



# **Milwaukie City Council**



#### **COUNCIL WORK SESSION**

#### AGENDA

City Hall Council Chambers, 10501 SE Main Street & Zoom Video Conference (<u>www.milwaukieoregon.gov</u>)

**Council will hold this meeting in-person and by video conference.** The public may come to City Hall, join the Zoom webinar, or watch on the <u>city's YouTube channel</u> or Comcast Cable channel 30 in city limits. **For Zoom login** visit <u>https://www.milwaukieoregon.gov/citycouncil/city-council-work-session-357</u>.

Written comments may be delivered to City Hall or emailed to ocr@milwaukieoregon.gov.

Note: agenda item times are estimates and are subject to change. Page		
1.	Neighborhood Hubs Phase III – Discussion (4:00 p.m.) Staff: Laura Weigel, Planning Manager, and Vera Kolias, Senior Planner	1
2.	<b>Council Climate Goal Update – Discussion</b> (5:00 p.m.) Staff: Katie Gavares, Climate & Natural Resources Manager	9
3.	Milwaukie Bay Park Parking – Discussion (5:30 p.m.) Staff: Joseph Briglio, Acting Assistant City Manager	

**4. Adjourn** (6:00 p.m.)

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#### **Executive Sessions**

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OCTOBER 1, 2024



#### COUNCIL WORK SESSION

City Hall Council Chambers, 10501 SE Main Street & Zoom Video Conference (www.milwaukieoregon.gov)

Council Present: Councilors Will Anderson, Adam Khosroabadi, Rebecca Stavenjord, and Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Acting Assistant City Manager Katie Gavares, Climate & Natural Resources Manager Emma Sagor, City Manager Justin Gericke, City Attorney Adam Heroux, Associate Planner

Peter Passarelli, Public Works Director Scott Stauffer, City Recorder

MINUTES

OCTOBER 1, 2024

**Mayor Batey** called the meeting to order at 4:06 p.m.

#### 1. Neighborhood Hubs Phase III – Discussion (removed from the agenda)

Mayor Batey announced that the Hubs discussion would be rescheduled.

#### 2. Council Climate Goal Update – Discussion

**Passarelli** and **Gavares** provided an update on the city's climate action work, including the creation of climate equity indicators and metrics, providing positive community outreach around tree rules, and the development of state building performance standards (BPS). Mayor Batey and Passarelli discussed how BPS would be implemented.

Gavares reported on the roll out of a state home energy score (HES) program for rental housing. The group commented on how HES' are reported and Passarelli noted that compliance with the city's HES program had been fair. The group noted that Milwaukie did not have a rental stock inventory program.

Gavares provided an update on the city's participation in the Tualatin and Neighbors Charging Up (TANC-Up) grant program which placed electric vehicle (EV) charging stations in Milwaukie and the city's ongoing EV projects with Portland General Electric (PGE). The group noted how PGE Electric Avenue charging station customers can use their subscriptions while the Electric Avenue site is closed for updates, and they remarked on whether the city needed to play a role in pointing customers to EV charging stations.

Gavares provided an overview of transportation and land use legislation to be considered during the state legislature's 2025 session and provided updates on work to revise the city's natural resources tree code that would be presented to Council soon and noted Milwaukie Arbor Day activities. Upcoming projects, including a greenhouse gas (GHG) emission inventory, collection of new tree canopy data, updates to the city's Climate Action Plan (CAP), and drafting a city building feasibility study, were noted.

Councilor Anderson asked about the timeline and scope for the CAP update, noting the answer could be provided later.

Councilor Stavenjord asked how environmental justice would intersect with the city's equity work. Gavares and Passarelli commented on plans to integrate an equity framework into the city's climate and public works operations. Mayor Batey noted staff were looking at bringing Leslie King, with the Oregon Department of Fish and Wildlife (ODFW) Commission, back to speak to Council on climate equity.

The group noted the status of PGE's statewide green tariff program for new buildings, noting challenges in implementing and paying for such a program.

#### 3. Milwaukie Bay Park Parking – Discussion

**Briglio** discussed parking at Milwaukie Bay Park and downtown Milwaukie, noting past discussions on introducing paid parking at the park and enhancing parking signage and simplifying the downtown parking time limits and permit program. **Mayor Batey** and **Council President Massey** expressed support for the signage and permit changes.

