



MINUTES
City Council Meeting
Monday, June 15, 2020 6:00 PM

COUNCIL PRESENT: Stan Pulliam, Mayor, Jeremy Pietzold, Council President, Jan Lee, Councilor, Carl Exner, Councilor, and Bethany Shultz, Councilor

COUNCIL ABSENT: John Hamblin, Councilor and Laurie Smallwood, Councilor

STAFF PRESENT: Jordan Wheeler, City Manager, Jeff Aprati, City Recorder, Emily Meharg, Senior Planner, Greg Brewster, IT/SandyNet Director, Kelly O'Neill, Development Services Director, Mike Walker, Public Works Director, and Tanya Richardson, Community Services Director, Chris Crean, City Attorney

MEDIA PRESENT: Sandy Post

1. MEETING FORMAT NOTE

The Council conducted this meeting electronically using the Zoom video conference platform. A video recording of the meeting is available on the City's YouTube channel:
https://www.youtube.com/channel/UCbYEclgC6VW_mV2UJGyvYfg

2. CITY COUNCIL WORK SESSION - 6:00 PM

2.1. Facilities Assessment & Space Needs Analysis

Staff Report - 0279

The **Finance Director** stated that the analysis in the report would help the City develop a robust capital improvement plan that prioritizes the City's facility investment needs. 242 separate assets are identified in the report. 144 are in great or good condition. 47 need significant repairs in the short-term. The report ranks the needed repairs, taking into account factors such as potential public risk in the case of building failure. Approximately \$10 million in needed repairs over 30 years is identified in the report.

Councilor Pietzold asked whether the data in the report could be updated and maintained in the future. Staff confirmed that it could be updated, though some additional effort on staff's part would be required.

Councilor Lee asked why the HVAC system in the library was listed as in need of upgrading. Staff responded this was due to the airflow impairment caused by the number of bookshelves that have been added.

Councilor Exner asked about water system infrastructure. Staff responded that water infrastructure is being addressed separately in the Water Master Plan update process. This report looked at facilities that house City staff, including those that are open to the public.

Councilor Lee asked whether efforts are being made to consider facility investments that would increase efficiency and resiliency. Staff responded that any facility improvement efforts would include strong consideration of high-efficiency equipment, such as HVAC and water heaters.

Mayor Pulliam asked to what extent Directors have discretion to make facility improvements to the buildings they manage, rather than needing approval from Administration. The **Finance Director** stated that though Directors will continue to have discretion, the facilities assessment, and ultimately the capital improvement plan, will be available as information resources. **Mayor Pulliam** asked whether this analysis could lead to more strategic, consolidated purchasing/contracting efforts. The **Finance Director** confirmed that the data now available would allow for large purchases, such as new plumbing, to be coordinated across facilities to achieve economies of scale. The **City Manager** stated that further coordination can be fostered through the budget process, where individual department needs are identified.

Councilor Exner asked what the process would be to decide to re-purpose a building if needed. The **Finance Director** stated it would require an effort to determine the costs of making needed repairs in addition to considering space needs. **Councilor Exner** cautioned against waiting too long to address known space deficiencies. The **City Manager** stated that when the estimated cost of repairing and/or expanding an existing facility exceeds the estimated cost of building from scratch, new construction should be seriously considered. He also mentioned the possibility of changing practices regarding remote working. The **City Manager** identified SandyNet as a program with significant facility needs, particularly in the future. He said the facilities analysis would position the City to make strategic investment decisions.

The **Finance Director** outlined the space needs portion of the report, stating that there is a 14,000 square foot deficit across the City that is expected to increase to 26,000 in 10 years. City Hall has a large circulation area currently, which could be repurposed for storage or other needs. The lack of conference

room space was also emphasized. The Library was recognized as having a significant space deficit. The report identified a current FTE deficit of 11, which is projected to increase to 24 after 10 years.

