

**City Council Regular Meeting
220 N. Main St.
Phoenix Plaza Civic Center
Monday, May 04, 2020**

1. CALL TO ORDER

Mayor Luz called the regular meeting of the City Council to order on Monday, April 04, 2020, at 6:30 p.m. at the Phoenix Plaza Civic Center.

ROLL CALL

PRESENT: Chris Luz, Terry Baker, Stuart Warren, Angie Vermillion, Jim Snyder, Robert Crawford, and Sarah Westover

STAFF PRESENT: Eric Swanson, Interim City Manager
J.C. Boothe, Finance Director
Bonnie Pickett, City Recorder
Derek Bowker, Police Chief

2. PLEDGE OF ALLEGIANCE

3. PRESENTATIONS

Matt Brinkley – Urbanization Element of the Comprehensive Plan

Matt Brinkley, Red Arrow Planning Development Research, gave a brief outline of the Urbanization Element of the Comprehensive Plan. Mr. Brinkley discussed his response to Josh LeBombard's comments to the Urbanization Element. He explained the process of approval of the Comprehensive Plan will follow and who and how it will be reviewed before approved.

4. PUBLIC COMMENTS

Mayor Luz noted that he received a letter from Tony Chavez's attorney. Mayor Luz noted he was advised by the City Attorney to correct a misunderstanding of the rules of public meetings. He stated that speech is widely protected under the Oregon and State constitution. Mayor Luz noted that under public comment anyone can make derogatory comments about the staff and the Council as long as physical harm to the person or their property doesn't occur. He noted that he should not treat each speaker differently, he should only say how much time they have to speak, the time has started, and when it has ended.

Written comments received from Carolyn Marshall, Tony Chavez, and Josh LeBombard (DLCD). All comments are attached to the minutes.

5. CONSENT AGENDA

a. Reports for Information & Possible Action:

1. Emergency Declaration Extension
2. Resolution 1050 – A Resolution Establishing City Officials for the Purpose of Signing on Behalf of the City of Phoenix for City Funds
3. Supplemental Budget
4. Appoint Budget Officer for FY 2020-21

b. Minutes to Approve and File:

1. Minutes from City Council Meeting, April 06, 2020
2. Minutes from Executive Session April 06, 2020

Councilor Vermillion requested item 5a1 be pulled from the consent agenda.

Motion: To approve the Consent Agenda with amendments expect for a1. **MOVED BY WARREN, SECONDED BY SNYDER.** No further discussion.

MOTION APPROVED BY UNANIMOUS VOTE

6. Consent Agenda Items Pulled for Discussion

Emergency Declaration Extension

Councilor Vermillion questioned why they would want to extend the declaration.

Mr. Swanson noted that the extension will allow the City to make quick decisions more efficiently. He noted Jackson County and the City of Medford have requested the opening of businesses in the Southern Oregon area of the Governors office.

Councilor Westover noted that we are discussing two different issues. Approving the declaration just extends the time constraints that are placed on it, the other is asking the Governor’s office to lift social distancing measures, which she does not support. She noted that we need to keep our elders safe.

Mr. Swanson noted he received an email from Kelly Madding regarding the reopening of businesses through phase one process and how everyone needs to be aware of the requirements that need to be in place to keep people safe.

Councilor Snyder noted that the Governor extended the States declaration of emergency until July 06, 2020. He also noted that the council should consider the date and time of the City’s declaration of emergency be after the date of the meeting so that citizens don’t think it has been lifted in the morning before it comes before the council in the evening.

Motion: I move that we make an extension of the declaration of emergency, to change the end date from May 18, 2020, to May 19, 2020. **MOVED BY SNYDER, SECONDED BY BAKER.** No further discussion.

MOTION APPROVED BY UNANIMOUS VOTE

8. NEW BUSINESS

a. Resolution 1052 – Establishing a Police Station Reserve Fund for the 2020/21 Fiscal year.

Mr. Swanson noted the resolution is to establish a fund where revenue can be placed to build a new police station.

Ms. Boothe noted that the revenue that would be moved into the fund would not strictly be from the fees on the utility bills. She noted that the fund is designed to accumulate carry over revenue to this new fund.