**Council President Massey** remarked on requirements for motorized boater parking at the park and suggested there was a need for more parking for non-motorized boaters. The group discussed Oregon State Marine Board (OSMB) parking rules, what the city could do on a seasonal basis to improve parking, and whether paid parking would violate any intergovernmental agreement (IGA) the city has with North Clackamas Parks and Recreation District (NCPRD). They talked about issuing all Milwaukie residents a parking pass for Milwaukie Bay Park and charging non-residents to park.

The group commented on seasonal parking changes that staff could ask OSMB about.

**Councilor Stavenjord** and **Briglio** talked about the move from four-hour to two-hour parking lots in downtown Milwaukie and if that change would create hardships for customers or employees of downtown businesses. **Mayor Batey** expressed support for the move to two-hour parking and the group wondered how permits could be used for customers of downtown businesses who plan to park for longer than two hours.

Briglio provided an overview of where the new parking signage would be installed.

**Sagor** summarized that staff would reach out to the OSMB with several questions and **Briglio** suggested the parking signage would be installed before spring 2025.

**Mayor Batey** suggested Council should further discuss charging to park at Milwaukie Bay Park. **Councilor Khosroabadi** asked that Council discuss charging employees of downtown businesses to park in downtown.

#### **Council Reports**

**Council President Massey** reported attending a recent North Clackamas Watersheds Council (NCWC) meeting.

**Councilor Khosroabadi** encouraged Council members to meet with the new Downtown Business Alliance group.

**Councilor Stavenjord** reported on recent Clackamas County Coordinating Committee (C4) and Metro regional technical committee meetings which had focused on possible transportation legislation and urban growth issues in Washington County.

**Councilor Anderson** noted a recent state legislative transportation roadshow and survey work done by the city's Transportation System Plan Advisory Committee (TSPAC). **Mayor Batey** and **Councilor Stavenjord** reported on topics raised during the transportation roadshow and remarked on whether C4's issues had been mentioned at the roadshow.

**Mayor Batey** and **Councilor Stavenjord** discussed the North Clackamas School District (NCSD) school boundaries map, and the Milwaukie city limits map, and what the differences in the maps mean for social services provided to students at schools on the city border. The group commented on how the city can advocate for Milwaukie students

and how the city could receive regular reporting on student service needs. They noted the role of the Clackamas Service Center (CSC) in providing student services and new pilot programs coming to the CSC through county agencies that the city could support.

**Sagor** noted upcoming events, including the October First Friday of the year that would include an open house at city hall, and a Meet Milwaukie event in November. The group discussed plans for a Council dinner and there was Council consensus to hold the dinner on October 13.

**Mayor Batey** noted the recent establishment of a Friends of Milwaukie Bay Park group that had organized a rally at the park. **Batey** commented on the NCPRD Board's recent meetings on parks and Milwaukie Bay Park issues, noting more would be reported during the October 1 regular session.

#### <u>4. Adjourn</u>

Mayor Batey adjourned the meeting at 5:59 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder

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#### **COUNCIL STAFF REPORT**

To:	Mayor and City Council
	Emma Sagor, City Manager
Reviewed:	Joseph Briglio, Acting Assistant City Manager
From:	Laura Weigel, Planning Manager, and Vera Kolias, Senior Planner
Subject:	Potential for Neighborhood Hubs Phase 3

#### **ACTION REQUESTED**

Council is asked to discuss the possibility of a Neighborhood Hubs Phase 3 and provide feedback on whether staff should move forward with all, some, or none of the potential Phase 3 pieces.

#### HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

Council adopted zoning code changes related to Neighborhood Hubs on July 16, 2024. An Economic Development Toolkit was also developed as part of phase 2.

At the July 16, 2024 hearing, Council asked staff to return as soon as possible to discuss the scope for a potential phase 3 of the project.

#### ANALYSIS

During Phase 2, there was feedback both from the public and from Council related to both success of existing hubs and how to realize additional amenities in neighborhoods that do not have hubs within easy access. One of the major keys to the success for commercial development is a sustainable customer base which, in the case of neighborhood hubs, is sufficient density to support these businesses. Staff believes that activating existing corridors that connect several of the identified hubs will bolster the ability for existing businesses to grow and will provide a catalyst for new businesses to locate in Milwaukie.

In analyzing next steps for Hubs phase 3, staff internally discussed several ideas for this effort, which are organized around three major themes for work proposed over the next two years:

- Marketing and promotion
- Funding to catalyze change
- Process improvements and further planning work to support densification and development

#### **Marketing and Promotion**

Before embarking on new projects or initiatives, it is important to understand what is already allowed and ensure that people know what they can do with their property – what is already possible.

