



CITY COUNCIL

Regular Meeting Minutes September 9, 2024

Mayor Drotzmann called the regular meeting to order at 7:00pm. Present were Councilors Hardin, Myers, Linton, McCarthy, Duron, and Barron. Councilors Primmer and Peterson were excused. City Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Rich Tovey, Captain Scott Clark, Planning Director Clint Spencer, and City Recorder Lilly Alarcon-Strong. The pledge of allegiance was given.

City Manager Smith announced that there have been changes to the agenda to include the indefinite postponement of Items 10A and 11A. A Public Hearing and Ordinance No. 2364 related to the Frontage Road Easement Vacation Parallel to E Elm Ave.

Presentation- Hermiston School District (HSD) Updates

Assistant Superintendent Jake Bacon gave HSD updates to include: enrollment throughout the school district, fall sports, middle school sports programs which had a record high enrollment rate and required hiring an additional five staff members to accommodate the influx of program participants, Highland Hills construction updates and upcoming open house, Dancing with the Hermiston Stars event, and more.

Presentation- Hermiston Chamber of Commerce Updates

Executive Director Val Hoxie gave Chamber updates to include: community ribbon cuttings, Where's Waldo program, 24 businesses participating in Monopoly program, Open Rewards program, Candidate Forum, and EOTEC Festival of Lights.

Mayor Drotzmann thanked the Chamber for all of their work to make MelonFest a success.

Presentation- ODOT ADA Ramp Project Updates

Transportation Project Manager Blaise Exon presented information (PowerPoint Presentation attached) regarding Phase 2B of the County's curb and ramp project emphasizing the project background, schedule, proposed improvements and locations, impacts to traffic during construction work, and answered questions from the Council regarding notifying Student First bus company for impacts to bus routes, the budget for these improvements and more.

Citizen Input on Non-Agenda Items

None given.

Consent Agenda Items

Councilor McCarthy asked to remove item A to give more attention to this item. Councilor Barron moved and Councilor Duron seconded to approve Consent Agenda item B, to include:

B. Minutes of the August 26 City Council Regular Meeting
Motion carried unanimously.



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Items Removed from the Consent Agenda

- A. Public Notice of the November 5, 2024 General Election of Councilors At-Large & Mayor Candidate Listing.

City Manager Smith read the candidate names aloud and encouraged the community to vote. This item was informational only and no action is being requested.

Public Hearing- Frontage Road Easement Vacation – Parallel to E Elm Ave (Ordinance No. 2364)

Mayor Drotzmann stated as announced at the beginning of this meeting, this item has been postponed indefinitely.

Public Hearing- Economic Opportunities Analysis Update (Ordinance No. 2365)

Hearing no declarations of conflict of interest from the Council, Planning Director Clint Spencer read the hearing guidelines and Mayor Drotzmann opened the hearing at 7:28pm.

Planning Director Spencer and Brendan Buckley with Johnson Economics presented information (PowerPoint Presentation attached) regarding the draft of the updated EOA report; stating, after meeting with the Planning Commission and DLCD's staff earlier this year, revisions were made to the overall report, including: employment projecting for the next 20-years, buildable land inventory, additional analysis related specifically to data centers, and more.

There were no proponents, opponents, or neutral parties who wished to provide testimony, and the hearing was closed at 7:58pm.

City Planner Spencer and Mr. Buckley answered questions from the Council regarding the Urban Growth Boundary (UGB) Expansion process, including public noticing requirements; why there is a need and desire for orderly planning growth in different employment and workforce education sectors; the last time the UGB expanded, and more.

Councilor Duron moved and Councilor Myers seconded to approve the Findings of Fact as presented by City Planner Spencer. Motion carried unanimously.

Public Hearing- Adopting a Procedure and Establishing a Program for the Sale of Individual Parcels of a Class of City-Owned Property (Resolution No. 2337)

Hearing no declarations of conflict of interest from the Council, City Manager Smith read the hearing guidelines and Mayor Drotzmann opened the hearing at 8:03pm.

Assistant City Manager Mark Morgan stated under statute, the City must hold a public hearing in regards to any sale of individual properties. This public hearing and resolution specifically addresses property located in the South Hermiston Industrial Park (SHIP) that the City authorized purchase of in December of



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2023 to leverage the property for economic development within the next five years as described in the agenda packet.

There were no proponents, opponents, or neutral parties who wished to provide testimony, and the hearing was closed at 8:06pm.

