

MINUTES City Council Meeting Monday, June 1, 2020 6:00 PM

COUNCIL PRESENT:	Stan Pulliam, Mayor, Jeremy Pietzold, Council President, John Hamblin, Councilor, Laurie Smallwood, Councilor, Jan Lee, Councilor, Carl Exner, Councilor, and Bethany Shultz, Councilor
COUNCIL ABSENT:	
STAFF PRESENT:	Jordan Wheeler, City Manager, David Doughman, City Attorney, Kelly O'Neill, Development Services Director, Greg Brewster, IT/SandyNet Director, Tyler Deems, Finance Director, Tanya Richardson, Community Services Director, Khrys Jones, Committee Member, Sarah McIntyre, Library Director, Emily Meharg, Senior Planner, David Snider, Economic Development Manager, Pamela Smithsted, Commissioner, Ernie Roberts, Police Chief, and Jeff Aprati, City Recorder

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: <u>https://www.youtube.com/channel/UCbYEclgC6VW_mV2UJGyvYfg</u>

2. SANDY URBAN RENEWAL AGENCY BOARD MEETING - 6:00 PM

2.1. "Growing Together" Mural - SURA Funding Request

Staff Report - 0271

Note: **Councilor Hamblin** was absent for this portion of the meeting.

Arts Commissioner Smithsted stated that the proposed mural concept was approved by the Arts Commission as well as the City Council. The anticipated benefits of the mural include beautifying a central area of the city across from Centennial Plaza, promoting livability, and attracting visitors. Local businesses who sponsor would have a marketing opportunity. The mural is also anticipated to include lighting that could foster safety in the area after dark. She also indicated that the artist, Becky Hawley, would not benefit financially from the proposed project - she is donating her time and talents.

Councilor Exner expressed that construction of this mural would send a positive message by showing that Sandy is moving forward and doing things. He said local businesses have already shown support for the idea.

Mayor Pulliam asked about the fundraising strategy. **Becky Hawley** stated that she would donate the design and project management work. Fundraising vehicles would include hand-painted flowers recognizing individual donors and incorporating names or logos into the mural for larger donors (such as on a collar of one of the dogs, or on the shopping bag). She stated 10-12 people have already pledged donations, before any advertising. She reviewed several aspects of the mural budget, which are included in the proposal in the meeting packet. She indicated she has received supportive communications from the building owner. **Ms. Hawley** stated a that she hopes to cover a significant portion of the project costs through donations, and her goal would be to use \$13,000 in urban renewal funding at the most. Discussion ensued regarding the disposition of any excess donations and requirements placed on dollars within the Art Fund.

Executive Director Jones expressed concerns related to expending funds in the context of the current pandemic and the acute challenges facing local businesses. **Mayor Pulliam** noted that urban renewal funds were recently used to provide local business support grants.

Ms. Hawley stated that the positive vision of the mural could be a welcome message during this difficult time, and that art is considered a useful economic development tool. **Mayor Pulliam** referred to the benefits seen by the City of Redmond from installing public art.

Councilor Shultz expressed support for the project, and noted that the Friends of the Library recently held a very successful fundraising campaign.

Councilor Pietzold also expressed support for the project, though he stated concerns about using urban renewal funds and stressed the importance of developing a strategic plan for urban renewal spending.

Public Comment:

Kathleen Walker, 15920 SE Bluff Rd: expressed support for the mural concept, but stated her desire for the City to open a public bidding process for the project where other local artists would be able to submit proposals. **Councilor Shultz** stated that robust public outreach on this concept has already occurred, including at a public art forum.

Councilor Exner stated that the mural concept has wide appeal in the community, and that it would be a collaborative process. He urged moving forward quickly on the project.

Mayor Pulliam noted the concerns expressed by the Chamber of Commerce, and suggested that fundraising could proceed first, followed by a potential request for funding of any remaining balance.

Councilor Smallwood concurred.

Discussion ensued regarding the building owner's plans for painting the building.