As part of Phase 2, code amendments were adopted that expanded the existing temporary use process, which has already allowed a farmstand on 43<sup>rd</sup> Avenue. Temporary uses are a great way to pilot an idea without significant capital expenditure to see if it can work. Residents and

Date Written:

OCR USE ONLY

Sept. 26, 2024

neighborhood district associations (NDAs) can use this simple process to test a variety of popup commercial activities to add amenities and gathering opportunities without needed a formal zoning amendment.

Marketing and promoting the recently adopted hubs code amendments to the hubs properties and the temporary use program would help ensure that existing businesses and NDAs, for example, understand what is already possible and hopefully promote interest in expanding services or trying out a new idea.

#### Funding to Catalyze Change

The city recently launched a set of economic development related programs using tax increment finance (TIF) funds for properties located within the urban renewal area (URA). These programs include the storefront improvement program, tenant improvement program, and pre-development assistance program. The general parameters for each of these is discussed in Attachment 1.

The city could offer these same programs city-wide using construction excise tax (CET) funds with a focus on supporting the improvement of Hubs designated properties. By doing so, the city would incentivize development, as well as provide a means to provide equity for businesses across the city and not just in the URA. Offering these programs will not ensure that a Hub will become fully realized, but it at least will create a means to move the property closer to the intended goal.

Improvements in existing hubs could be as simple as installing pole banners, bike racks, benches, and landscaping near businesses. The funds could also be used for direct improvements to businesses, like storefront improvements or other kinds of site beautification. Some simple improvements and small investments would improve their appearance and demonstrate the city's commitment to their success as neighborhood assets. Improvements could also prompt additional investment from property owners. This strategy is intended to be both business/property owner directed, and city directed as needs arise.

#### Process Improvements and Further Planning Work

#### **Corridor Plans**

As discussed above, the key to commercial success is a customer base. In the case of hubs, this means residential densities that can support businesses so that they are successful. Additional density will also further the objectives of the city's housing production goals and strategies. There are two key corridors that staff has identified that would benefit from focused analysis and code amendments that would result in additional housing density to support commercial investment:

- 32<sup>nd</sup> Avenue Expansion Study
  - Portions already zoned Neighborhood Mixed Use Zone (NMU)
  - Contains an identified neighborhood hub: 32<sup>nd</sup> Ave and Olsen St
  - Collector street designation
  - Residential High-Density Zone (R-HD) located at the southern end of the street
- King Road Corridor
  - Connects two key commercial areas: Wichita Plaza and 42<sup>nd</sup> Avenue and Harrison Street hub
  - Arterial street designation
  - o King Road Improvements project underway (in design)

#### 32<sup>nd</sup> Avenue Expansion Study

The Neighborhood Mixed Use Zone (NMU) zone along 32<sup>nd</sup> Avenue has a boundary that is not

uniform along both sides of the street and is surrounded by the Moderate Density Residential Zone (R-MD) zone except for a small area of R-HD at the northern end. Staff has received limited interest in the past from property owners adjacent to the NMU zone about possibly becoming NMU. Having both sides of the street rezoned to NMU could provide more opportunities for corridor mixed use development. However, in the time since the NMU zone was adopted, nearly 10 years ago, the area has seen little to no change. Thus, upzoning additional portions of the corridor to either NMU or R-HD should be considered to provide additional density opportunities to address both housing availability/affordability and commercial investment.

#### King Road Corridor Plan

The King Road corridor currently contains four different zoning districts<sup>1</sup>:

- $\circ \quad NMU \ covering \ the \ area \ around \ the \ Safeway \ Plaza \ and \ portions \ of \ 42^{nd} \ Avenue \ and \ Harrison \ Street$
- R-HD surrounding the NMU zone running east to 47<sup>th</sup> Avenue; R-HD zoning for the mobile home developments around Wichita Plaza
- R-MD from 47<sup>th</sup> Ave to 59<sup>th</sup> Avenue
- General Commercial Zone (C-G) covering the Wichita Plaza

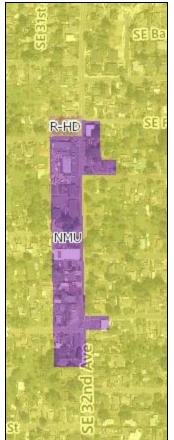


Figure 1. 32nd Ave zoning around NMU zone

To increase density along this corridor and take advantage of the existing street design (and proposed improvements) and existing vehicle trips, the R-MD zoned areas would be the primary focus for up-zoning.



Figure 2. King Road corridor zoning

<sup>&</sup>lt;sup>1</sup> There are also several pockets of county land within the eastern section of the corridor between 55<sup>th</sup> Avenue and Linwood Avenue.