Ordinance No. 2364- Vacating real property heretofore dedicated to the public for road easement purposes- Mayor Drotzmann stated as announced at the beginning of this meeting, this item has been postponed indefinitely.

Ordinance No. 2365 – Economic Opportunities Analysis Update

City Manager Smith stated this information was supplied earlier in the meeting during the Public Hearing.

Mayor Drotzmann requested that the first reading be by title only. Hearing no opposition, City Attorney Tovey read the ordinance by title only. Mayor Drotzmann requested that the ordinance be put on for final adoption at this meeting and that the second reading be by title only. After City Attorney Tovey read the ordinance by title only for the second reading, Councilor McCarthy moved and Councilor Myers seconded that Ordinance No. 2365 be adopted and become effective 30-days after adoption by the City Council. Councilors McCarthy, Barron, Hardin, Myers, and Duron voted in favor; Councilor Linton voted against. Motion carried 5-1.

Resolution No. 2337- Adopting a Procedure and Establishing a Program for the Sale of Individual Parcels of a Class of City-Owned Property- City Manager Smith stated this information was supplied earlier in the meeting during the Public Hearing.

Councilor Barron moved and Councilor Hardin seconded to adopt Resolution No. 2337 and lay upon the record. Motion carried unanimously.

Possible Adoption of LOC Priority Issues

City Manager Smith stated this information was supplied earlier this evening during the Work Session meeting.

After Council discussion Councilor McCarthy moved and Councilor Myers seconded to accept the five staff recommendations as presented during the Work Session meeting. Motion carried unanimously.

Committee Reports

Parks and Recreation Advisory Committee- Councilor McCarthy stated the Committee will meet on Thursday.

EOTEC Advisory Committee- Councilor Barron stated the Committee did not have a quorum but will meet again next month.



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Hispanic Advisory Committee- Councilor Duron stated the Committee is planning a Hispanic Heritage Celebration this Sunday, Sept 22 from 1:00pm to 6:00pm on Festival Street. The event will include food vendors, music, dancing, and more activities for the entire family.

Public Infrastructure Committee- Mayor Drotzmann stated the Committee met and heard information regarding the new Fats, Oils, and Grease (FOG) program and proposed rollout, including hiring a staff member to run this program; backflow prevention, current street improvements, Geer and Harper Road expansion has been postponed as the City continues to work with the Railroad.

Library Board- Councilor Duron stated the Board will meet in two weeks.

Mayor's Report

Mayor Drotzmann asked the community to please drive safely and watch for kids walking to and from school now that school is back in session.

Council Reports

Councilor Linton stated she was given the opportunity to view dash-camera footage of the arrest of Tony Colbray, whom a caller reported that a black male was walking down the street flailing his hands in the air and talking to himself, and stated although she has had a good relationship with the Police Department, it only takes a couple of people to make an entire police department look bad. If she had possession of the video, she'd like to share it with the Council for all to see.

Mayor Drotzmann stated it may be best not to comment further if this is an ongoing investigation.

Councilor Linton stated she didn't know if it was an ongoing investigation, but she wanted to share her thoughts about it as more information will be coming out about it in the future.

City Manager Smith stated the City will not comment on this issue.

Councilor Duron stated she, along with many others from the region, participated in a legislative public transportation meeting to discuss and address the needs of the community.

Mayor Drotzmann thanked Councilor Duron for attending and doing a great job giving testimony at this meeting, stating he also attended and gave away watermelon to all visiting legislators and transportation commission members. Mayor Drotzmann encouraged all to attend legislative meetings if they can as each voice matters.

Councilor Barron thanked Councilor Duron and Mayor Drotzmann for attending this meeting and commented that he attended a wedding this weekend at the Community Center and it is a great space with wonderful charm.

City Manager's Report

None given.



Where Life is Sweet

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Recess for Executive Session

At 8:27pm Mayor Drotzmann announced the City Council of the City of Hermiston will now meet in Executive Session in the Executive Session Room on the first floor for the purpose of discussing matters pertaining to negotiating real property transactions.

The Executive Session is held pursuant to ORS 192.660 (2) (e) which allows the council to meet in Executive Session to conduct deliberations with person designated by the Council to negotiate real property transactions.

Representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience are excluded. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. No final decision may be made in executive session. At the end of the executive session, the council will return to open session which the audience may attend. The executive session will last approximately 10 minutes.