Ms. Hawley stated that for logistical reasons, project funding would need to be solidified by July at the latest.

The consensus of the Board was that fundraising efforts should move forward during June, and the Board would potentially meet again on July 6 to consider a request to cover any remaining costs.

3. CITY COUNCIL WORK SESSION - 6:30 PM

3.1. July 4th Fireworks Display

Staff Report - 0272

Note: **Councilor Hamblin** joined the meeting during this discussion.

Each July 4th, Sandy hosts a fireworks show facilitated by the City and sponsored by Clackamas County Bank. The **Finance Director** stated that the City is at a point where a determination needs to be made regarding whether to proceed with a fireworks show this year in light of the COVID-19 situation. Possible options include proceeding with the event, rescheduling the event, or cancelling the event (which would result in losing the 25% deposit payed to the fireworks vendor). The initial recommendation from staff is to postpone the event for the time being.

Councilor Lee expressed support for staff's recommendation.

Mayor Pulliam stated that social distancing should be possible for such an event, and that it is likely that gatherings will occur during the holiday regardless of the City's decision. He noted that the City's parks are currently open for passive use. He also stressed that the City should be mindful of any concerns from the sponsor.

Councilor Shultz stated her preference that the City postpone the event to avoid being in the situation of having planned and paid for an event that later has to be cancelled due to health requirements.

Councilor Exner expressed frustration with the number of events that have had to be cancelled recently.

Council President Pietzold agreed with the Mayor that this event could successfully incorporate necessary social distancing. He noted that if the event were postponed to later in the summer, the cost could be much lower.

The **Finance Director** stated that all other communities in the area have cancelled their fireworks events, and that a Sandy event could attract a large number of visitors which could lead to virus transmission concerns.

Councilor Smallwood concurred with **Councilor Exner**, and stated that the county may be in Phase 3 by July 4th. She stated that people could effectively social distance while viewing a fireworks show.

Councilor Shultz inquired about the timing of Phase 3. **Councilor Lee** stated that a minimum of 21 days must elapse before a county can move from Phase 2 to 3.

The **City Manager** suggested that if it the Council's direction to continue with this event, staff will explore options to direct residents to view the show from their vehicles, or perhaps set up designated and distanced viewing spaces along with necessary traffic controls.

Councilor Exner further advocated for holding the event, saying it would be an opportunity for the City to set a positive, safe, and responsible example.

Councilor Lee asked about possible liability concerns. The **City Attorney** stated that legal liability concerns are likely to be minimal if the City makes a good faith attempt to ensure safety, though he would like to study the issue further. The **Police Chief** stated that it would be very difficult to enforce 6 feet of separation between everyone, so there would need to be some reliance on

attendees being responsible.

Council President Pietzold stated that because the show can be viewed from miles away, it would be possible to hold the event safely.

Moved by Carl Exner, seconded by Laurie Smallwood

Proceed with holding a fireworks display to celebrate Independence Day, subject to COVID-19 regulations from the Governor's Office.

CARRIED. 5-2

Ayes: Stan Pulliam, Jeremy Pietzold, John Hamblin, Laurie Smallwood, and Carl Exner

Nays: Jan Lee and Bethany Shultz

3.2. Community Center Porte Cochere Repair Project

Staff Report - 0274

The **City Manager** stated that the Facilities Assessment results will be presented to the Council at a work session in the near future, but that this particular project is being brought forward now because of the opportunity to address the building issues while the Community Center is closed due to COVID-19.

The **Economic Development Manager** summarized the staff report (included in the agenda packet). The porte cochere has been determined to be structurally unsound, constituting a safety issue. The needed repairs could be funded through urban renewal or building maintenance funds.

Councilor Pietzold agreed with the idea of performing the repairs while the building is closed to the public. He asked staff how long it has taken to save the balance currently in the building maintenance fund; staff responded it has taken approximately 6 years.

Councilor Exner suggested that the urban renewal facade program could be utilized for some of the expense, but that project elements ineligible for facade funds should be paid for by the City through building maintenance funds, as would be required of any other property owner.