If Council decides to move forward with the corridor studies, the following is a potential approach:

- Gauge interest first
  - NDA and community meetings to review map and potential expansion areas and areas proposed for re-zoning
    - It is important to understand what, if any, support exists for an expansion of the 32<sup>nd</sup> Avenue NMU zone and the King Road NMU and R-HD zones before significant effort is made to re-zone existing residential properties.
    - Draft code and map amendments
- Planning Commission and Council work sessions will be scheduled as the project proceeds to share findings and seek guidance on any questions or key issues.
- Draft Code
  - NDAs and Engage Milwaukie will be used to seek input on any proposed code amendments to confirm that staff has understood the feedback received.

#### **Review Home Occupation Code/Explore allowing Accessory Commercial Uses**

In addition to thinking of Hubs as clearly identified places on a map there was another layer of discission that focused on the concept of allowing small businesses to emerge from people's homes. There are a few ways this could occur.

Staff explored an idea that could provide opportunities for this kind of micro-scale commercial development: accessory commercial uses (ACUs). An ACU is in a residential zone and is a small structure, built on a lot either adjoining or attached to a larger structure, which hosts businesses rather than homes. Currently Milwaukie, like many areas of most American cities has zoning that results in strict separation of uses; commercial activity isn't allowed in residential neighborhoods. While Milwaukie has Neighborhood Hubs and a fairly open interpretation of home-based businesses, many residential areas in Milwaukie do not have easy access to retail or other commercial amenities. This also results in a shortage of affordable store and/or café spaces for small businesses.

ACUs used to be called the neighborhood grocery store, of which Milwaukie already has a few: the "little blue store" on Washington Street, Roswell Market, and Sunny Corner Market. The city created zoning to officialize their location in the middle of residential neighborhoods, and they are now considered Neighborhood Hubs. During the recent Neighborhood Hubs project, staff heard from residents asking about opening storefront-type businesses in their homes, so there appears to be interest in the idea.

ACUs can create opportunities for small businesses to expand and build wealth. And are sometimes described as a 'missing middle' for commercial uses that could help neighborhoods which have no or limited commercial zoning to allow them to emerge. Examples include a front porch coffee shop, garage convenience store, barbershops, pizza window, co-working office spaces, micro boutiques, cafes, and bakeries.

While the concept of ACUs is a good one, during staff's research, staff concluded that this may not be the right approach in Milwaukie at this current moment in time. The city's residential neighborhoods do not have the density necessary to support retail or restaurant uses. Staff is also concerned about dilution of the identified Hubs as centers of neighborhood activity.

Home occupations, already allowed in Milwaukie, may be a viable alternative to ACUs, but the zoning code requires them to be virtually invisible—they can't change the character of the

neighborhood or produce additional pedestrian or vehicular traffic; signage is very limited; numbers of employees are limited; and basically, no outdoor activity that could make it appear that something other than a residential use is in the neighborhood. An audit of the existing home occupation code could provide room for some expansion to allow more commercialforward uses to be permitted. By expanding the home occupation code, the city can help address equity in our neighborhoods by allowing residents to respond to the needs of their community and provide opportunities for those without access to large amounts of capital or borrowing power.

Phase 2 of the Hubs project also opened the temporary uses code, which provides for a lot of opportunities for commercial uses in the neighborhoods for a limited duration. As noted above, one recent example is a farmstand that was approved on 43<sup>rd</sup> Avenue in the Lewelling neighborhood. Expanding commercial opportunities for home-based businesses would provide another option for micro-scale commercial and service amenities throughout the city's residential neighborhoods.

In lieu of developing an ACU program staff recommends reviewing the home occupation code to ensure that home-based businesses can thrive in our residential zones. Issues such as allowed business type, standards, performance measures, appearance, etc. need to be reviewed to confirm that they reflect current intent and policy.

Staff would engage with the NDAs and use Engage Milwaukie to understand how much support and what type of interest exists in broadening commercial opportunities in our residential zones.

#### "Floating" Zone

The idea has been raised to develop a floating or "opt-in" zone that would allow applicants to apply for a special commercial designation and/or density increases to be applied their property as a way to incubate Hub-style development. While state law dictates requirements for land use and zoning changes, there are some steps the city could take to expedite this kind of rezoning if this is an idea Council wanted to explore. Staff have not, however, observed demand to date for this kind of spot or opt-in zoning. Staff also believes that modifications to the Home Occupation code could accomplish the same goal.