Reconvene and Adjourn

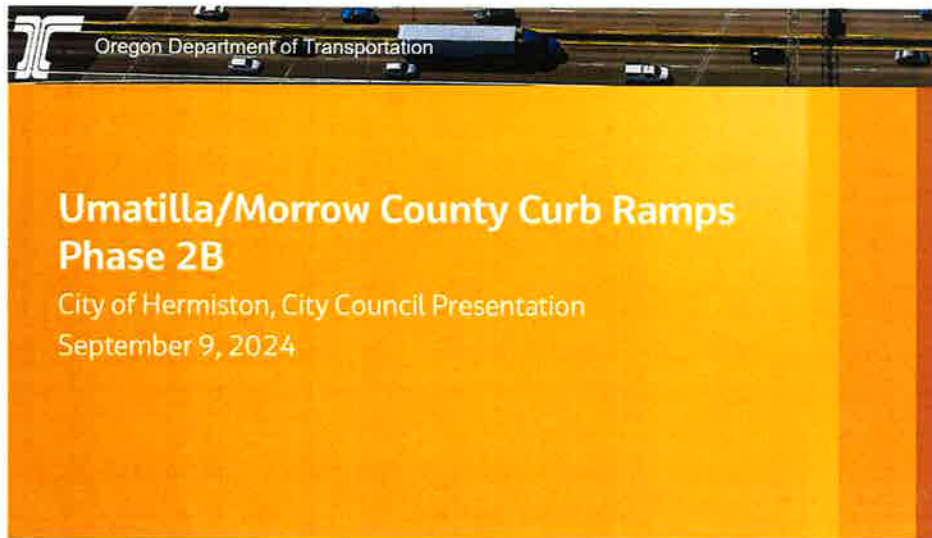
There was no other business and Mayor Drotzmann reconvened and adjourned the regular City Council meeting at 8:38pm.

SIGNED:

Dr. David Drotzmann, Mayor

ATTEST:

Lilly Alarcon-Strong, City Recorder



Agenda

- Project Background
- Schedule
- Proposed Improvements
- Questions

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Project Background

- The project is the result of 2017 Settlement
 - ODOT to inventory and address pedestrian curb ramps and signalized intersections that do not comply with Americans with Disability Act standards.
 - Various ramps in Hermiston were remediated in 2017.
 - Phase 2A will address most ramps on OR 207 (construction to begin this winter/spring).
 - Phase 2B will address most ramps on US 395, and several others on OR 207.

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Phase 2B Schedule

- Currently in final design.
- Advertisement winter of 2024/2025
- Start construction spring of 2025
- Finish construction late summer 2026



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Improvement Locations

Ramp improvements at:

- Theater Ln
- Oregon St
- Harper Rd
- Cornell Pl
- Elm Ave (OR 207)
- Dogwood Ave
- Cherry Ave
- Beech Ave
- Beebe Ave
- Catherine Ave
- June Ave
- Ridgeway Ave
- Gladys Ave
- Highland Ave
- SE 4th St
- Dr. Wendell Ford
- Linda Ave
- Hartley Ave (RRFB)
- Jospeth Ave (RRFB)

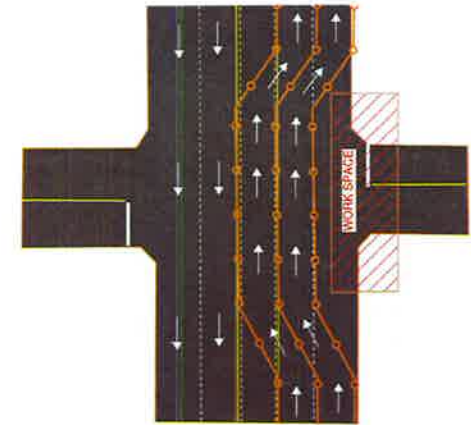


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Impacts to Traffic

Closures of minor streets during construction:

- Due to narrow or nonexistent shoulders on US 395.
- Improves worker safety and construction schedule
- Detours will be provided and signed.