Councilor Lee asked how much would be expended in facade funds; staff estimated the amount to be approximately \$41,500.

The **Development Services Director** stated that facade program funds can also be used for ADA improvements to the building entrance.

Mayor Pulliam noted that long term plans include moving the community center to a different location, and asked what the building might be used for in the future, if and when such a move occurs. He indicated that urban renewal funds could be used to rehab the building for an eventual sale.

Councilor Pietzold concurred that investing in the building makes sense even if the intention is to sell it in the future. He also expressed concerns about the building's ability to withstand major storms.

Moved by Carl Exner, seconded by Jan Lee

Proceed with repairs of the Community Center porte cochere, using urban renewal facade grant funds where appropriate and as approved by the Urban Renewal Board, and building maintenance funds for the remainder.

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, John Hamblin, Laurie Smallwood, Jan Lee, Carl Exner, and Bethany Shultz

4. CITY COUNCIL REGULAR BUSINESS MEETING - 7:00 PM

- 5. Pledge of Allegiance
- 6. Roll Call
- 7. Changes to the Agenda
- 8. Public Comment (none)

9. Consent Agenda

- 9.1. City Council Minutes 5/18/2020
- 9.2. Annual Resolutions

Staff Report - 0270

9.3. Arts Commission and Library Board Term Adjustments

Staff Report - 0273

Staff Report - 0275 Moved by Jeremy Pietzold, seconded by Bethany Shultz Staff Report - 0275 Adopt the Consent Agenda as presented CARRIED. 7-0 Ayes: Stan Pulliam, Jeremy Pietzold, John Hamblin, Laurie Smallwood, Jan Lee, Carl Exner, and Bethany Shultz New Business 10.1. Quasi-Judicial Hearing: Land Use File #20-016 AP - Sandy Vault Major Modification Appeal Staff Report - 0269 Abstentions from the Hearing Body:

Grant Agreement to Receive COVID-19 Relief Funds for SAM

10.

9.4.

14 - 30

none

Conflicts of interest from the Hearing Body: none

Ex parte contact declarations:

Mayor Pulliam has had a variety of conversations with Mark Benson over the years, all of which have been general and have not involved any details of this particular project.

Councilor Pietzold met with Mr. Benson in August 2019 and walked around the Tractor Supply property.

Councilor Exner talked with Mr. Benson in fall 2019 and discussed big-picture matters in general. He has visited the Sandy Vault property.

Councilor Smallwood made the same declaration as Councilor Pietzold.

Councilor Shultz has exchanged emails with Mr. Benson but nothing relevant to this proposal was discussed.

Councilor Hamblin has exchanged emails with Mr. Benson and has visited the subject property, but has not met with Mr. Benson in person.

The **City Attorney** asked whether any member of the Council has had any ex parte contacts specifically after the recent appeal was filed. **Mayor Pulliam** stated that Mr. Benson informed him he appeared before the Planning Commission and appealed their decision to the Council, but they did not discuss the details of the application.

Challenges to the Hearing Body:

none

Staff Report:

The Senior Planner summarized the staff report included in the agenda packet. Her PowerPoint presentation slides are attached to these minutes.

Applicant Presentation:

Tim Brunner, Axis Design Group, 11104 SE Stark St, Portland, OR, delivered the applicant's presentation on behalf of Mr. Benson. Mr. Brunner stated that the proposed buildings would sit far back from Hwy 26, and that the metal siding used would be horizontal and of high quality, painted with colors to fit in with Sandy Style. He stated that Champion Way would be the main focus of the site, and that the complex would not be visibly prominent for people entering the city. He stated that incorporating too many windows into storage units would create significant security concerns. He stressed their intention to meet Sandy Style in a reasonable way, putting dollars where it counts including public plaza space, landscaping, and awnings along the abutting public street (Champion).

