



**PLANNING COMMISSION MEETING
March 26, 2019 at 6:30 pm
Banks City Hall, Banks, OR
MEETING MINUTES**

Chair Bench called the meeting to order at 6:30 pm. The proceedings were recorded in digital format.

ROLL CALL

Present were: Philip Darrah, Sam Van Dyke, Katherine Brown, Jeremy Bench, Tammie Buck, Chris Zechmann

Attending: Jolynn Becker, City Manager; Stacey Goldstein, City Planner

1. Elect Chair and Vice Chair

Commissioner Darrah nominated Katherine Brown for Vice Chair. Commissioner Zechmann seconded the nomination. Katherine Brown was unanimously elected as 2019 Planning Commission Vice Chair.

Commissioner Brown nominated Philip Darrah for Planning Commission Chair. Commissioner Zechmann seconded the nomination. Philip Darrah was elected as 2019 Planning Commission Chair by a 5 to 0 to 1 vote, with Philip Darrah abstaining.

APPROVAL OF MINUTES

2. Approval of minutes from the February 26, 2019 meeting. Commissioner Darrah moved to approve the Planning Commission minutes from February 26, 2019 as presented. Commissioner Zechmann seconded the motion, which passed unanimously.

PUBLIC COMMENT – There was none.

PUBLIC HEARINGS

3. CPA 19-01. Comprehensive Plan Amendment to Change the Plan Designation of the Property from Low Density Single-Family Residential (R-5) to Multi-Family Residential (R-2.5)

ZC 19-01. Zoning Map Amendment to Change the Zoning of the Property from Single-Family Residential (R-5) to Multi-Family Residential (R-2.5)

Chair Bench called the public to order at 6:36 pm. He read the conduct of hearing format. He called for disclosure of any ex parte contacts, conflicts of interest, or bias from the Commissioners. There were none.

City Planner Goldstein cited the substantive approval criteria and presented the Staff report, emphasizing the applications requested changes to the Comprehensive Plan Map and Zoning Map and were not development applications. If approved, the Applicant would apply for land use permits for a multi-family project in the future. Her key comments were as follows:

- The site was located in an area of mixed uses, and a single-family home currently existed on the lot.
- Since the 2011 Urban Growth Boundary (UGB) expansion, no new multi-family units had been built in Banks. Staff had identified a documented, defined need for future development of R-2.5 housing, which was supported by a recent study by Leland and Associates.
- A traffic impact analysis (TIA) showed the surrounding street system was capable of handling a future build-out of the site for 30 multi-family units.
 - She explained that the development moratorium, discussed on Page 7 of the Staff report, instituted by City Council included an exception for multi-housing projects with a minimum of 25 and a maximum of 40 dwelling units that incorporated water conservation measures. The subject application was allowed because Council deemed the project as critical for meeting the community's housing needs.
- Two letters of testimony had been received, one on March 18th, which was discussed on Page 8 of the Staff report, and the other was received this afternoon and distributed to the Commission.
 - The March 18th letter asked about the impacts of 30 new dwelling units on classroom capacity. Data was provided in the Staff report from the school district superintendent showing capacity was available.
 - The letter of testimony received today from Matthew and Jamie Benke expressed concerns about drivers speeding on NW Banks Rd, sidewalk and road improvements for pedestrian safety, especially for their school-age children, and parking overflow. She noted that these considerations were not specific to the approval criteria before the Commission, but she commented on the concerns as follows:
 - The City recognized speeding was an issue; however, legally, it was not the Applicant's issue to solve. The City was working with the traffic engineer and Washington County to install an illuminated speed sign.
 - Future development would be required by Code to install half street improvements, which included sidewalks. Parking standards also existed for off street parking for residents and visitors and would be addressed during development review. Additionally, the City's Capital Improvement List included future improvement projects on Banks Road to be constructed as funding became available.
- The Staff report included discussion about Statewide Planning Goal 10, which was discussed in the City's Comprehensive Plan and regarded the necessity to increase and improve the supply of housing according to the community's needs. Data showed a demonstrated need for the proposed change in zoning that would allow for future multi-family dwellings.
- Staff recommended that the Planning Commission recommend approval of the amendment to City Council with a condition to allow for a maximum of 30 multi-family dwelling units consistent with the City Council's approved exception to the water moratorium resolution. Conditions of approval normally were not applied to zone changes, but it was appropriate due to resolution and policy regarding this matter.