#### **Key Questions for Council**

1. Does Council support the idea of developing strategic marketing and promotion of existing opportunities for hubs-like amenities? Are there specific Hubs that staff should consider prioritizing investment and resources?

2. Does Council support the city offering the same economic development programs city-wide using CET funds with a focus on supporting the improvement of Hubs designated properties, home-based businesses, and temporary uses? Are there specific Hubs that staff should consider prioritizing for these investments and resources?

3. Does Council want staff to explore the 32<sup>nd</sup> Avenue Expansion Study and King Road Corridor Plan?

4. Does Council support staff conducting an audit of the home occupation code, and live/work regulations to identify any gaps or conflicts with the goal of expanding commercial opportunities and amenities in our residential neighborhoods?

#### **BUDGET IMPACT**

The planning department has not accounted for Hubs Phase 3 work. The scope of the project needs to be determined prior to developing a budget.

#### WORKLOAD IMPACT

Depending on what direction the Council takes on what to include in Phase 3 there may need to be some shifts in the planning department workplan.

#### **EQUITY IMPACT**

Staff will consult with the city's equity and inclusion coordinator to ensure that appropriate and useful outreach is conducted for this project, particularly for the home occupation code audit and review. This aspect of the project can provide a very positive outcome for many small businesses, so having clear direction and feedback from folks that could directly benefit from these code amendments is critical.

#### **CLIMATE IMPACT**

Providing more services and commercial opportunities in residential neighborhoods could reduce or even eliminate vehicular trips, which would provide environmental benefits to the city. Providing more destinations that are within easy walking or biking distance creates resiliency in the city as well.

#### COORDINATION, CONCURRENCE, OR DISSENT

Planning staff has consulted with community development staff on this initial understanding of Phase 3.

#### **STAFF RECOMMENDATION**

Staff requests direction from Council for next steps.

#### **ALTERNATIVES**

Not applicable.

#### **ATTACHMENTS**

1. Expanded Economic Development Program

#### Attachment 1.

#### Expanded Economic Development Program

#### Storefront Improvement Grant Program (Maximum Grant Amount: \$25,000)\*

- Purpose: Enhance the aesthetic appearance and façade of buildings
- Eligible Applicants: Property owners or tenants (with owner approval) within the URA
- Eligible Activities: Improvements that improve the appearance and functionality of the ground floor retail/commercial space. Examples: windows, entrances, transoms, awnings, signs, building rehabilitation, paint, siding, and similar upgrades.
- Requires a 50% financial match of the construction cost.

#### Tenant Improvement Grant Program (Maximum Grant Amount: \$25,000)\*

- Purpose: Improving the interior of a building to meet various code requirements
- Eligible Applicants: Property owners or tenants (with owner approval) within the URA
- Eligible Activities: Interior improvements that are intended to expand or upgrade the ground floor tenant space. This program is restricted to restaurants, curated retail, and other similar uses that generate foot traffic. Examples of improvements: new kitchen equipment in the case of restaurants, or other improvements intended to accommodate desired uses, including cost of improvements required by code, such as grease traps, Americans with Disabilities Act (ADA) improvements to restrooms and exiting, etc.
- Requires a 50% financial match of the construction cost.

\*An eligible applicant can pursue both the Storefront Improvement and Tenant Improvement Programs. The city will also consider reimbursement grants for eligible activities that occurred 6 months prior to the launch date of the programs.

#### Pre-Development Assistance Grant Program (Maximum Grant Amount: \$50,000)

- Purpose: Intended to provide funding for a wide variety of professional studies which the city deems likely to support and spur new development (either new construction or major rehabilitation) that advances the aspirations for its Downtown and URA as expressed in the Urban Renewal Plan.
- Eligible Applicants: Property Owners, as well as prospective owners or developers who can demonstrate that they are in a position to own the property in question.
- Eligible Activities: Any technical studies and services that assist in the possible redevelopment of a property.
- Requires a 50% financial match of the product cost.
- The MRC will own the work that it funds and may opt to share it with other parties.

### Anti-Displacement Business Consulting Program (Service Based Grant – up to \$2,500 in Consulting)

- Purpose: In an attempt to prevent displacing existing businesses, this program offers professional consulting services that are intended to help businesses stay competitive and relevant in today's market. It is also intended for those businesses who are not ready or lack the means to pursue the other programs listed above.
- Eligible Applicants: Business owners in the URA who have been operating for at least two years.
- Eligible Activities: Consulting services related to interior and exterior design planning, merchandizing, branding, displays, and similar related effects.
- No match required. This program provides free professional consulting services up to a certain hourly rate



#### **COUNCIL STAFF REPORT**

To: Mayor and City Council

Emma Sagor, City Manager

Reviewed: Peter Passarelli, Public Works Director, and Gabriela Santoyo Gutierrez, Equity & Inclusion Coordinator

From: Katie Gavares, Climate & Natural Resource Manager

#### Subject: Climate Goal Update

#### ACTION REQUESTED

Council is asked to receive an update on the city's climate action work and provide direction to staff if needed.

#### HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

<u>December 6, 2022</u>: Council continued public testimony and discussion on the proposed decarbonization resolutions and adopted the city-owned buildings and residential new construction resolutions.

<u>February 7, 2023</u>: Staff presented an update on electric vehicle (EV) infrastructure projects around the city.

<u>April 4, 2023</u>: Staff updated Council on private tree code implementation and Council held initial discussions on a tree code cleanup effort.

June 20, 2023: Staff gave a climate action goal overview, highlighting work to date and priority projects. Portland General Electric gave an update on their clean energy plan.

July 18, 2023: Staff continued tree code cleanup discussions with Council.

<u>November 7, 2023</u>: Council heard an update on building energy projects and progress related to the city's building decarbonization resolutions.

December 12, 2024: Staff gave a climate action goal overview, highlighting work to date and priority projects:

January 2, 2024: Council heard an update on policies that regulate natural gas and rates in buildings.

#### ANALYSIS

This update outlines the progress to-date on key initiatives related to Council's climate goal and outlines emerging staff priorities with the greatest impacts in emission reduction and community co-benefits.

**10/1/24** OCR USE ONLY

Sept. 19, 2024

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#### **Climate Equity**

In a process co-developed through the City Manager's office and led by a consultant from Equity Analytics Group, the city is developing equity indicators that will help us track progress on implementing the city's strategic plan and 2040 community vision. At a joint meeting in July 2024, City Council and the Equity Steering Committee identified "Milwaukie is adaptive to the realities of a changing climate" as a priority outcome from the community vision around which to develop performance metrics that will eventually be shared through a community dashboard. These transparent indicators of success will support equitable implementation of emergency preparedness, code and infrastructure retrofitting, electrification efforts and programs, canopy coverage, and more.

To continue institutionalizing the intersections of equity and climate across the city, the Equity and Inclusion Coordinator and Climate and Natural Resource Manager have established biweekly meetings, and the Climate and Natural Resource Manager has joined the city's Internal Equity Committee. Updates on additional equity and climate efforts will jointly be reported to Council in December 2024.

#### Advancing Building Performance Standards in Oregon Project (RECI grant)

Milwaukie remains a participant in the United States Department of Energy's Resilient and Efficient Codes Implementation (RECI) grant. The city has been awarded \$159,000 to participate in a three-year project focused on building performance standards alongside the cities of Beaverton, Portland, Bend, and Eugene, along with the Oregon Department of Energy (ODOE), Earth Advantage and New Buildings Institute.

The outcomes of this grant are broken into two budget periods, each 18 months long. During Budget Period 1 from 1/1/2024 – 6/30/2025, the participating jurisdictions are supporting the ODOE develop Energy Use Intensity standards for the Building Performance Standards (BPS) rulemaking process. Participating partners are also developing additional standards jurisdictions might use to exceed state requirements, like Greenhouse Gas Intensity Standards, Carbon Performance Targets, and Maximum Temperature Standards for Rental Housing. Finally, throughout the first 18-months jurisdictions are receiving monthly trainings from the Coalition of Communities of Color on how to persistently weave in community priorities and tenant advantages into these targets.

If Milwaukie chooses to continue into Budget Period 2, from 7/1/2025- 12/31/2026, staff will be expected to engage relevant stakeholders and communities on impacts and improvements to the State's BPS and proposed additional standards for local jurisdictions. Outcomes of this phase will include detailed procedures for meaningful involvement of the local community and establishing performance, reporting and health standards that suite the unique content of each city. In addition, if Milwaukie chooses there would be additional support to prepare a Carbon Performance Standards Ordinance for City Council's consideration.

#### Home Energy Score Program for Rental Housing

USDOE has updated the Home Energy Scoring Tool to include low-rise multifamily buildings, making it newly functional for more housing types that are frequently occupied by renters. ODOE and Earth Advantage have published a study on pathways to incorporate rental properties into existing HES standards. This study found real estate listing disclosure policies only need minor amendments to cover rentals. ODOE is anticipating launching a new rental housing HES program in 2025. After which, Milwaukie could choose to update its local ordinance to require disclosures on rental listings. This would help protect more vulnerable residents from high energy costs and drive down carbon emission reductions.