Public Comment:

<u>Comments in Favor</u>: none

Comments Opposed:

Kathleen Walker, 15920 SE Bluff Rd: she submitted written testimony before the meeting which is included in the agenda packet. She urged the Council to deny any additional variances beyond those approved in land use file 18-047. She stressed the importance of adhering to Sandy Style, and indicated that the buildings would be visible at the entrance to the town for decades. She shared photos of storage facilities in other cities that incorporate more aesthetically pleasing design features. Nancy Becker, 14585 Bluff Rd: agreed with Ms. Walker, and urged the Council to uphold the code and deny any additional variances.

Greg Becker, 14585 Bluff Rd: agreed with Ms. Walker, and stated that codes are pointless if variances are continually granted.

Andrea Bacon, 12721 SE 352nd Ave, Boring: agreed with Ms. Walker, and stated that if the City continually grants variances, Sandy will eventually look more like Portland or Gresham. She stated that regardless of the view from Hwy 26, many other residents would view the new structures from other local roads on their way to the movie theater, church, etc.

Neutral Comments:

none

Staff Recap:

Staff indicated that the applicable code section was the result of a multi-year legislative effort with substantial input. The variances approved with the original proposal, along with the additional three recently granted by the Planning Commission, represent an unprecedented volume of variances. The Council has the authority to grant additional variances, but staff recommends the Council consider the precedent set by granting so many variances.

Applicant Rebuttal:

Mr. Benson indicated that the example buildings provided by Ms. Walker were built in communities with higher average incomes, and that such buildings would not be economically feasible in Sandy. He stressed that he is using local vendors and banks for this project, and stated that the local banks had informed him they would not provide financing for more expensive structures. He stated he recently sold a gas station in the city because the taxes and mortgage were too expensive. Mr. Brunner urged the Council to approve the intention to focus the design investments on the portions of the building abutting the public roads. He agreed that the photos supplied by Ms. Walker were not applicable because they are different building types in different communities with different economic models.

--PUBLIC HEARING CLOSED--

Council Discussion:

Mayor Pulliam stated that Mr. Benson purchased the property before Sandy Style was enacted.

Councilor Lee stated the new design proposal looks substantially and unattractively different compared to the original proposal.

Councilor Exner supports Sandy Style, and is concerned that granting too many variances eventually dilutes the intended look. He expressed concern about creating precedents for future projects. He did not think the site was especially visible from Hwy 26. He agreed with upholding the most recent Planning Commission decision.

Councilor Pietzold indicated that a large majority of property owners in the area purchased their property before Sandy Style was adopted. He stated that many property owners were engaged and provided input before the requirements were approved. He also stated that Sandy Style applies to other areas in addition to those immediately adjacent to Hwy 26. He supported upholding the recent decision of the Planning Commission.

Councilor Smallwood agreed with **Councilor Pietzold**. She expressed support for Sandy Style and believes the variances already granted are fair. She supported upholding the recent decision of the Planning Commission.

Councilor Shultz concurred with Councilor Smallwood.

Mayor Pulliam stated that this is how the process is supposed to work; codes are developed and put into practice, and those who are dissatisfied are welcome to come to the Planning Commission and or City Council to request exceptions. Nothing being requested was outside the scope of the normal process.

Moved by Jeremy Pietzold, seconded by John Hamblin

Close the public hearing

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, John Hamblin, Laurie Smallwood, Jan Lee, Carl Exner, and Bethany Shultz

Moved by Jan Lee, seconded by Laurie Smallwood

Uphold the decision of the Planning Commission.

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, John Hamblin, Laurie Smallwood, Jan Lee, Carl Exner, and Bethany Shultz

Staff PowerPoint Presentation - Sandy Vault Modification Appeal - 6.1.20

11. Report from the City Manager

The **City Manager** raised the topic of when to resume in-person meetings for the Council and advisory bodies. He posed the idea of a hybrid approach with some members of the Council and public attending in-person in the Council Chambers and others attending remotely.

Councilor Pietzold stated that hybrid meetings are difficult, particularly for the participants attending remotely.