Chair Bench confirmed there were no questions for Staff and called for the Applicant's testimony.

Greta Holmstrom, Ardor Consulting, LLC, 3296 NE 13th Pl, Hillsboro, OR stated she represented the Applicant and that the team had reviewed the Staff report and concurred with the conditions of approval and findings.

Greg Henes, Applicant, H & J Properties, PO Box 555, Banks, OR introduced Clint Jackson, his business partner, noting they had been one of the largest employers in Banks for more than 25 years. A common denominator of all employers in the Banks area was the lack of affordable

housing for employees. After talking to other business leaders in the community, it was determined that less than 5 percent of employees lived in the City of Banks.

- The median home price in Banks was \$382,000, one of the highest in Washington County. Employees could not afford to live in the city. The vacancy for rentals was less than 1 percent which made it difficult to find a rental at any price. As of today, two units were listed for rent in the city. Long-time residents had seen their kids grow up and move away. He believed a community had to grow employment and make sure people could live and work in the community to keep it vibrant. Supply and demand usually dictated the price for a rental unit. The more units available in any geographic area lowered the rent costs. One of the two rental units available in Banks currently was a house.
- He was not an out-of-state developer, who only cared about the bottom line. His team lived, worked, and raised their families in Banks and tried to support the city and schools in every way they could with both time and money. Banks was their home, and they would continue to respect that fact. He thanked everyone who helped put the summary and all of the information together.

Mr. Henes and Ms. Holstrom addressed questions from the Commission as follows:

- The proposed units would be both vertical and side-by-side and would be rentals. The Commission was directed to the conceptual drawing, which might change. (As far as the Applicant knew, all of the standards had been met for parking, off-street parking, and green space for 30 units on the acre of property on which there was currently an existing house
 - City Planner Goldstein reiterated the application was to change the zoning. The Commission should not consider the conceptual design, or anything not related to the subject criteria in its decision-making.
- The zone change was specific only to the parcel referenced in the application.
- The property sloped toward the mill, dropping approximately 6.5 ft to 7 ft. Because the sanitary line was only 8 ft deep and ran through the south side, the development would be focused on the north end of the property, allowing for parking and green space to be on the south end near the mill.

Chair Bench confirmed there was no public testimony in favor of or neutral to the application and called for testimony in opposition.

Tamara Stewart, 42120 NW Banks Rd, noted the Staff report claimed that the lumber mill was part of the neighborhood, but it actually abutted the south side of the properties. Most of the properties in the neighborhood stemmed from the 1921 annexation into Banks and had single-family homes on approximately 1 acre to 1.5 acre lots. Several of the properties had been subdivided resulting in two to three flag lots with homes. The zoning change would be a significant change to the neighborhood. Businesses were actually on Main St/Hwy 47 and were not part of the neighborhood as indicated in the Staff report.

- The neighborhood at the bottom of the hill had significant traffic impacts as result of the Linear Trail. Two parking lots existed, though one was not official. The significant traffic impacts from 30 units did not appear to be noted in the Staff report. Banks needed additional housing, but she was not sure Banks Rd was the correct location.
- If the development were completed before the water curtailment project, which was expected to take one to two years, it would have a significant impact on Banks and the current residents. She asked if the developers would be absorbing some of the fees for the curtailment project.
- Several large properties had been brought into the UGB, and she asked if those properties had been considered for multi-family housing units.

Mariana Knifer, 12845 NW Maplecrest Wy, stated her concerns were the same as Ms. Stewart's and that she would like more time to gather data on those points. People who lived on Banks Rd would be highly impacted by the proposal. The road was narrow, and she believed more traffic would worsen the situation. If other properties had been brought into the city limits, she did not

understand why they were not being considered for urban growth. She asked for the record to remain open to allow her time to gather more data.

Jay Haack, 42185 NW Banks Rd, stated he agreed with the public testimony so far. He expressed concern about the narrowness of Banks Rd and its use by bicyclists three seasons out of the year to reach the Banks Trail, which was being heavily promoted by the City. The road already could not handle the current demand, and adding 30 apartments, several of which would add two cars to the road totaling approximately 50 additional cars, would make it worse. Building could not take place without preparing the infrastructure first. The criteria could be met, but just because something could be done did not mean that it should. A lot of kids lived on Banks Rd and the additional traffic would be dangerous to them and the cyclists.