#### **Building Electrification**

Milwaukie continues to participate in statewide discussions on building electrification, despite the challenges posed by legal opposition to natural gas bans. Staff are participating in ongoing conversations to understand the proposed regulatory alternatives for managing natural gas and advancing the electrification of new building developments.

#### **Electric Vehicle (EV) Charging Infrastructure**

#### Tualatin and Neighbors Charging Up (TANC-UP) Grant

Led by the City of Tualatin, Oregon's North Willamette Valley was recently awarded \$15 million from the U.S. Department of Transportation's Charging and Fueling Infrastructure Discretionary Grant to install 500 Level 2 networked charging ports. Through this funding, the City of Milwaukie will receive at least 25 charging ports. Approximately half of the Level 2 charger locations are expected to be installed in publicly accessible parking lots at affordable multifamily housing<sup>1</sup> locations. The other half of project chargers will be sited at public facilities, including libraries, community centers, transit hubs, parks, and schools.

To simplify reporting, the grant funds will flow through the City of Tualatin, and the City of Milwaukie will receive the charging infrastructure. Staff have begun identifying opportunities to engage the community via online platforms like Engage Milwaukie and in-person community presentations to understand priority infrastructure gaps. In 2025, efforts will begin to establish a stakeholder advisory group of participating jurisdictions and solidify the project implementation plan.

#### PGE EV Pole-Mounted and Curbside Chargers

PGE has installed 15 active EV chargers mounted on utility poles. In the months of June and July 2024, the most used pole-mounted charger was at 10677 SE 28th Ave with 144 sessions per month. Three of the pole-mounted chargers had 60-80 sessions each, and the rest of the chargers had 25 sessions or less. PGE is continuing to identify new utility poles suitable to mount EV chargers in underserved areas that align with HB2165 criteria. Milwaukie has also begun PGE's Municipal Charging Collaboration, which will support installation of curbside Level 2 EV

<sup>&</sup>lt;sup>1</sup> In the grant application, "affordable" is defined as households earning up to 80% of Area Median Income in the region would pay no more than 30% of their gross household income for rent and utilities. Page 3 of 6 – Staff Report

chargers in close proximity to muti-family housing. Further discussions with PGE are scheduled for the fall.

Staff are working with PGE to identify engagement opportunities to increase use of the existing pole chargers and gauge propensity for EV adoption is neighborhoods with limited pole and curbside EV charging infrastructure. To aid in outreach efforts, staff are preparing a map of all EV chargers in Milwaukie city limits for the city website. This map will continue to be updated as new EV chargers come online through TANC-Up funding, curbside, and pole-mounted.

#### PGE Milwaukie Electric Avenue

Milwaukie Electric Avenue EV chargers will be down for upgrades and maintenance for 6-8 weeks starting September 23<sup>rd</sup>. PGE is making improvements to these EV chargers, starting with installing new chargers that provide faster charging times and easier ways to pay. Upgrades to Milwaukie's Electric Avenue will include installing four new ChargePoint DC fast chargers, capable of up to 160 kW and one ChargePoint 7.2 kW level 2 charger with two ports. These chargers will have faster charging times, be more reliable, and offer convenient tap to pay options. Community members have been informed of these upgrades through the Pilot and social media posts.

#### Transportation

State legislators and transportation advocates are preparing for the 2025 legislative session by identifying priorities for a potential transportation package. Throughout the summer of 2024, the Oregon Joint Committee on Transportation has hosted a listening tour with 12-stops to gather input on how to fund and invest in transportation. Milwaukie staff plan to submit a written testimony to the Joint Committee on Transportation on September 27. The testimony will communicate the city's adopted goals around investments in integrated transportation, housing, and land use planning initiatives that reduce carbon emissions by providing compact, mixed-use neighborhoods, expanding funding for affordable and practice public transit, and incentives and education that make electric light/medium/heavy-duty vehicles affordable, accessible, and safe. Staff will continue to track advocacy opportunities to support our climate and safety goals in the 2025 transportation package.

#### **Tree Code Cleanup**

Natural resources, planning, and code compliance staff are coordinating on a cleanup effort to improve the readability and enforceability of the city's tree code (MMC 16.32). Proposed changes may include integration with the natural resource code, formatting adjustments, language changes for consistency, and the addition of violation language to better match the original intent of the tree code when it was developed in 2021. Staff will provide Council an update on the proposed changes in November 2024.