Councilor Exner asked whether remote working capabilities developed during COVID-19 could be used to address some of the space deficiencies. Staff responded that such opportunities likely do exist (though not until distancing needs have abated), but this report does not address that issue directly. It was noted that the need for paper document processing, in-person contact with the public, and in-person meetings will not disappear.

3. CITY COUNCIL REGULAR MEETING - 7:00 PM

4. Pledge of Allegiance

5. Roll Call

6. Changes to the Agenda
(none)

7. Public Comment

Kathleen Walker: acknowledged the recent Black Lives Matter demonstrations and the cooperation with Sandy Police. She hopes to see involvement from local elected officials in the future, and hopes the School Board will ban the Confederate flag on school grounds.

Cary Mallon, 37537 Rachael Drive: asked whether Gunderson Road will be used for construction access during the development of the Bailey Meadows subdivision. He also asked what the timeline for construction will be. Staff responded that it appears ODOT will approve use of Gunderson for construction traffic, which is included in the development agreement. Staff also stated that the construction timeline is uncertain; it could begin this summer.

8. Consent Agenda

8.1. City Council Minutes

Moved by Jeremy Pietzold, seconded by Jan Lee

Adopt the Consent Agenda.

CARRIED. 5-0

Ayes: Stan Pulliam, Jeremy Pietzold, Jan Lee, Carl Exner, and

Bethany Shultz

Absent: John Hamblin and Laurie Smallwood

9. New Business

- 9.1. Ordinance 2020-11: Approving Annexation of One Property and Right-Of-Way Totaling Approximately 6.42 Acres and Assignment of Single Family Residential (SFR) and Parks and Open Space (POS) Zoning in Conformance with the Urban Growth Boundary Expansion in File No. 20-002 UGB 15 - 21

Staff Report - 0276

Abstentions: none

Conflicts of Interest: none

Ex Parte Contacts: **Councilor Exner** stated he had visited the site but had no specific conversations about this application. **Mayor Pulliam** made the same declaration.

Challenges to the Hearing Body: none

Staff Report: The **Development Services Director** summarized the annexation application. His presentation slides are attached to these minutes.

Applicant Presentation:

Chris Goodell, AKS Engineering, 12965 SW Herman Rd, Tualatin, OR: he agreed with the findings and recommendations provided in the staff report. He requested that the Council follow staff's recommendation for approval, and noted that it had been approved by Clackamas County.

Public Testimony:

Testimony in Favor: (none)

Testimony Opposed:

Kathleen Walker, 15920 SE Bluff Road: stated that nothing in the development agreement spoke to what would happen to the designated parkland with respect to SMC 17.84. She would like to see the developer clear, grade, and seed the land, and provide sidewalk access. She read an email sent from the applicant's attorney to the appellants' attorney that expressed the applicant's

intention to voluntarily take certain actions in furtherance of park development, and asked that the developer be held to the commitments expressed in the email.

Neutral Testimony: (none)

Staff Recap: the **Development Services Director** reiterated staff's recommendation of approval. He stated that SMC 17.86 is not applicable to the annexation question before the Council, and thus the Council could not add such conditions to their approval of this application. This was confirmed by the **City Attorney**. The **City Manager** stated that it may be prudent to incorporate the development of the park into the City's larger parks planning process.

Applicant's Rebuttal: Garrett Stephenson, applicant's attorney, 1211 SW 5th Ave, Portland, OR: stated that the decision on the annexation should not address park development, and that the applicant would honor any commitments made. He thanked staff and expressed his hope for a quick approval of the matter.

****The public hearing was closed (motion below)****

Council Discussion: **Councilor Pietzold** stated that the Council had reviewed these issues over the past several months.

Ordinance Readings: **Councilor Pietzold** performed the first reading of the ordinance by title only; the **City Recorder** performed the second reading by title only.

Moved by Carl Exner, seconded by Jeremy Pietzold

Close the public hearing.

CARRIED. 5-0

Ayes: Stan Pulliam, Jeremy Pietzold, Jan Lee, Carl Exner, and
Bethany Shultz

Absent: John Hamblin and Laurie Smallwood

Moved by Jeremy Pietzold, seconded by Jan Lee

Approve the first reading of Ordinance 2020-11.