- Adding an apartment complex was a great idea, but not in the middle of a residential area on one lot. Some of the annexed land should be zoned R-2.5 and the existing neighborhoods left as they were. One reason he came to Banks was for single-family homes and the out-in-the-sticks feel. An apartment building would ruin that feeling.

Bonnie Wakeman, 41656 NW Buckshire St, stated she was a science teacher and was concerned about the water table and water usage. The city was already over capacity for water usage and she wondered how another 30 apartments could be managed. She understood and respected the housing need and the improvements being done on NW Sellers Rd and NW Cedar Canyon to stop the loss of water through the pipes. However, current water supply would not equal the additional demand. She urged the Commission to consider the water as it was a very valuable resource. She received a letter every summer which prohibited watering her lawn on certain days due to the water shortage.

Lori Haack, 42185 NW Banks Rd, stated she agreed with the other public testimony. She appreciated that Banks wanted to grow and provide more affordable housing. She believed good opportunities existed to accomplish that goal without changing the long-standing zone on this block of land. It seemed a little shortsighted, or reactive to change the zone and put an apartment complex in the middle of residential homes. That sort of solution would result in a messy patchwork quilt-type of development. It would be great for Banks to grow in a planned, logical way, but she did not like the idea of changing the nature of an existing neighborhood. Changing the zone in the middle of an area did not make sense. A good plan was needed instead of a reaction to a proposal. Banks should care about protecting its existing neighborhoods, rather than changing them when other options were available to do that kind of building and construction.

- The infrastructure definitely needed to be in place first. Everyone had already been affected by the requests to curtail water usage, and it was concerning when more and more residences were added. The water improvements would help, but there was only so much water, and more development would require serious changes regarding water.
- Traffic was a concern. Currently within the city limits, about 25 residences were located on or directly accessed Banks Rd and adding 30 more residences was a 120 percent increase in population and traffic.
- She was surprised the schools had the available capacity, but she appreciated that information.

Mike VanDendries stated his issues had already been addressed.

Chair Bench confirmed there was no further public testimony and called for the Applicant's rebuttal.

Ms. Holstrom stated the main point of the Applicant's request was to provide for denser housing near the downtown core. Using the proposed site was preferable to expanding the UGB to eat up more agricultural land and increasing traffic traveling long distances into town for employment or retail activities. The site was close to commercial development, offices, and retail opportunities. The Applicant had done a traffic study and would continue to work with a traffic engineer to accommodate any traffic impacts the project would have.

- The construction schedule for the project would probably be concurrent with a lot of the projects taking place to improve the water situation in Banks. The Applicant recognized the water issue and would comply with the condition of approval to meet the efficiency standards in the Code.
- Frontage improvements along the property would improve the pedestrian and bicyclist safety and also provide visual interest, which tended to slow traffic. Drivers would sense they were entering an urban area and slow down as they approached the project.
- The Applicant did not believe the project was reactive and they had been working on it for quite some time. A recognized need for housing in Banks had been documented since at least 2011. The Applicant believed this project would help meet that need.

Mr. Henes confirmed the project had been planned for a long time and the Applicant's team had done their homework. He was a businessman and a developer; to buy something by the golf course and put in \$2 million in infrastructure in hopes to build a \$1.5 million apartment complex did not make any sense. No other property in the city of Banks currently would allow him to build a 30-unit apartment complex, which was why no apartment complexes had been built in Banks since 1990.

- His work was specialized. He had just completed a 28-unit complex on one acre in the middle of Forest Grove. Unfortunately, that was what cities were doing now. It did not make financial sense to build the apartment complex ¼ or ½ mile away from downtown. Walkability was important and Banks was looking for that infrastructure for gathering places downtown. If the apartment complex was built far away, the residents would not walk downtown.
- His company based its findings on what his team believed cities wanted and tried to manage the details to make it happen, which they had done in the proposed project. He would consider other areas in the city if someone could find a site, but he had been looking for years and could not find any. Building a development that required huge fees made it unaffordable because the rent for an apartment would be \$2,000 a month instead of \$900. He was proposing affordable housing.