Motion: I move to approve Resolution No. 1052, establishing a Police Station Reserve Fund for the 2020/21 Fiscal Year. **MOVED BY SNYDER, SECONDED BY WARREN.**
No further discussion.

ROLL CALL VOTE AS FOLLOWS:

Ayes: Snyder, Warren, Westover

Nay: Crawford, Baker

Abstain: Vermillion

MOTION APPROVED WITH THREE AYES

9. Ordinance Reading/Adoption

10. STAFF REPORTS:

Doug McGeary, City Attorney, no report.

Eric Swanson, Interim City Manager, no report.

11. MAYOR AND COUNCIL COMMENTS/ REPORTS:

Councilor Crawford no comment.

Councilor Baker no comment.

Councilor Vermillion noted she would like to discuss exit interviews of exiting employees. She noted that she wants to know why City employees are being removed from their positions.

Mayor Luz noted that this is an issue that is not a charge of the council.

Councilor Baker asked if an employee has a dispute with management what is the regulation regarding council speaking with this dismissed employee.

McGeary noted that the employee handbook gives employees guidance on who the designated person would be to go to for employee concerns. He noted that it is not a good idea for them to go to the council.

Mayor Luz noted that the council should not be addressing employment issues or their employment status.

Councilor Westover noted that several things are going on, the first being a lack of trust in the information they are receiving from the City Attorney that they have hired to help them avoid situations that could lead to litigation. She noted that she had found several articles from legal journals stating what the roles and responsibilities of the council are and are not; which states employee matters are not to be handled by the council. Councilor Westover stated that the council has a great opportunity to hire a city manager with input from staff to handle employee issues for the council. She noted that the council should not be getting between the city manager and staff regarding employee issues.

Councilor Baker asked who should the council go to if they can't go to the city manager.

Mayor Luz noted that he can go to the city attorney if he feels he can't go to the city manager.

Motion: I move to table the conversation until the next council meeting to discuss the roles of the council. **MOVED BY WARREN, SECONDED BY WESTOVER.** No further discussion

MOTION APPROVED BY UNANIMOUS VOTE

Councilor Warren noted he is also concerned about employee retention and may look into the HR department. He also noted he recently got back from his Grand Canyon trip and is happy to see everyone again.

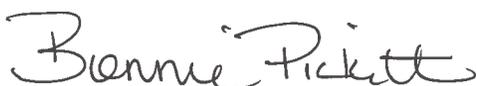
Councilor Westover noted she is also concerned about employee retention and the role the council plays in it.

Councilor Snyder noted that we all owe the people that work in and around the city to make everyone's life better while putting theirs at risk, a strong thank you.

Mayor Luz noted the new dog park at Colver Park has been completed. When restrictions are lifted, please go check it out. He also mentioned that someone had removed all the cautionary tape on the playground equipment at the park.

12. ADJOURNMENT

The meeting adjourned at 8:15 p.m.



Bonnie Pickett
City Recorder

Bonnie Pickett

From: Carolyn Marshall <carolyna.marshall@gmail.com>
Sent: Friday, May 1, 2020 2:32 PM
To: bonnie.pickett@phoenixoregon.gov
Subject: public comment

Dear City Council, city staff, and citizens,

I am writing to you as I am unable to call in to the council meeting this evening.

I hope this letter find you well, I am.

First off, welcome! (back) Eric Swanson. I hope you do great work and service for our community. I am available to help.

The community dinner closed for Covid with a re-opening planned for Thursday June 25 for the Summer BBQ kickoff dinner. Details in the coming weeks. Check for updates on our new website, 1stPhoenix.org ("first" with the number "1".)

Bob Stapp from the Preachers BBQ will be the cook. BBQ chicken and pork, ranch beans, coleslaw and dessert to be announced.

Our pantry is operating Saturdays 9 to 12 using physical distancing.

1st Phoenix Community Center is collaborating with Deputy Strohmeier and ACCESS to help folks on the greenway. We hope to build better communication and help folks with garbage bags to help clean up after themselves.