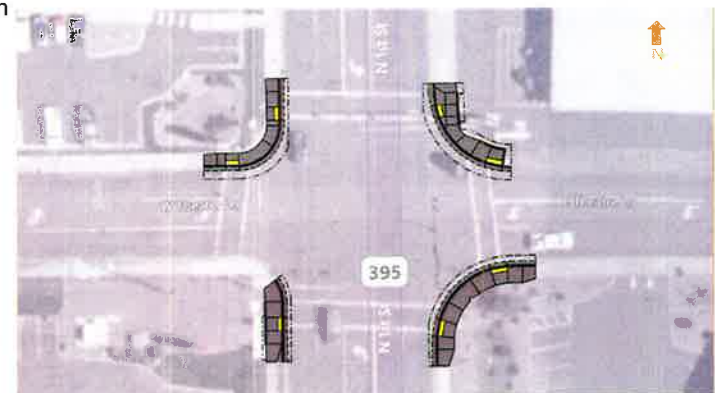


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Improvements at Signalized Crossings

Improvements

Theater Ln



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Improvements

- Elm Ave (OR 207)



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Improvements

- Gladys Ave



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Improvements

- Highland Ave



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Improvements

- SE 4th St



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Improvements

- Hartley Ave



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Improvements

- Joseph Ave



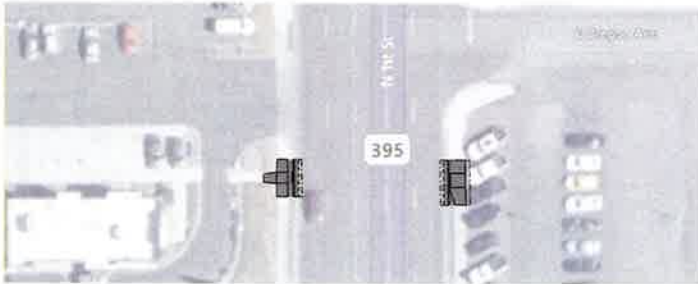
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Questions