Councilor Exner suggested that those at higher risk of contracting COVID-19 could be the ones to attend remotely. He also raised the idea of meeting in a different building with more room for distancing.

Mayor Pulliam stated his preference that everyone should participate through the same medium. He stated that while some members of the public would prefer to attend meetings in-person, others are more easily able to participate under the remote meeting framework.

Councilor Lee agreed that everyone should participate the same way.

Councilor Shultz agreed. She added that because boards and commissions are likely to follow the Council's lead, it is important to set an example that emphasizes the safety of these volunteers.

The **City Manager** indicated that the Library is looking toward an opening in Phase 2, and that the City is working with a local business to source and install germ barriers, signs, and decals. Capacity limits will be applied. The Municipal Court will resume operating on June 8; plans have been developed to facilitate safety. Local businesses are able to receive free consultations from OSHA regarding requirements and safe operations.

Mayor Pulliam asked whether businesses are experiencing difficulties procuring plexiglass or similar materials. Staff will look into this and provide an answer. **Councilor Exner** stated that his business is having some trouble finding disinfectant supplies, and that others may be waiting for Phase 2 to reopen.

The Development Services Director stated that outdoor seating regulations have

been loosened. The **City Manager** indicated that face coverings will not be required to be worn by the public within reopened City facilities, though they will be strongly encouraged. He also stated that a tour of the Bull Run Powerhouse will occur on Tuesday, and that work is proceeding on the 362nd and Bell project and a preliminary alignment is forthcoming.

12. Committee /Council Reports

Councilor Shultz mentioned the recent Library Board meeting. They intend to reopen in Phase 2 with a 25 person maximum capacity, including staff (they estimate that they had about 75 patrons per hour prior to the pandemic). The new operation model will focus on getting people in and out as efficiently as possible. She praised the Library staff, which pioneered curbside pickup and has developed a number of online engagement tools.

Councilor Exner asked about the current Arts Commission vacancy. He mentioned that virtual meetings tend to last longer than in-person meetings, and that some Council members may not be raising issues during Council Reports due to the late hour. He thanked staff for their efforts to loosen outside seating regulations during COVID-19, and for the development of the e-newsletter. He expressed concerns about uninformed criticism of the City on social media, and encouraged staff to proactively communicate about the good work the City is doing.

Councilor Lee recently met with the County's Budget Committee. The Resiliency Committee has met twice and is actively inventorying plans; grant funds have been secured to assist with broader planning. C-4 will discuss the County's employment plan.

Councilor Pietzold praised staff for the new e-newsletter, saying that he has heard positive reviews from community members.

Mayor Pulliam praised local businesses for their efforts to reopen in a responsible manner. He mentioned his upcoming meeting with Trackers, along with **Councilor Exner**. He also commended staff on the e-newsletter, as well as recent social media communications. He expressed his desire to have a sign installed at the intersection of Hwy 211 and Proctor notifying drivers that left turns onto the one-way street are permitted on red.

13. Staff updates

13.1. Monthly Reports

14. Adjourn

15. CITY COUNCIL WORK SESSION - AFTER REGULAR MEETING ADJOURNMENT

15.1. Work Session on June 15 Agenda Items: Adding Gunderson Road to CIP and Chapter 15.28 Code Amendments (SDC Credits)

The **City Manager** stated that this work session could serve as an opportunity for Council members to discuss or ask questions about items on the June 15 agenda related to the Bailey Meadows subdivision, including making amendments to the code related to System Development Charges (SDCs) and amending the Capital Improvement Plan (CIP).

The **City Attorney** stated that generally speaking, SDCs are collected to fund projects in the CIP. In order to grant SDC credits, as is provided in the Gunderson Road development agreement, the project must be listed in the CIP. At the June 15 meeting, staff will recommend this addition. In addition, staff will bring a proposed amendment to SMC 15.28 to allow for SDC credits to be transferred to third parties. Staff also offered to forward example code language from the City of Tigard.