Bonnie Pickett

From: Tony <garagebiltmachines@gmail.com>
Sent: Monday, May 4, 2020 4:30 PM
To: bonnie.pickett@phoenixoregon.gov
Subject: Public comments

Hi Bonnie, here is my comments for the day.
If I dont make it over to the meeting.

Tony Chavez 210 N.Church street

In dealing with the Phoenix Voice newsletter

We have been working with Theresa Syphers at public works. To my understanding she is not here anymore, what happened to her? Did we lose one of the last longterm experienced employee? She was employed here for the last 20 years or so. Why do we keep losing good employees and others with recurring issues continue? Please answer these questions, the public has a right to know.

Thank you for listening



Oregon

Kate Brown, Governor

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April 29, 2020

Eric Swanson
City Manager
City of Phoenix
112 W 2nd Street
Phoenix, OR 97535



SUBJECT: Local File No. CP20-002, DLCD File No. 002-20; Urbanization Element

Eric,

The Department of Land Conservation and Development (DLCD) would like to take this opportunity to offer comments on the proposed amendments to the Urbanization Element. Please place this letter into the record on the aforementioned file.

As we have done previously, we applaud the City for embarking on this comprehensive planning effort towards establishing an adequate base of housing and employment land and better balancing the current jobs/housing disparity in the City.

Since you haven't been part of this conversation over its entirety, I would like to start by providing the overall context of the Regional Problem Solving Plan (Regional Plan) and the Urban Reserves established through the Regional Plan process.

The Urban Reserves established as part of the Regional Plan were meant to meet residential and employment needs for the long-term period of fifty years. This should be kept in context when evaluating all subsequent comprehensive planning work performed by the cities which participated in the twelve-year creation of the Regional Plan. Phoenix in particular received substantially more land than it could justify on its own because of its central location in the Valley and the unique opportunities presented by the South Valley Employment Center.

The South Valley Employment Center (Urban Reserve, PH-5) is meant to provide a regional hub for large lot traded sector employment. Specifically, the area is meant to address a deficiency of land to attract medium to large footprint employers. The only commercial employment allowed, per the Regional Plan, is for ancillary or supportive uses.

While the Regional Economic Opportunities Analysis¹ (REOA) completed by the City indicates a need for 272 acres of employment land over the next 50 years, the current proposal attempts to justify a need for 190 acres of that land to be added to the City's Urban Growth Boundary (UGB) in order to meet the 20-year need as shown in the table below (excerpt from proposed Urbanization element).

¹ The REOA and the local EOA were locally adopted as part of the Economic Element adoption process (local file CP19-02; DLCD file 001-19) however, notice of the adoption was never sent to DLCD.

Site Size (Range)	Avg. Assumed Size Based on REOS Table 4-3	Proposed Number of Sites 2019-2039 Planning Period	Total Gross Acres
100+	100	1	100
20-50	25	2	50
5-20	10	3	30
<5	5	2	10
			190

Table 1: Proposed Parcelization of Employment Lands in PH-5 During the 2019-2039 Planning Period

190 acres is approximately 70% of the overall 272 acres, which was identified in the REOA and the Regional Plan to meet a need for 50 years². Therefore 190 acres is more akin to a 35-year land supply (at least). 110 acres, which is still a very substantial amount for a community of Phoenix's size, is more consistent with a 20-year land supply.

As we have mentioned previously, if those 110 acres, or a portion thereof, are developed, then a subsequent UGB amendment would be justified. Any UGB amendment under 50 acres in size can utilize the Post Acknowledgement Plan Amendment process, which is the standard process used for plan amendments and zone changes. It is a much more expedited process than the traditional UGB amendment process. We encourage communities to do more regular updates to their UGBs as opposed to waiting until land supply is scarce.