CARRIED. 5-0

Ayes: Stan Pulliam, Jeremy Pietzold, Jan Lee, Carl Exner, and
Bethany Shultz

Absent: John Hamblin and Laurie Smallwood

Moved by Jeremy Pietzold, seconded by Carl Exner

Approve the second reading of Ordinance 2020-11.

CARRIED. 5-0

Ayes: Stan Pulliam, Jeremy Pietzold, Jan Lee, Carl Exner, and
Bethany Shultz

Absent: John Hamblin and Laurie Smallwood

[PowerPoint Slides - 20-001](#)

- 9.2. Ordinance 2020-14: Amending Section 15.28 of the Sandy Municipal Code
Related to System Development Charges

Staff Report - 0278

Abstentions: none

Conflicts of Interest: none

Staff Report: the **City Manager** stated that the Council considered this issue at its work session on June 1, 2020. The **Public Works Director** stated that the impetus for making these changes came from the negotiated development agreement for the Bailey Meadows subdivision. The new code provisions would allow SDCs to be adjusted to account for changes in construction costs over time, and would allow the Council to approve SDC credits that that could accrue directly to developers, who could then distribute them to home builders who purchase lots in a development.

Public Testimony:

Testimony in Favor: (none)

Testimony Opposed: (none)

Neutral Testimony: (none)

Staff Recap: this proposal was reviewed by the Council at their work session on

June 1.

****The public hearing was closed (motion below)****

Council Discussion: none

Ordinance Readings: the **City Recorder** performed the first and second readings of the ordinance by title only.

Moved by Jeremy Pietzold, seconded by Bethany Shultz

Close the public hearing.

CARRIED. 5-0

Ayes: Stan Pulliam, Jeremy Pietzold, Jan Lee, Carl Exner, and
Bethany Shultz

Absent: John Hamblin and Laurie Smallwood

Moved by Jeremy Pietzold, seconded by Jan Lee

Approve the first reading of Ordinance 2020-14.

CARRIED. 5-0

Ayes: Stan Pulliam, Jeremy Pietzold, Jan Lee, Carl Exner, and
Bethany Shultz

Absent: John Hamblin and Laurie Smallwood

Moved by Carl Exner, seconded by Bethany Shultz

Approve the second reading of Ordinance 2020-14.

CARRIED. 5-0

Ayes: Stan Pulliam, Jeremy Pietzold, Jan Lee, Carl Exner, and
Bethany Shultz

Absent: John Hamblin and Laurie Smallwood

9.3. Resolution 2020-15: Adding Gunderson Road and Olson Street to the City's
Transportation System Plan Capital Improvement Plan

Staff Report - 0280

The **City Manager** explained that this resolution would add the Gunderson

Road and Olson Street projects to the Transportation System Plan CIP project list, as the Council discussed at its June 1 work session.

Councilor Exner stated it may be prudent for the Council to revisit capital project priorities. The **City Manager** stated that public input and Council review will occur as part of the Transportation System Plan update.

Moved by Jeremy Pietzold, seconded by Carl Exner

Adopt resolution 2020-15.

CARRIED. 5-0

Ayes: Stan Pulliam, Jeremy Pietzold, Jan Lee, Carl Exner, and
Bethany Shultz

Absent: John Hamblin and Laurie Smallwood

- 9.4. Ordinance 2020-13: Amending Chapter 17.78 of the Sandy Municipal Code
Related to Annexations 22 - 28

Staff Report - 0277

Abstentions: none

Conflicts of Interest: none

Staff Report: the **Senior Planner** stated that one of the main intentions of the code changes is to clarify the requirements related to public facilities and services, and how any impacts to such facilities and services from new properties would be mitigated. Several exemptions were included for properties less than one acre, island annexations, and properties with annexation agreements. The notification requirements are also proposed to be increased. Staff originally proposed increasing the annexation waiting period for significant tree removal from five years to ten years. The Planning Commission voted to keep it at five years. PowerPoint slides are attached to these minutes.