Councilors Smallwood and **Hamblin** indicated they would be unable to attend the next meeting.

Councilor Shultz asked whether, with the approval of the subdivision application and development agreement at the previous meeting, these proposed actions have to happen. **Mayor Pulliam** stated that while these decisions are closely related, there are additional reasons to take these actions beyond the Bailey Meadows development, such as acquiring jurisdiction over Hwy 211.

MPR=

Mayor, Stan Pulliam

City Recorder, Jeff Aprati

Sandy Vault Storage Major Modification Appeal

City Council Meeting 6/1/2020





Background

- File 18-047 DR/VAR/ADJ Design Review application for self-storage facility with 9 requested adjustments, variances, and deviations
- File 19-046 MOD/VAR/DEV Major Modification application to previous design review approval with 3 additional variance and deviation requests
- File 20-016 AP Appeal of the Major Modification application Planning Commission decision

Major Modification Request

- Major modification to the approved storage facility design (File 18-047 DR/VAR/ADJ), including the following requests:
 - Type III Special Variance to Section 17.90.120(B.3.d.4) to increase the percentage of metal siding on Buildings 1-4 to 80 percent;
 - Type III Special Variance to Section 17.90.120(E.2) to reduce the required window coverage for Buildings 1 and 4; and,
 - Type III Design Deviation to Section 17.90.120(D.7) to reduce the activated frontages on Buildings 1 and 4 as previously identified and approved by Planning Commission.













Major Modification Request

• The applicant also proposed to add 34 new modular units to the site. That request would be processed as a separate design review; however, the applicant opted to not provide the information and fees that would be needed to process that request nor did the applicant request variances or deviations to Chapter 17.90 for the modular units so neither staff nor the Planning Commission could evaluate these structures as part of 19-046 MOD/VAR/DEV.

Planning Commission Major Modification Decision

- The applicant's request to place 34 new modular storage units on the subject property was not reviewed as part of this application as the applicant did not submit a design review application for the modular units.
- The applicant's request for a Special Variance to decrease the percent of windows on the north elevation of Building 1 and the south elevation of Building 4 is denied.
- The applicant's request to reduce the amount of activated frontages such that only a small portion of the north frontage of Building 1 and a small portion of the frontage of Building 4 be considered activated is **denied**.

Planning Commission Major Modification Decision

- The applicant's request to increase the percent metal for the following elevations is **approved**:
 - Building 1 South Elevation
 - Building 1 West Elevation
 - Building 2 North Elevation
 - Building 2 East Elevation
 - Building 2 West Elevation
 - Building 3 South Elevation
 - Building 3 East Elevation
 - Building 4 North Elevation, provided the parapet height stays the same on the west end of Building 4 as the south elevation
 - Building 4 East Elevation

Planning Commission Major Modification Decision

- The following elevations shall remain as previously approved in File No. 18-047:
 - Building 1 North Elevation
 - Building 1 East Elevation
 - Building 2 South Elevation
 - Building 3 North Elevation
 - Building 3 West Elevation
 - Building 4 South Elevation
 - Building 4 West Elevation

Applicant's Appeal of PC Major Modification Decision

- Applicant's appeal narrative cites:
 - Section 17.90.120(B.1), which specifies articulation requirements
 - Section 17.90.120(B.3.f), which requires building materials to turn the corner
- Neither section was reviewed as part of the major modification application.
- Applicant's appeal narrative did not mention any of the 3 code sections reviewed as part of the major modification application.
- Staff is unsure what the basis of the appeal is; the applicant appears to be appealing the major modification application based on code sections that were not reviewed as part of the major modification application.

Recommendation

Staff recommends the City Council do one of the following:

- Approve some of the applicant's requests in the major modification application with conditions as outlined in the Planning Commission final order dated May 1, 2020.
- Deny the major modification requests since they are not in compliance with the relevant design standards and revert back to the original 18-047 DR/VAR/ADJ approval, which included approval of 9 adjustments, variances, and design deviations. (public comment in support)