As such, our suggestion would be to reduce the proposed 100 acre site down to 50 acres and to eliminate some of the 5-20 acre sites. If a prospective company was interested in a larger piece of land, then the 50 acre site could be combined with one of the surrounding parcels to create a larger site. While this approach is not always practical due to different ownership patterns, in this case the land area in question is largely owned by one entity (ARROWHEAD RANCH HOLDING COMPANY, LLC). This approach would result in a distribution as such:

Site Size (Range)	Avg. Assumed Size Based on REOS Table 4-3	Proposed Number of Sites 2016-2039 Planning Period	Total Gross Acres
50+	50	1	50
20-50	25	2	50
5-20	10	1	10
<5	5	2	10
			120

The total acreage in the aforementioned distribution is more consistent with the 20-year need as established in the REOA and Regional Plan. Additionally this distribution provides a higher

² Also relevant to this discussion is the fact that the REOA relied on a "region" (I-5 corridor from Redding, CA to Eugene, OR) which was much larger than the "region" relied upon in the Regional Plan (The Greater Bear Creek Valley). This variation creates an issue with consistency between the REOA and the Regional Plan for the purposes of a UGB amendment by potentially overestimating the amount of employment land needed by the "region" as defined in the Regional Plan.

percentage of large lot opportunities for future employers, which is also more consistent with the Regional Plan justification for this area.

Additionally, we would like to take this opportunity to point out that any future UGB amendment will need to include a conceptual plan for all areas proposed to be brought into the UGB (as per the requirement of the Regional Plan). Furthermore, we will also be looking for adequate safeguards to ensure that the large lot distribution and industrial nature of the PH-5 area remains intact and is not easily modified. An example of such as safeguard would be to require a Regional Plan amendment in order to reduce the size of any lot below the original size range.

We believe making the changes recommended above will help ensure the proposed Urbanization Element is consistent with the Regional Plan and REOA and therefore will substantially increase the chance of success for a future UGB amendment. It will also provide a very substantial amount of developable land to the City of Phoenix for regionally significant employment opportunities.

Please keep us informed of any future meetings or study sessions on this matter.

Sincerely,



Josh LeBombard

Southern Oregon Regional Representative | Community Services Division

Cell: (541) 414-7932

josh.lebombard@state.or.us | www.oregon.gov/LCD

Cc: Matt Brinkley (via email)
Ryan Nolan (via email)

Josh LeBombard
Southern Oregon Regional Representative
Community Services Division

May 4, 2020

Re: Phoenix Urbanization Element

Dear Josh,

I have reviewed your letter dated April 29, 2020 and have prepared this letter in response at the request of Eric Swanson, City of Phoenix Interim City Manager. Before beginning that discussion, I want to thank you for providing Phoenix with those comments and working with the City as it endeavors to plan for its future employment, housing, and other needs. The City wishes to maintain a constructive relationship with all stakeholders throughout this process, and work toward consensus whenever possible.

As you know, the South Valley Employment Center (or “Area” as it is often referred to) represents a unique opportunity to attract large footprint traded sector employers to this region and even to this state. It can also support economic development efforts that are closer to home by providing larger development sites that are needed to retain local businesses as they expand and outgrow existing facilities.¹ The Regional Plan required Phoenix to prepare a “mechanism (such as a Regional Economic Opportunities Analysis) to assist the city of Phoenix in justifying the regional need for urban reserve PH-5” (Phoenix Comprehensive Plan Regional Plan Element, p. 17). The City of Phoenix hired E.D. Hovee & Company several years ago to assist it in meeting this requirement. As you point out in your April 29 letter, that study did identify a need for 272 acres of employment land in PH-5, but it did not assume that that demand would occur over a 50-year period as you suggest it did. Rather, the study examined the potential for development of PH-5 to provide employment to a regional labor market over the next 20 years; the industries that might be most attracted to its unique site development characteristics; and how such a large site would best be developed in order to accommodate the needs of targeted industries (Section VII, Recommended Scenario, Phoenix Regional Economic Opportunity Study, pp. 41 – 46) .

