects to see if some processes could be streamlined. Exciting architectural books defining good industrial and office development would be created, providing an optional path for applicants. The Coffee Creek area would be used as a geographically-defined test case for the application of the new pattern book.

- The State was excited to roll out the Industrial Form Based Code and believed it could have application in other parts of the state. The State really wanted to create unique projects that could be tailored to different communities. The kick-off meeting, orientation and tour of the area had already been held. Staff was now doing mapping and assisting from a technical standpoint. He noted that the scope had been included for the Planning Commission's information.
- This code has not been done locally and was usually done on main streets or downtowns so, having it applied to a truly industrial area was unique. It would not be taken as far as to ignore all land uses, as many form-based codes did. However, there would be a picture book, pattern book, public realm, and good design with more of a checklist-type of approach to industrial development specifically. There was no test case, at least not in Oregon, and even nationally, there did not appear to be any great models.

IX. ADJOURNMENT

Chair Altman adjourned the regular meeting of the Wilsonville Planning Commission at 7:25 p.m.

Respectfully submitted,

By Paula Pinyerd of ABC Transcription Services, Inc. for
Linda Straessle, Planning Administrative Assistant