Public Testimony:

Testimony in Favor: none

Testimony Opposed: Kathleen Walker, 15920 SE Bluff Rd: annexed properties should have to contribute financially not only toward local roads, but also arterials and collectors. Olson Street should have been paid for by the

developer, for example. New developments must dedicate land for parks as provided in the Parks and Trails Master Plan. They should be required to disclose intended zone changes up front. The waiting period for tree removal should be increased to ten years. Proposed annexations should be posted on the City website with maps and explanations.

Neutral Testimony: Stephen Winkler, 17170 Beers #3: the proposal is too vague and does not sufficiently outline what developers will be required to do in support of the public interest.

Staff Recap:

Many of the proposed code changes were drafted by the City Attorney's office. The **Development Services Director** stated that the intention of the changes was not to increase costs for small property owners, but rather to avoid some of the legal challenges experienced with recent developments. He stated that proposed amendments to the portion of the code covering subdivision developments would be forthcoming.

The **City Attorney** stated that the proposed changes would require developers to demonstrate how impacts to the City's infrastructure could be mitigated. Annexation decisions ultimately hinge on whether the Council believes it is in the public interest; the Council has discretion over the decision.

Councilor Shultz asked for clarification on the Planning Commission's reasoning regarding the annexation waiting period after clear cutting trees. The **Senior Planner** stated that even 10 years of tree growth would not result in trees of substantial size.

Councilor Exner stated that based on his professional experience in forestry, a 5 year time period is too short.

****The public hearing was closed (motion below)****

Council Discussion:

Councilor Pietzold stated that he supports the 10 year waiting period regarding trees, but is uncomfortable with the other proposed changes. He stated that annexations are rare, and expressed concerns with the red tape that would be experienced by small mom and pop property owners, and with the notion that property owners would be required to navigate a lengthy process both at the annexation level and the development approval level. He

emphasized that developments would still be scrutinized in the land use process, even without added annexation requirements. He stated that developments should pay for themselves, but urged that changes be made to the Development Code to ensure this, not to the annexation process.

Councilor Exner concurred with **Councilor Pietzold**. He added that many changes could occur between the time a property is annexed and the time a development application is received, making the time of development the more appropriate point to consider these issues. He stated that master plans should not be enforceable until they are finalized. He supports a 10 year waiting period for clear cutting.

Councilor Lee stated there is value in having more sideboards in the UGB process. She asked the **City Attorney** about how other cities handle this issue. The **City Attorney** stated that there is a wide range of approaches to annexation and that the proposal before the Council falls in the middle of the range. The public interest standard is becoming increasingly common, and can apply to a wide range of concerns including schools and fire protection.

The **Development Services Director** clarified that under the new proposed requirements would not apply to properties under one acre, island annexations, or any property that executes an annexation agreement with the City. Thus, under an annexation agreement, property owners with no intention to develop in the near future could potentially be allowed to bypass the new requirements until their intention changes.

Councilor Exner expressed concerns about proposed surveying requirements. The **Development Services Director** stated that the surveying requirements only apply to flood and slope hazard overlays. He stated that requiring this at the time of annexation would save the property owner from undergoing a Comprehensive Plan and Zone Change amendment in the future.

Councilor Pietzold reiterated his view that these issues should be dealt with at the time of development, not during the annexation process. He indicated that certain properties in the city still have not developed 20 years after their annexation.

The **City Attorney** stated that relying only on the Development Code later in process would limit the discretion of the City. An annexation agreement, however, would remain enforceable in the future when the property is developed and could include additional requirements. He also clarified that in the case of properties with wetlands, requiring a survey at annexation would

avoid properties being assigned a certain zone initially, followed by another at the time of development if it is determined that a fish overlay designation is necessary.

Councilor Exner asked about the usefulness of imposing development-related requirements and disclosures at the time of annexation when it may be many years before a property is ultimately developed.