¹It should be mentioned that in a footnote on page two of your letter you incorrectly state that “the REOA relied on a ‘region’ which was much larger than the region relied upon in the Regional Plan [...] This variation creates an issue with consistency between the REOA and the Regional Plan for the purposes of a UGB amendment by potentially overestimating the amount of employment land needed by the ‘region’ as defined in the Regional Plan.” The REOS did not rely on a larger “region” for the purposes of measuring and projecting economic growth in the Greater Bear Creek Valley as you assert. It relied on data collected by the OED for Jackson and Josephine counties and extrapolated over a 20-year planning period. The REOS looked at the I-5 corridor to determine the availability of similar employment land development opportunities and identify the competitive advantages of locating traded sector industries in PH-5. The REOS concluded unequivocally that PH-5 is the only opportunity for large footprint, campus-style employment development from Redding, California to metropolitan Portland.

The foregoing has several important implications for the process of urbanizing PH-5. E.D. Hovee & Company determined the ideal parcelization of PH-5 in order to conserve irreplaceable large employment development sites while meeting the needs for some smaller site development. The configuration is summarized in the following table, reproduced verbatim from the Regional Economic Opportunity Study:

Site Size	% of Jobs	Added Jobs	Avg. Jobs/Site	# of sites needed	PH-5 Site Allocation			Gross Site Avg.
					#	Capture	Avg. Size	
50+ Acres	16%	4,680	572	6	1	17%	67	67
20-50 Acres	14%	4,095	147	20	4	20%	25	100
5-20 Acres	14%	4,095	71	41	8	20%	10	80
< 5 Acres	56%	16,380	7	1742	5	0.30%	5	25
Total (All Sites)	100%	29,250	11.50	1809	18			272

These parcel sizes are averages observed in similar developments and applied to the context of our regional economy. For example, the largest parcel was assumed to require approximately 70 acres on average. The draft Urbanization Element proposes to include approximately 190 of the 272 gross acres of employment land in PH-5 based on these and other findings found within the REOS.

In your letter you propose, perhaps just for the sake of illustration, an alternative whereby 110 or 120 acres would be brought into Phoenix's UGB to meet regional and, presumably, local demand for employment land. This is based on simple arithmetic: the 20-year planning period is approximately 40 percent of the 50-year planning period used to identify urban reserves like PH-5. You conclude, therefore, that Phoenix should only need to add another 110 acres to its Urban Growth Boundary to meet the demand for employment land.

As you know, the establishment and modification of UGBs is seldom so simple and that is true in this particular case. Your concept ignores, for example, the fact that the REOS identified existing potential demand for employment land that exceeds the acreage you recommended. You assume, for example, that the largest development site would only require 50 gross acres of land, and that there is only demand for one development site in the 5-20 acre range. Regarding the large site, the REOS states the following:

"Recommended is **at least** one site of 50+ acres be allocated for a large traded sector use, as for advanced manufacturing or a significant financial, professional, scientific, technical or health services employer. With the illustrative distribution noted, 67 gross acres translates to between 50-57 acres of net site area after deducting land needed for right of way, etc. [...]." REOS, p. 43

A single 50-acre site, as you propose, would likely be insufficient to meet the needs of an employer it is intended to accommodate. I understand that the parcelization scheme you propose is only meant to demonstrate that a total of 120 acres could accommodate the needs of several site development categories, but your assumption that 120 acres of employment land is sufficient to meet demand is itself flawed and should not be relied upon as the basis Phoenix's proposed UGB amendment. It is not supported by the facts presented in the REOS or the Local

Economic Opportunity Analysis, nor have you provided any factual basis of your own that would contradict those facts.

You also suggest that any supply deficiencies can be addressed after the fact through a subsequent UGB amendment. It is a fact that “smaller” UGB amendments under 50 acres provide a relatively faster path to expansion of a UGB. But the success of a future amendment should not be relied upon as a means of addressing a known or suspected deficiency in the amendment currently under consideration. A subsequent amendment may provide relief in the future, but the proposed amendment should attempt to meet needs for urban land now as best it can.

The City is open to working with you and other stakeholders to reach a final Urban Growth Boundary Amendment proposal that meets the City’s and region’s need for large employment sites as conceived of as the South Valley Employment Area by the Regional Plan. We acknowledge the wisdom of your advice concerning “safeguards” that may be necessary to conserve larger tracts of land for that purpose, and we look forward to working with you toward developing such safeguards.

Respectfully,

Matt Brinkley