Ms. Holstrom confirmed the frontage improvements on Banks Rd would be for just one section of road, but improvements to the remainder of the road were planned by the City.

Chair Bench confirmed two properties were located between Hwy 47 and the Applicant's property and asked what it would take to at least improve the sidewalks or widen the street into downtown for parking.

Mr. Henes replied some of those improvements had been done when the Linear Trailhead was built. He reiterated the City wanted him to make those improvements. He was a businessman, who lived and worked in Banks, and he was willing to do whatever he could, but it had to make financial sense. He would donate the money for the 100 ft of sidewalk.

- A State-approved crosswalk already existed at the intersection on Banks Rd. His office was located nearby, and he could see how well the crosswalk worked because hundreds of people used it daily. It was a well-lit, designated crosswalk. He noted speed bumps had been considered to slow down traffic on Banks Rd, but there were other ways to slow traffic down.

City Planner Goldstein noted the comment made during testimony about the site not being part of the neighborhood should be considered by the Planning Commission. Various uses took place in the area, and she suggested the Commission consider what defined that neighborhood in relation to the criteria before them.

- The Planning Commission should evaluate the proposal as it relates to the criteria. The Applicant also had a property right and a right to request changes to the Comprehensive Plan and Zoning Maps. The Applicant also had the right to use their property just like any other property owner on Banks Rd, as long as the use complied with City laws.

- She confirmed City Council had taken into consideration the water studies from the hydrogeologist and accounted for the additional 30 units when making its policy decision regarding the water moratorium.
- The evidence in the record regarding traffic came from a professional traffic engineer and demonstrated the impacts resulting from future development would not cause failure at any intersection. The evidence was also reviewed by the City's traffic engineer. As part of a future development application, Staff would look more closely at traffic issues, such as turning movements in and out of the site, and how they affected safety as required by the Development Code.
- The Applicant had to demonstrate that services could be provided to a subject property at the time of development. An application would have to be approved and then the infrastructure would be put in place for any proposed units.
- She recommended the audience members read some of the information from the City's website regarding the water situation and curtailment. She reiterated the Applicant's proposal could meet the criteria for public facilities.

Commissioner Buck said she understood that the proposed development would increase water usage by 3 percent as noted by the hydrogeologist. She confirmed that included the new development in Arbor Village, the one proposed in this application, and the three parcels along Banks Rd. She asked about the safety of a gas station being located near so many homes.

City Planner Goldstein replied any concerns about the proximity of the gas station to the neighboring homes could be discussed by the Commission as far as the criteria were concerned, but she did not consider that was relevant because of the mix of uses in the area, which included a lumber mill, single-family residences, and the gas station. Also, the Commission could not legally consider the impact on property values of the surrounding homes.

- She stated the Commission could deliberate but hold their decision until the next Planning Commission meeting to allow for any additional evidence to be submitted into the record as requested by those testifying tonight.
- She confirmed Banks Rd was the only access into and out of the property because of the railroad tracks.

Ms. Wakeman said she understood that with the additional houses behind hers on Buckshire St, the water limits set by the City would be exceeded. She could not find any facts because she did not see a link on the City's website to learn more about the City's water conservation plan.

City Manager Becker clarified the link to the Water Supply Development Moratorium Corrective Action Plan on the City's website could be found under Public Works Department, then Water Department, where the Water Moratorium Information link could be found.

Mr. Henes stated none of the current discussion had anything to do with the zoning change, only the development aspects were being discussed which did not follow the rules. The application had been submitted before the water moratorium went into effect. A continuance was being suggested because of development aspects, not the zoning change.

City Planner Goldstein replied the Commission was required to consider a continuance request from the public. She recommended the Commission agree to a continuance for to allow for additional evidence to be submitted into the record. The majority of the questions raised by members of the audience pertained to changing the zone to allow for an additional 30 units.

Matthew Benke, 42271 NW Banks Rd, stated he had moved to his current address last summer. He asked for the address of the Applicant's multi-family housing in Forest Grove, so he could get an idea of what a development would look like across from his home.

Mr. Henes replied the development was located on 22nd Ave and Hawthorne St. He confirmed the quality of construction would be similar to the proposed development, but the architectural design would not due to it being affordable housing with lower rental income.

