



## Partners Group Meeting #2 - Meeting Notes

November 18, 2013

9:00 – 11:00 am

Museum of the Oregon Territory, Tumwater Room

### Introduction

Elected officials and staff from the Willamette Falls Legacy Project Partner agencies participated in the second in a series of partner-level meetings on November 18 in Oregon City. The purpose of the meeting was to present evolving concepts for the master framework plan for the redevelopment of the Blue Heron Paper Mill site. The presentation included updates on results from the community engagement process, development scenario possibilities, and demonstration plans illustrating options for site redevelopment.

### Partners Group Participants by Geographic Representation

State of Oregon Senator	Alan Olson
State of Oregon Representative	Brent Barton
State of Oregon Governor's Office Representative	Bobby Lee
Metro Council President	Tom Hughes
Metro Councilor	Carlotta Collette
Metro Chief Operating Officer	Martha Bennett
Clackamas County Commissioner	Tootie Smith
Clackamas County Commissioner	Martha Schrader
Clackamas County Director of Business and Community Services	Gary Barth
Oregon City Mayor	Doug Neeley
Oregon City Commissioner	Carol Pauli
Oregon City – City Manager	David Frasher
Blue Heron Paper Mill Trustee	Peter Mckitrick

### Staff and Consultant Participants

City of Oregon City Community Development Director	Tony Konkol
City of Oregon City Planner and WFLP Project Manager	Christina Robertson-Gardiner
Cogan Owens Cogan, LLC	Ellen Wyoming
Walker Macy	Mike Zilis
Walker Macy	Ken Pirie
ECONorthwest	Abe Farkas

Facilitator Ellen Wyoming opened the meeting. Oregon City Mayor Neely welcomed the participants and guests. Ellen reviewed meeting objectives and the agendas. She asked Partner participants to introduce themselves and express questions or comments they since the last meeting. Comments and questions received included the following.

- “Can we attract the attention we need to Oregon City for this redevelopment?”
- “How do public access, historical and cultural interpretation, and healthy habitat support and galvanize economic redevelopment?”
- “What happened with the potential buyer? What’s going on now?” and
- “What do we need to know moving forward regarding potential purchasers?”

Ellen also provided a brief community engagement update. She referred partners to their packets which has information regarding the first summer and fall phase of community engagement, a summary of the second community interactive event, as well as the topline summary results from the most recent Opt In online opinion panel survey in which more than 1,900 Oregonians participated. In total, more than 4,000 comments and discussions have been held and received. This guidance has informed the evolution of the planning process.

Project Manager Christina Robertson-Gardiner gave an overview of the significance of the lapel pins each partner received. She spoke to the ongoing engagement with five Tribes with an interest in the area, and updated partners on nearby planning projects. In particular, Christina emphasized ongoing collaboration with West Linn across the Arch Bridge across from the WFLP redevelopment site.

Trustee Peter McKittrick provided an update on the site status and shared that there are ongoing conversations with potentially interested buyers for the site. He said that this process is helping to improve the process and chances for purchase.

Mike Zilis, Walker Macy; Abe Farkas, ECONorthwest; and Kevin Johnson, GBD Architects then gave the alternative concepts presentation based on the four interrelated core values. Partners were provided with a sheet to use during the presentation which highlighted key considerations for short and long-term implementation. This is available in the appendix. Summary notes from the discussion follow.

### **Historic and Cultural Interpretation**

Are we limiting the opportunity to market this property by putting historic constraints on it?

- We are looking at ways to incentivize, not constrain.
- Need to focus on "Interpretation" not restoration. Interpretation is more broad, flexible.
- The historic aspects will be important to attract visitors.
- No historic interpretation will limit the economic redevelopment potential.

- One of the larger questions is how to incentivize:
  - Are we looking at tax abatements? We need to have that discussion.
  - There are existing tax credits out there, we need to understand.
  - Do you want Oregon City or Clackamas County to come in with money for historic preservation?
  - Identify the public incentives and support kit of tools that can be brought to the table.
- There are other models out there - are we looking at those?
- Yes, there are a number of examples - Mill Ruins Park in MN has brought economic development and investment.
- Combination of forces – the Oregon City community needs to say what they want.
- Historic sites offer possible constraints and possible value.
- In terms of incentives, we need a list that broadens possibilities - may not be cash incentive, may be development incentives. How to get a plan specific enough that meets needs of community but general enough to meet needs of development community?

### **Public Access**

Any talk about elevating Main Street or 99E?

- We are trying to find a way to keep main on grade.
- Yes, these were very costly, not the best options.

Public amenities in the floodplain make the most sense.

How many acres of private development will be available?

- See Economic Redevelopment - 6.3 acres or more.