The **City Attorney** stated that much about a potential development is unknowable at the annexation stage, but it is possible to require some fundamental analysis to provide the City a high degree of confidence that the necessary infrastructure will be in place in the case of a future development. He stated that the challenges experienced with Bailey Meadows likely would have been avoided under such a system.

Councilor Exner reiterated that development issues should be dealt with at the development stage.

Mayor Pulliam indicated that the City has the most power and discretion at the annexation stage. He stated that if the proposed changes are implemented and prove unsatisfactory, the code can simply be changed again. He stated that as leaders, the Council should perform its due diligence at the front end of the process to proactively manage the community's rapid growth and take control of the future. He also supported the increased notification standards for surrounding properties.

Councilor Shultz expressed support for the proposed changes, which she felt would help the City avoid repeating the challenges experienced with Bailey Meadows.

Councilor Lee concurred, stating the City needs to be out in front of these issues and that the requirements could be amended in the future if needed.

Ordinance Reading: the **City Recorder** performed the first reading of the ordinance by title only.

Moved by Jeremy Pietzold, seconded by Carl Exner

Close the public hearing.

CARRIED. 5-0

Ayes: Stan Pulliam, Jeremy Pietzold, Jan Lee, Carl Exner, and

Bethany Shultz

Absent: John Hamblin and Laurie Smallwood

Moved by Jan Lee, seconded by Bethany Shultz

Approve the first reading of Ordinance 2020-13.

CARRIED. 3-2

Ayes: Stan Pulliam, Jan Lee, and Bethany Shultz

Nays: Jeremy Pietzold and Carl Exner

Absent: John Hamblin and Laurie Smallwood

[PowerPoint Slides - 20-010](#)

10. Report from the City Manager

The **City Manager** indicated that proposed changes to the Development Code will be brought forward soon related to average daily trip standards. Referring to another recent Black Lives Matter protest, he expressed support for their goals and praised the Police Department's cooperation. He stated that the values of respect, dignity, and justice are embedded in the policies and culture of the city organization, and he called on the community to hold the city accountable to those values.

He updated the Council on the County's COVID-19 plans as more cases continue to be reported. City facilities will be opened to the public once protective barriers are installed, which should happen at the end of the month. Municipal Court was held on June 8 with safety precautions in place.

The social services master plan effort by local graduate students is proceeding. A presentation to the Council will occur in July.

The 2020 LOC conference will be held virtually due to COVID-19, as will the OMA conference.

11. Committee /Council Reports

Councilor Shultz: the Library Board met and discussed their annual financial reports and documents. Libraries are now able to resume sharing materials between facilities. She and **Councilor Lee** met with the Trackers organization to discuss childcare opportunities. **Councilor Shultz** stated she likely will not run for reelection this year; **Councilor Pietzold** and **Mayor Pulliam** expressed disappointment.

Councilor Exner: also expressed disappointment with **Councilor Shultz'** reelection decision. He inquired about the clean up day; staff stated it has been postponed

indefinitely, but will confirm this with the provider. An interview with a candidate for the Arts Commission will occur tomorrow. The Growing Together mural fundraising effort is proceeding well. He stated appreciation for the protesters' goals. He asked about a trail and gate that was supposed to provide access to the Hamilton Ridge playground from the Sandyplace Apartments. Staff responded that the area would not qualify for CDBG funding, but agreed that it was a situation worth addressing for safety reasons.

Councilor Lee: urged **Councilor Shultz** to stay with the Council if possible; she values her opinions. A Transit Board meeting is upcoming; Congressman DeFazio is sponsoring a bill to pay for transit costs and roadway work. The County is putting together a Climate Action Plan. Cities within the Metro boundary are eligible for funding to create their own plans to coordinate. The City has been approved for funding through GEOS Institute, but funds are not available yet for disbursement. The Resiliency Committee is moving forward with the work it can undertake in the interim.

