

City of St. Helens CITY COUNCIL

Public Hearing Minutes

January 6, 2016

Members Present: Randy Peterson, Mayor
Doug Morten, Council President
Keith Locke, Councilor
Susan Conn, Councilor
Ginny Carlson, Councilor

Staff Present: John Walsh, City Administrator
Kathy Payne, City Recorder
Neal Sheppard, Public Works Operations Director
Sue Nelson, Public Works Engineering Director
Jacob Graichen, City Planner

Others: Paula Miranda Scott Jensen Terry Luttrell
Craig Tim Johansson Amanda Renner
Nicole Thille Nancy Bowers Austin A.
Eric Torres Kevin Christenson



Public Hearing

Applicant/Owner: Port of St. Helens
Subject: Appeal of a Site Design Review (SDR.5.15)
Location: 200 Port Avenue, St. Helens

At 6:00 p.m., Mayor Randy Peterson opened the public hearing.

Ex-Parte Contact/Conflict of Interest – None.

Staff Report

City Planner Jacob Graichen presented his staff report dated December 29, 2015.

The basis of the appeal is whether or not the City is going to require frontage improvements or not. Staff, in the initial decision, said they are required. Port disagrees and has appealed the City Planner's decision.

Graichen reviewed a letter that was submitted from the Port after the packets were published. Copies were distributed to the Council. He pointed out that the pre-application conference is to get a broad idea of the proposal and review what requirements that may be imposed. Until the full application is submitted, there is some unknown of what may be required, such as frontage improvements. The Council needs to decide if the frontage improvements are necessary. Some things to consider are:

- 1) The current building is 6,000 sq. ft. The addition is over 7,000 sq. ft. That is an increase of approximately 129%.
- 2) There are no topographical complexities with Port Avenue.
- 3) Port Avenue is a collector street. The Transportation System Plans calls for frontage improvements on both sides of the street.

- 4) The proposal includes significant concrete work.
- 5) Based on the building type and size, it is valued at over \$430,000. The frontage improvements will be a minimal cost compared to the overall project.
- 6) The history of the site demonstrates need.
- 7) Safe passage.

A couple other things the Port is opposed to are:

- 1) The nearby wetland will require an environmental assessment.
- 2) Addition of a deed restriction to signify that large trucks cannot back into Port Avenue.

Based upon the facts and findings, staff recommends approval of this Major Site Design Review with conditions as outlined in the staff report.

Council President Morten visited the site. He recalls that the adjacent property does have a sidewalk. Graichen confirmed that is correct. The south side of Port Avenue is largely void of sidewalks but there is some.

Testimony

◆Paula Miranda, Deputy Director for the Port of St. Helens. She appreciates the opportunity to represent the Port. She made it clear that everything said today has no reflection on working with the Planning Department or the City. They have had a lot of projects that are bringing jobs to the area. They are not very happy with the process. They are not necessarily appealing the requirement for frontage improvements but are requesting time to budget for it. Two of our staff employees are here, Scott and Craig, who attended the pre-application conference. They understand that the pre-app is not the final decision. They are trying to help a tenant expand his business and stay in the area. Without the addition, he would have to move to a larger location. The Port is requesting they be given 3-5 years to properly budget for the improvements. The cost is making them question if they should do the project or not. They are also concerned about the deed restriction to limit truck access. That will have a negative impact on future industrial businesses. It is currently not an issue because everything that comes from that property is by forklift. Also, that condition was not in the original decision. It was added after the appeal. Therefore, she requests that condition be eliminated.

◆Scott Jensen, Port of St. Helens. Graichen mentioned that this is a De Novo process. However, he understands that process is limited to the items the applicant is appealing. Therefore, they should only be able to address the frontage improvements and landscaping. There should be no changes to the parking rules.

Paula appreciates working with the City. To bring an oversight from 15 years ago and suggest a fine is ridiculous. They want to work with the City. They are helping a good tenant bring jobs to the City. If the City is treating us like this, how are the other developers being treated?