City Planner Goldstein confirmed the Planning Commission needed to grant the requested continuance to the April 30th meeting. The public would have until April 2nd to submit additional testimony, and the Applicant would have until April 9th to submit any rebuttal. The City Council would consider the Commission's recommendation on May 14th if the issue was not continued again. She would assemble all the submitted materials and distribute them to the Commissioners for their consideration.

Commissioner Van Dyke stated he would not be at the April 30th meeting and wanted to ask some questions now. When the UGB was expanded, a certain number of housing units was allowed. If the zoning was changed to add 30 units to one lot, would that number need to be offset somewhere?

City Planner Goldstein replied no offset was needed because there was still an identified need for multi-family and single-family homes.

Commissioner Van Dyke asked for an explanation of how System Development Charges (SDCs) worked to offset necessary future infrastructure changes. Would 30 units be paying 30 SDCs?

City Manager Becker explained if the water meter needed upsized in a new development, the Applicant would pay the difference between the water connection sizes because they would have already paid the SDCs. For the County's transportation development tax (TDT), the developer would pay the difference between a single-family home and an apartment complex.

City Planner Goldstein clarified that SDCs were paid by developers for the increased impact to a public facility system. In this case, the City had SDCs for water and also for transportation as well as parks. For a single-family dwelling, the City charged \$23,000 to \$25,000, which would be paid into City funds for future projects related to water, transportation, or parks for improvements for future capacity. She would provide the amount of the charge for a multi-family development at the next meeting.

Commissioner Brown noted the site was important because services were already available there. She asked if the existing services enabled any future units to rent for a different amount and, in that way supported the City's housing goals.

Clint Jackson, H&J Properties, explained the services were already on the site and would not be extended but rather tied into. He confirmed the rents would be lower because the services were already on site.

The Commission tabled the application and postponed the hearing until the April 30th Planning Commission meeting. Commissioner Van Dyke stated he would not be present on April 30th and confirmed he could join the meeting by phone.

The meeting adjourned at this time.

BUILDING PERMIT REVIEWS –INFORMATION ONLY- None

Chair Bench reconvened the Planning Commission meeting for the following agenda items.

WORK SESSION

4. Code Audit Discussion – Land Use Review processes
The Code Audit Discussion was deferred to next month's Planning Commission meeting.

VERBAL STAFF REPORTS AND UPDATES

5. Planning Project Updates

City Manager Becker updated on the Lennar Homes tree and street project, noting the sidewalk repairs had been completed. She had met with the landscaper and Lennar this afternoon and learned the last phase of the project would begin in the next week or two and would include reestablishing the planting strips and planting the new trees. Notification would go out to the affected residents. She confirmed the sidewalk inspection had passed and that homeowners who had planting strips that did not contain irrigation systems would be notified that they would need to ensure the trees got watered. She would find out if the City could water the trees using their tank in the summer.

Commissioner Darrah suggested hiring a high school student to water the trees twice a week in the summer to avoid sun damage to the trees' bark.

City Manager Becker reported Lennar's infrastructure project was nearly done and was prepared for the last walkthrough inspection with the City. Lennar had also submitted zoning changes for 17 homes. The model home would open in early April and construction had just begun on the foundation of the second home. She confirmed the plat had been finalized for the three homes on the other side of Banks Rd from the site discussed at tonight's hearing.

City Planner Goldstein added that the owner could sell the lots now that the plat had been recorded.

City Manager Becker confirmed the landscaper would repair the broken sprinkler systems and asked if the Commissioners knew of anyone requesting a repair to email her with their information. She added that Comcast's cable line had been broken when the sidewalk was removed because the line had not been buried deeply enough.

- Regarding the fence replacements and repairs on the properties of residents affected by the Lennar project, she recommended the property owners contact Lennar directly. She would provide the contact information via email to those who requested it.
- The project to loop the water line on Commerce St, Depot St, and Market St started this month. The transmission line was over 90 percent complete. Bids would be sought in the next two months and the project was expected to be complete in one year and would fix the leak on Sellers Rd.

OTHER BUSINESS – None

ADJOURN: The Planning Commission meeting adjourned at 8:22 pm.

Submitted by:


Stacey Goldstein, City Planner