Councilor Pietzold: thanked **Councilor Lee** for representing the City before the County Commission. He and the Mayor met with a business owner in the C1 zone who indicated that the recent parking requirement changes were a significant benefit. Grant funds are available through the federal government for potential broadband expansion in rural areas; he shared the information with staff. Plans are being developed for schools in the next school year regarding COVID-19; there remains a large degree of uncertainty. He encouraged the expansion of outdoor seating areas for restaurants.

Mayor Pulliam: expressed his appreciation and praise for **Councilor Shultz'** service on the Council. He thanked **Councilor Lee** for representing the City before the County Commission, and thanked **Councilor Exner** for raising the park issue. He thanked Trackers for being open to the opportunities being discussed. He expressed pride regarding the local family and small business-friendly actions taken by the Council that will prove to be beneficial to the community. He stated that he has received praise from other mayors about the positive way Sandy has handled the protests and dialogue regarding race and policing. He raised the idea of the Council holding a listening session for community discussion of these issues, and also praised the work of the Sandy Police Department. He raised the issue of how to communicate COVID-19 safety in the context of the fireworks show. Staff responded that a communication approach is being developed.

12. Staff updates

12.1. [Monthly Reports](#)

13. Adjourn



Mayor, Stan Pulliam



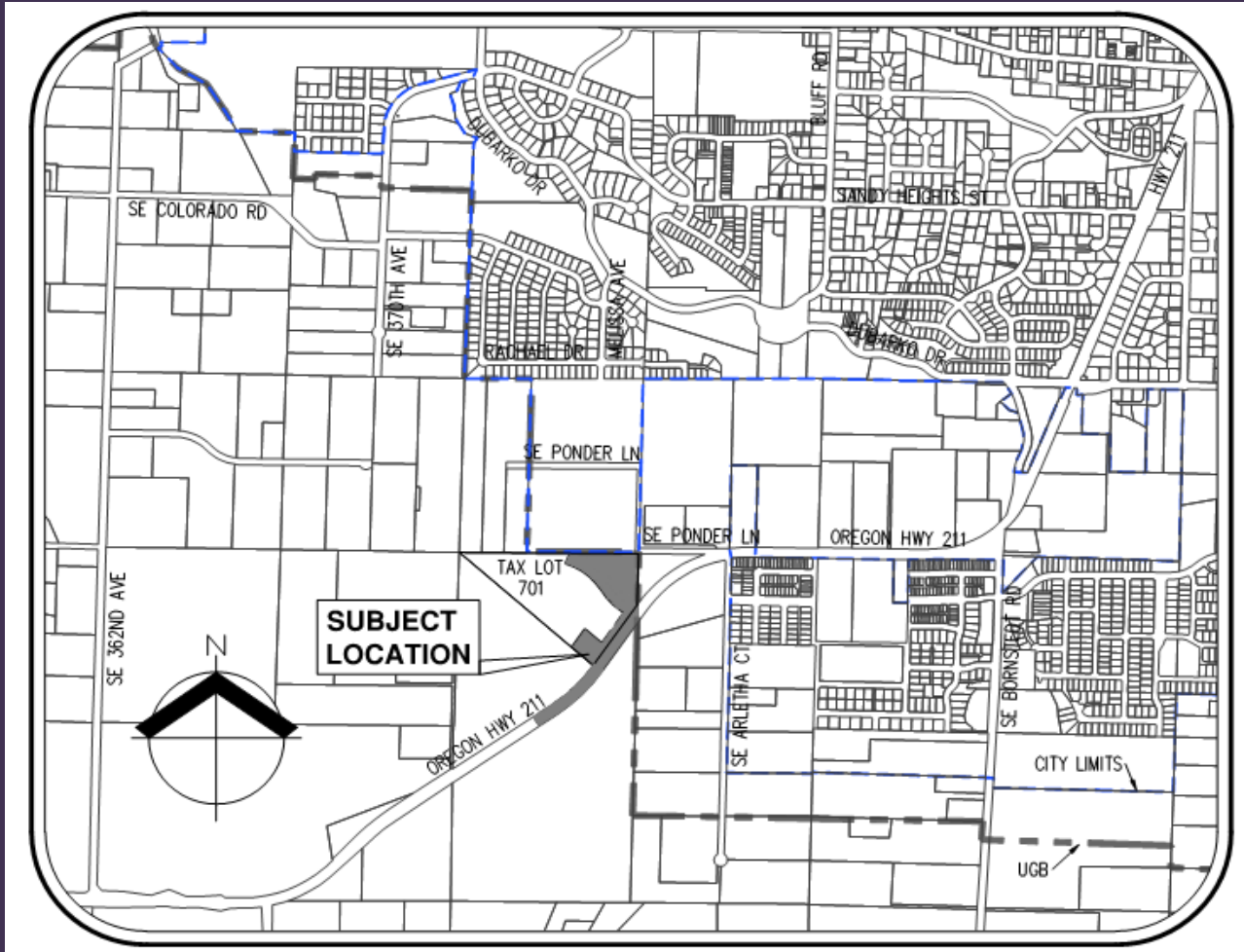
City Recorder, Jeff Aprati

Gunderson Road & Parkland Annexation

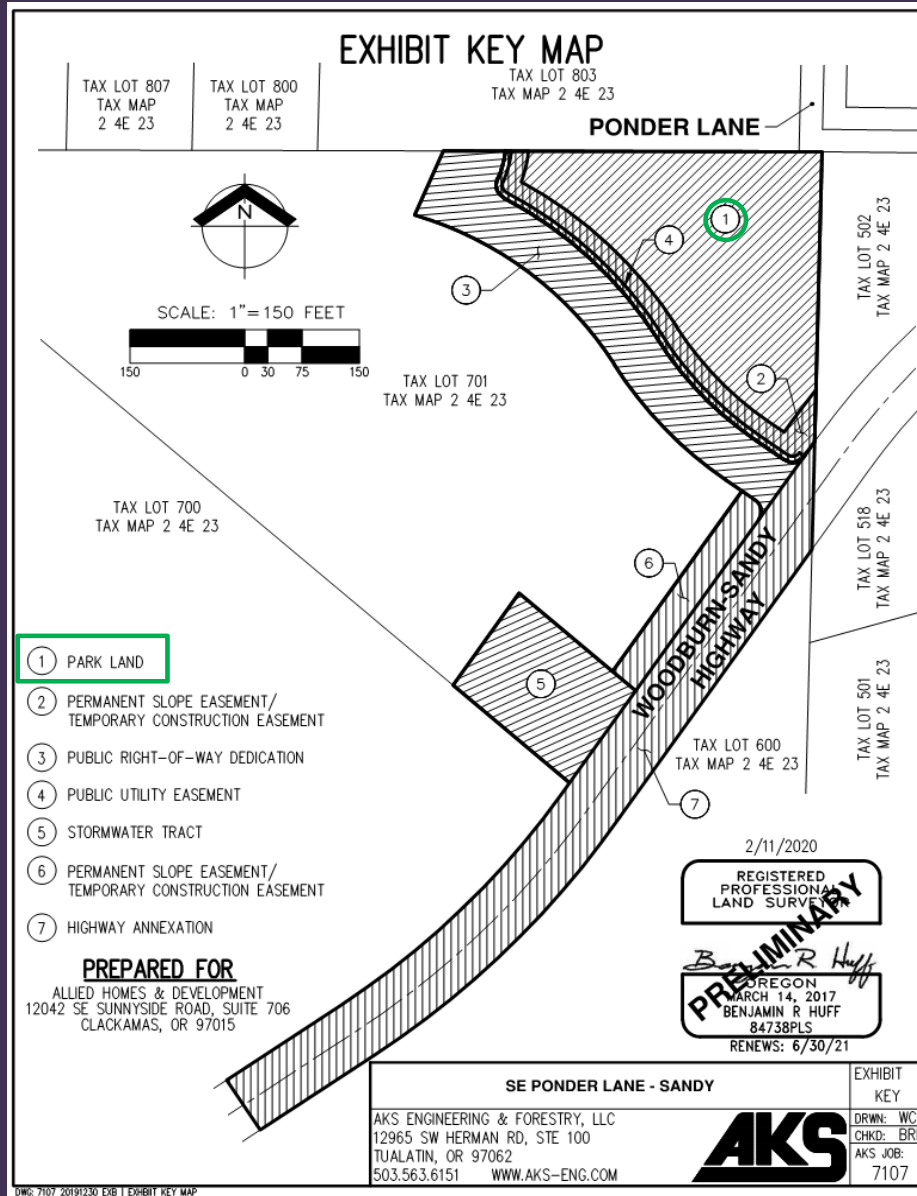
File No. 20-001 ANN/CPA/ZC

City Council 6/15/20

Annexation area



6.42 acres



Annexation Proposal