Have you looked at ways to re-engineer the flow of the water through or under the site - bringing canals back in, for example. May also relieve flooding.

- We want to recirculate water in the lagoon, we could do that by letting the water flow through the site.

### **Healthy Habitat**

The lagoon will have cultural aspects as well - where portage occurred historically.

Opportunity to create a spray habitat near the lagoon.

Are there water rights attached to the mill site?

- Water rights are for industrial use - not transferable to other uses. They might have value to a public agency but cannot be sold. The water rights were not part of the deal with Eclipse.

- Without the water rights, are we able to form those canals, etc?
  - These are two different issues; we don't see a negative impact.
  - Must be careful for fish passage.

### **Economic Redevelopment**

Existing buildings in floodplain (Mill O) can stay and be redeveloped.

- Floods still need to be considered .
- The blocks slated for open space also have redevelopment potential and we don't want to preclude that if it is desirable in the future.

Who is responsible for redeveloping the public assets?

- It would be the public sector.
- There is already a commitment from the state to begin that process.
- Some developers might be willing to contribute - a hotel for example.
- We will use this plan to apply for grant money for these amenities.

Developer will look at the number of developable acres and requirements for off-site improvements

- Six acres and 11 acres is vastly different to a developer.
- Other blocks are still in play - six acres is just one scenario.

Could the public buy the whole site and develop the public portion, then sell off the developable part and profit from it - instead of giving resources to developers to do the improvements?

- Is there a better use of the \$5 million?
- Peter would consider selling to public entity.

We would need 20 to 30 jobs per acre to equal the number of jobs lost at Blue Heron - and they would be different kinds of jobs.

- Traded services jobs could have a large multiplier effect for local jobs
- How many thousands of square feet?
  - Hundreds of thousands - which could hold significant amount of employees .
- Other side of coin is how to attract companies, businesses to locate here.

Have you speculated on the overall cost of redevelopment for the public portion?

- Knows where \$450 million might be available.
- Resources would be well spent at Blue Heron.

It's a good idea to keep building heights shorter than the bluff.

Study of 99E is important.

We should create a package of the tax credits available for the site to entice developers.

This plan will provide inspiration for the site.

Include all the state agencies at the table - key to get support going forward.

Smartest thing is to keep this partnership together - if Metro found resources to buy site, there still are many other aspects that need attention from the other partners. We are all essential.

- Will help us to attract a federal partner.
- There may be an opportunity to have this as a part of the national park such as with Fort Vancouver.
- If there is a public investor, we all need to contribute. Maintaining the partnership is key. How to demonstrate equal partnership? Let's continue to consider.

### **Additional Questions and Comments**

Three funding types:

- Public investment for public benefit
- Public investment to stimulate private investment
- Private investment
  - All are related.

Consequences of fallout of Eclipse deal and next steps.

- Oregon City continues to work with Peter, meet with interested parties, do what we can to answer questions.

At the end of the meeting Ellen asked if Partners could make a January 13, 2014 meeting in preparation for the land-use application, as well as a Regional Community Celebration Event for the project the week of January 20. Team will send inquiry to reserve 1/13/14 and check calendars for the week of 1/20 OR 1/27.

Next meeting tentatively scheduled for January 13, 2014, 9-11 am, location to be determined.

Regional Community Celebration, week of January 20, 2014 or January 27, more information soon.

To close the meeting the partners went around the table and shared their final thoughts:

**Metro COO - Martha Bennett:** She is a little worried about market study - troublesome, really need to create a new market here.

**Oregon City Commissioner Pauli:** The more tools/information we can have for developers, the better.

**State Representative Bobby Lee:** We are committed at the state level - this is priority. At some point we will have to ask the public what they are willing to support and get their buy-in.

**Metro Council President Hughes:** The plan makes this seem more doable. Keys are flexibility and collaboration.

**State Senator Olson:** Let everybody see the plan, do it now.

**Clackamas County Commissioner Smith:** Yes. Impressive work

**Oregon City Mayor Neeley:** Was once worried what happens if OC Commission makes a big shift - but I'm beginning to lose that concern. This project will transcend.

**Clackamas County Commissioner Schraeder:** Would like to see funding scenarios and list of developers interested, also a list of incentives for developers.

**Metro Councilor Collette:** Get the plan out in front of the public.

**Oregon City Manager – David Frasher:** Impressed with habitat restoration piece. Other projects fizzled due to lack of strong partnership, maintaining partnership will send the right signal to the developers.

**Bankruptcy Trustee - Peter McKittrick:** Public agencies have been very helpful. We have an FTP site for developers interested that includes all the due diligence and work that's been done.

The meeting ended at 11:06 am.