Mayor Peterson asked what the square footage of the building is in relation to the lot. Paula explained that the building is currently 6,000 sq. ft. and they are adding 7,520 sq. ft. The lot is 1.05 acres.

Peterson asked how long they would need to budget for the frontage improvements. Paula responded that they would need 3 – 5 years. The funds are not coming in as expected and they want to make sure they can cover it in the budget.

Council President Morten asked Paula to clarify why the frontage improvement funds were not budgeted. Paula responded it was never brought up. They based the estimate on what was

expected. The project came out over budget when an RFP was done. Scott added that the Code allows for the director to permit the future improvement guarantee if, "...due to the nature of existing development on adjacent properties is unlikely that street improvements would be extended in the foreseeable future and the improvement associated with the project under review does not, by itself, provide a significant improvement to street safety or capacity." Seeing how the property is completely developed on one side and a potential wetland encumbrance is on the other, they do not anticipate future development there. That is why they did not think it would be required.

◆Terry Luttrell. He is an elected board member of the Port of St. Helens. They are not asking for any special favors or special treatment. They are just asking that the City be fair to the Port and any future business who may want to locate here. They need to be able to budget for the sidewalks. They have lost over one million dollars in income this year. They have granted the City various easements at no cost and written letters of support when asked. The Port's mission is to create jobs and keep people in the county employed. This is a very good tenant and we need to watch out for that. They are already \$20,000 over budget for this project. This project is estimated at \$6,500 in tax revenue for our community. With all the additional requirements, this project does not look as favorable as it did when they first began. Please consider what has been shared.

◆Tim Johansson. He owns Rainshadow Labs, which is the tenant of the subject property. They have been located at 200 and 300 Port Avenue for almost eight years. Rainshadow Labs manufactures skin care products for other brands throughout the world. They have grown tremendously and added a lot of jobs. Their payroll this year is close to \$1.5 million. He loves that his business is here. The decisions made here are ultimately passed on to him. He understands the complexity but wants it to work for everyone. He may have to consider moving if it does not become affordable.

Councilor Conn asked Graichen if it is within our scope to grant a temporary waiver. Graichen said yes. A few different ways it could be done are:

- 1) A non-remonstrance agreement. If a local improvement district is formed, they could not vote against the formation.
- 2) We request the funds instead of require the improvements. The money is held onto until more improvements are made.
- 3) An agreement that says the improvements need to be made within three years.

It is the Council's decision. It has to pass the proportionality test.

7:00 PM, Councilor Carlson arrived.

Mayor Peterson asked for clarification on the deed restriction for large trucks. The Port argues that it cannot be imposed after the appeal. However, Graichen states that it's a De Novo hearing and it can be added. Graichen suggested they consult legal counsel for their opinion. Councilor Conn expressed her concerns for the lack of turn-around space for future trucks. Graichen explained that it would still be in the public records. It was a condition in the staff report. The idea of the flag is to be aware. He does not recall that a deed restriction has been done like this in the past. Peterson pointed out that it's ultimately the Port's responsibility to make sure their tenants know about any restrictions. Graichen agreed.

Councilor Conn, Council President Morten, Councilor Locke and Mayor Peterson agreed to remove the added conditions for an environmental assessment and deed restriction.

Councilor Carlson declared a conflict of interest. Rainshadow Labs used to do business with Riverside, which is her employer. She feels more comfortable not participating in this hearing.

There were no requests to leave the record open or continue the public hearing.

Close Public Hearing and Record – 7:11 p.m.

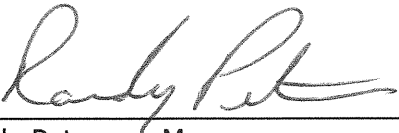
Deliberations will be held during the regular session following this hearing.



ATTEST:



Kathy Payne, City Recorder



Randy Peterson, Mayor