- The applicant proposes to annex 6.42 acres to meet a need for certain public facilities (a minor arterial road, stormwater facilities, a portion of HWY 211, and parkland).
- The applicant is not seeking to add land for additional residential, commercial or industrial development.
- The annexation would provide an additional access to the Bailey Meadows Subdivision and distribute traffic in the area and meet needs for an area of planned, logical urban growth in compliance with Criterion C of the annexation criteria.

UGB Expansion hearing timeline

- February 11, 2020 – City of Sandy Planning Commission recommends UGB expansion
- March 2, 2020 – City of Sandy Council passed UGB expansion ordinance
- March 9, 2020 – Clackamas County Planning Commission recommends UGB expansion
- June 3, 2020 – Clackamas County Board of Commissioners approves UGB expansion
 - Ordinance passed by Clackamas County on June 11, 2020

Comp Plan and Zoning Modification

- Existing County comp plan designation = Agriculture (AG)
- Existing County zoning = Exclusive Farm Use (EFU)
- If annexation occurs:
 - Comprehensive plan designation of Low Density Residential and Parks and Open Space
 - Zoning designation of Parks & Open Space (POS) for 2.38-acre park and Single Family Residential (SFR) for 4.04 acres of roads and associated facilities

Recommendation

The Planning Commission and staff recommend the City Council approve Ordinance No. 2020-11. Consistent with the application and the Planning Commission's recommendation, the ordinance contains a condition that limits the future uses of the 4.04 acres zoned SFR to right-of-way and utility uses and associated facilities to support such uses.

Chapter 17.78 Annexation Code Modifications

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Chapter 17.78 Annexation - Proposal

- Clarify annexation criteria regarding public facilities and services.