Non-Signalized Improvement
Locations

Improvements

- Oregon Ave

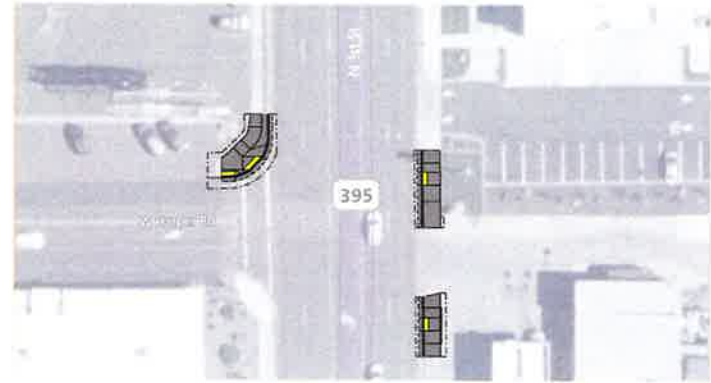


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Improvements

- Harper Rd



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Improvements

- Cornell Pl



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Improvements

- Dogwood Ave



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Improvements

- Cherry Ave

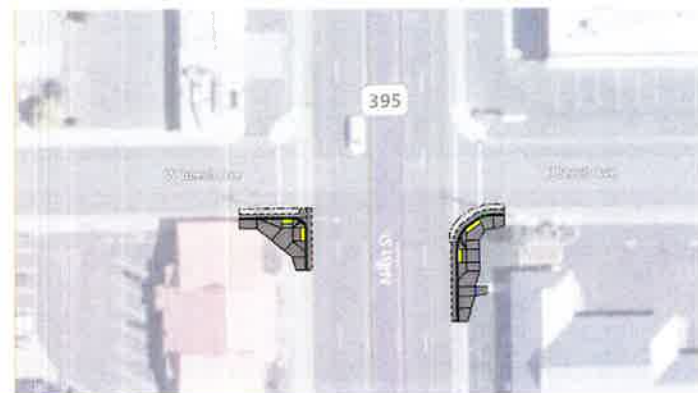


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Improvements

- Beech Ave

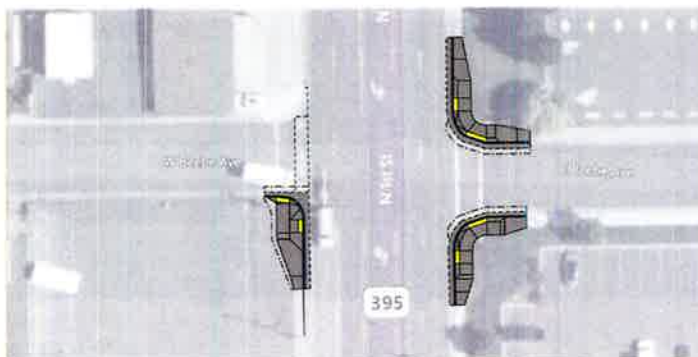


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Improvements

- Beebe Ave

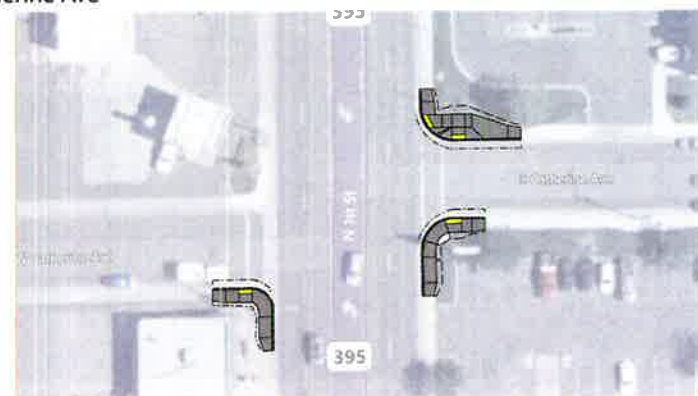


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Improvements

- Catherine Ave



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Improvements

- June Ave

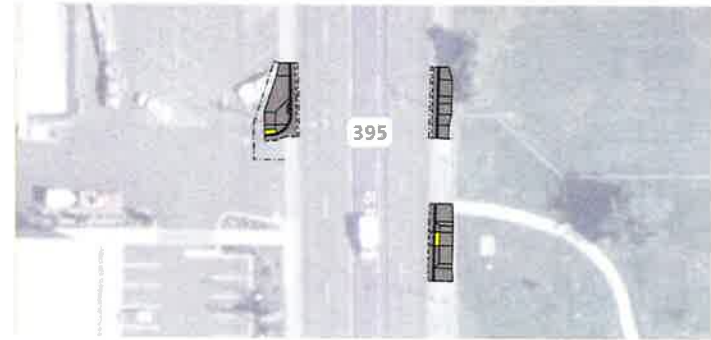


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Improvements

- Ridgeway Ave



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Improvements

- Dr. Wendell Ford



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Improvements

- Linda Ave



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Economic Opportunities Analysis



What is an "EOA"?

- Identify local economic goals and target industries
- Forecast economic trends and job growth
- Inventory and evaluate land for employment
- Formulate new policies and action items
- Update the Comprehensive Plan, address "Goal 9"

Hermiston Economic Opportunities Analysis 3

Components of the EOA



1. Economic Opportunities Analysis Report
 - Economic Development Objectives
 - Economic Trends
 - Forecast of Job Growth and Land Need
 - Comparison to Current Land Inventory
2. Appendix A: Site Requirements for Hyperscale Data Centers
3. Appendix B: Buildable Land Inventory Report

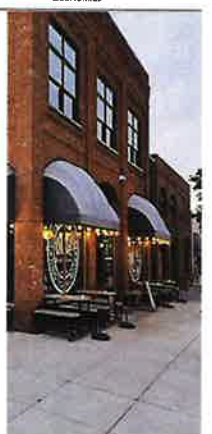


Hermiston Economic Opportunities Analysis 3

EOA Process



- Planning Commission roundtable (May)
- Meeting with State (DLCD) staff (May)
- Planning Commission hearing (August)



Hermiston Economic Opportunities Analysis 4

Community Economic Objectives



Vision Statement

The City of Hermiston aspires to become the regional center for trade and industry through the following actions:

- Ensuring an adequate supply of industrial land in large parcels to provide job creation and economic growth.
- Ensuring an adequate supply of commercial land in the downtown and along commercial corridors.
- Removing barriers to commercial redevelopment to ensure a modern and efficient commercial base.
- Continue to provide leadership in identifying and locating new, and expanding existing, industrial, and commercial businesses into the City.
- Providing adequate infrastructure to support all employment activities through public and private funding sources.