 - Small annexations < 1 acre, island annexations per ORS 222.750, and properties with annexation agreements are exempt from being required to demonstrate how the property will be served by adequate public facilities and services and how impacts will be mitigated.

Chapter 17.78 Annexation - Proposal

- Clarify submission requirements regarding compliance with City plans, Transportation Planning Rule findings, and FSH mapping.
- Clarify annexation type for POS and/or FSH zone changes.
- Increase noticing distance to 1,000 feet.

Chapter 17.78 Annexation - Background

- The proposed requirements to complete some analysis prior to annexation will make the annexation process slightly more expensive but will give the City Council some assurances prior to making a land use decision of this magnitude.
 - Most property owners that annex typically do so in preparation of either development or as part of a property sale where a developer is trying to secure their entitlements prior to the sale being completed.

Chapter 17.78 Annexation - Background

- Most property owners who annex will pay for the master plan analysis through direct payments by the developer or by a reduction in sale price.
- Either way the master plan analysis is factored into the property value.
- In cases where a property owner does not have an interested developer the required master plan analysis should assist in selling the property after annexation.

Chapter 17.78 Annexation – Background

- Based on the recommendation of the Planning Commission, staff sent notice of the proposed changes to the annexation code to all property owners outside City limits but within the UGB.

Chapter 17.78 Annexation – Background

- Staff originally proposed increasing the annexation waiting period for significant tree removal from 5 years to 10 years.
- The Planning Commission ultimately voted to keep it at 5 years.
- Since the PC meeting, staff has received many public comments in support of increasing the annexation waiting period for significant tree removal to 10 or more years.