Hermiston Economic Opportunities Analysis 5

Employment Forecasting



- Start with Current Employment Profile
- Adjusted Growth Forecast
 - Reflects target industries and goals
 - Known proposed development
 - Data center and construction jobs
 - Indirect and induced employment

Major Industry Sector	Estimated Employment 2024	Share of Employment
Agriculture, forestry, fish/hunt	523	5%
Construction	327	3%
Manufacturing	384	4%
Wholesale Trade	259	3%
Retail Trade	1,557	16%
Transportation, Warehouse, Utilities	1,557	16%
Information	58	1%
Finance & Insurance	245	2%
Real Estate	149	2%
Professional & Tech. Services	176	2%
Administration Services	464	5%
Education	722	7%
Health Care/Social Assistance	1,848	19%
Leisure & Hospitality (Tourism & Rec.)	1,160	12%
Other Services	310	3%
Government	184	2%
TOTAL	9,923	0% 5% 10% 15% 20% 25%

Target Industries



Identifying Target Industries

- Local economic development goals
- National, State & Regional trends
- Location Quotient
- Shift-Share Analysis
- OED forecasted regional growth



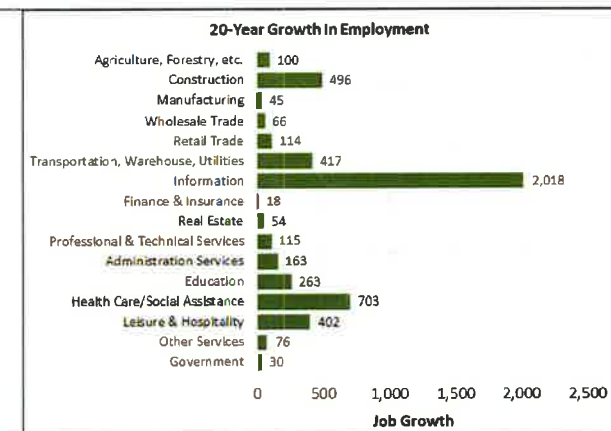
Hermiston Economic Opportunities Analysis 7

20-Year Employment Projection



Adjusted Forecast (2044)

- 15,000 total jobs
- 5,080 new jobs
- 2.1% annually
- Rate since 2010 (1.8%)



Hermiston Economic Opportunities Analysis 8

Hyperscale Data Centers



Since 2014

- 9 data center campuses
- 8 under way or planned
- 17 total over ~12 years
- Recent: 1.5 per year
- Avg. 108 acres
- National market



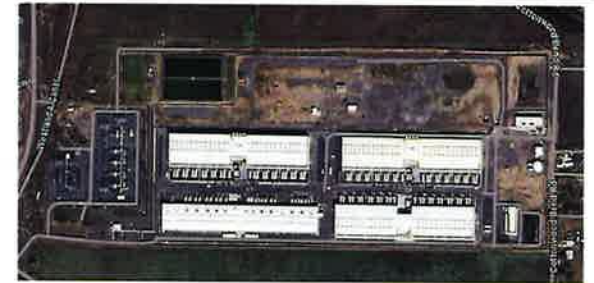
Hermiston Economic Opportunities Analysis

Hyperscale Data Centers



Typical Specifications

- 100+ acres
- Buildings of 200k – 250k sq.ft.
- Substation: 5 -10 acres
- Avg. 35 jobs per bldg.
- Avg. 140 jobs per campus

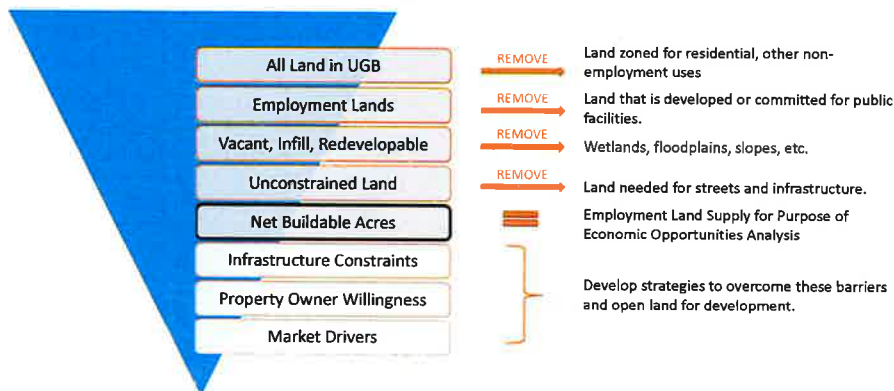


Cottonwood Bend development

- 126 total acres
- Buildings of 218k – 250k sq.ft.

Hermiston Economic Opportunities Analysis 10

Buildable Land Inventory: Filters



Hermiston Economic Opportunities Analysis 11

Buildable Land Inventory

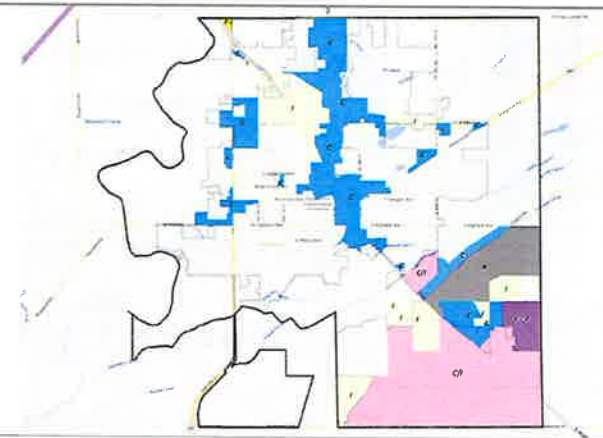


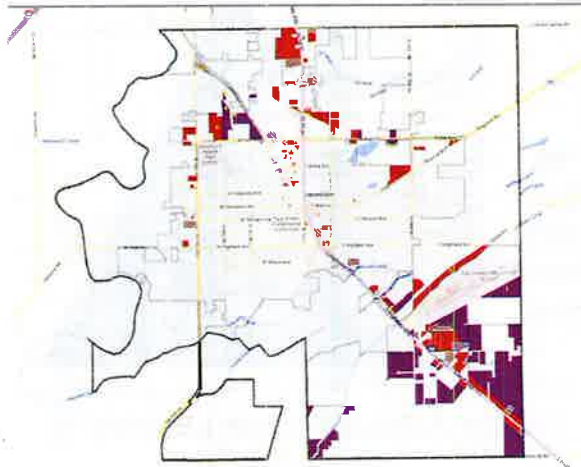
Figure 2: Hermiston Employment Land Comprehensive Plan Designations

Hermiston, Oregon

- LEGEND**
- Hermiston City Limits
 - Hermiston Urban Growth Boundary (UGB)
 - Comprehensive Plan Designations
 - Airport (A)
 - Commercial (C)
 - Commercial/Industrial (C/I)
 - Future Commercial/Industrial (F-C/I)
 - Industrial (I)
 - Future Industrial (F-I)

Hermiston Economic Opportunities Analysis 12

Buildable Land Inventory



**Figure 5: Hermiston
Net Buildable
Employment Land**

Hermiston, Oregon



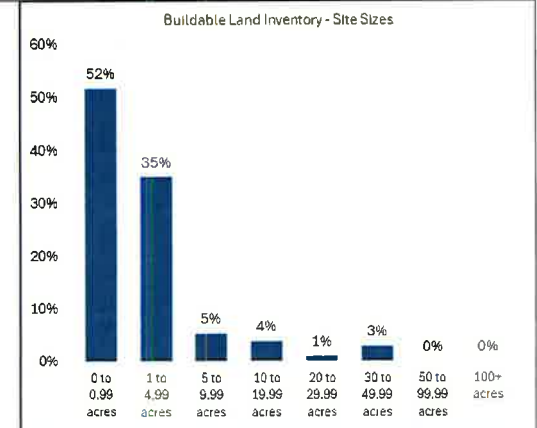
Hermiston Economic Development Analysis 13

Buildable Land Inventory



	# of Sites	Acreage
Commercial	131	267
Industrial	74	423
Totals	205	690

- 52% < one acre
- 87% < five acres
- 96% < 20 acres
- No sites over 50 acres



Hermiston Economic Development Analysis 14

20-Year Land Demand vs. Supply



EMPLOYMENT ZONING DESIGNATION	20 YR. DEMAND (Gross Acres)	BUILDABLE LAND (Acres)	Permitted Data Center Sites (Acres)	SURPLUS OR (DEFICIT) (Gross Acres)
Commercial (Office, Institutional, Retail)	97.6	267.2		169.6
Industrial (Gen. Ind., Warehouse, Flex)	160.1	423.1		263.0
Data Center Campus	1,210.2	NA2	214.0	(996.2)
TOTAL:	1,467.8	690.3	214.0	(563.6)

Hermiston Economic Development Analysis 15

Economic Opportunities Analysis



Thank you!

Questions or Comments?

Hermiston Economic Development Analysis 16