#### Outreach, Education and Engagement

Staff are seeking additional resources and reprioritizing efforts to focus on raising community awareness on city climate and urban forest programs and goals. The 2023 Climate Action Plan

Page 4 of 6 – Staff Report

(CAP) Update Report identified gaps in our community engagement efforts due to staff's limited capacity. Without re-prioritized engagement efforts, many residents' first interaction with the Climate and Natural Resources team is through code enforcement. Fostering this punitive relationship with our community is counterproductive to our goal of fostering stewards of our urban forest and watershed. Staff are identifying resources to develop a CAP community engagement strategy, culturally relevant and translated materials, a climate dashboard platform, and prioritizing more frequent engagement efforts in their workplans.

#### On the Horizon

#### 2025: Greenhouse Gas (GHG) Emission Inventory

Milwaukie inventoried GHG emissions in 2016 and 2020 to quantify community emissions by main emission sources, including building energy, transportation, waste processing, refrigerants, and imported gods. In 2025, Milwaukie will again inventory GHG emissions from the year 2024, to maintain a consistent time between inventories. This data will identify where Milwaukie is in meeting our benchmarks and where more aggressive strategies might be needed.

#### 2026: Update Milwaukie's Climate Action Plan

Since the Climate Action Plan was adopted in 2018, climate science and policy have rapidly evolved, and the climate emergency has intensified. In 2026, Milwaukie will reassess its mitigation and adaptation targets and strategies to reflect the most current data, emerging resources, and state or federal mandates. This update provides a crucial opportunity for the city to engage the community through a participatory process and co-create equitable solutions that are responsive to residents' specific climate concerns.

#### 2027: City Building Feasibility Study

City Council adopted a resolution in December 2022, to advance the decarbonization of city buildings to meet the CAP's 2035 net-zero building energy. The resolution establishes electrification requirements and retrofits for city-owned or city-financed buildings. As a requirement of the resolution, Milwaukie will complete a buildings feasibility study, budgeted for FY2027, to replace inoperable fossil fuel infrastructure with electric options.

#### **BUDGET AND WORKLOAD IMPACT**

Staff are working within their existing resource capacity to manage the prioritized projects and programs along with the variety of other climate actions currently in implementation. The above projects are within the city's current budget or are identifying additional grant funding to support the work.

#### **CLIMATE IMPACT**

Projects and programs are prioritized by staff by their emission and community co-benefits. The above priority projects could have significant emission reduction potential in the building and transportation sectors, and larger ecosystem benefits for stormwater and watershed health.

#### EQUITY IMPACT

These climate priorities outline a concerted effort to use an equity approach in decisionmaking and engage communities most impacted by the effects of climate change and proposed solutions. Staff will continue collaborating with the Equity and Inclusion Coordinator in the ways outlined above to help maximize benefits of climate actions to vulnerable and underrepresented populations, while minimizing burdens.

#### COORDINATION, CONCURRENCE, OR DISSENT

Staff are continuing to coordinate with a variety of internal staff, utilities, regional community stakeholders, and other jurisdictions on the implementation of the CAP and the above projects.

#### STAFF RECOMMENDATION

Staff recommends that Council receive the update and provide direction to staff if needed.

**ALTERNATIVES** None.

#### ATTACHMENTS

None.



### **Climate Action Update** City Council Work Session October 1, 2024

### **Katie Gavares**

Climate and Natural Resources Manager

WS 2. 10/1/24 **Presentation** 

# Prioritizing Climate Equity

- Continue institutionalizing the intersections of equity and climate across the City
- Collaboration between Equity & Inclusion Coordinator and Climate and Natural Resource Manager
  - Bi-weekly check-in meetings
  - Participating in Internal Equity Committee
- Develop Climate Equity Metrics
- Increased community outreach, education, and engagement
- Additional updates will be reported to Council in December 2024



# Building Energy: Building Performance Standards (BPS)

- Partnership with Earth Advantage, ODOE and regional governments to implement BPS
  - HB 3409 Oregon Energy Performance Standard policy (>35k sf)
- Milwaukie awarded \$159K in grant dollars for CY 24-26 to:
  - Support implementation of the State's BPS
  - Analyze impacts of BPS on local building stock and climate goals
  - Engage community and stakeholders
  - Develop guidance material
  - Consider BPS ordinance that exceeds State requirements to better align with Milwaukie's building stock and climate goals
- Additional updates will be reported to Council in January/ February 2025

CAP Goal: Net-zero carbon emissions from building fuels by 2035



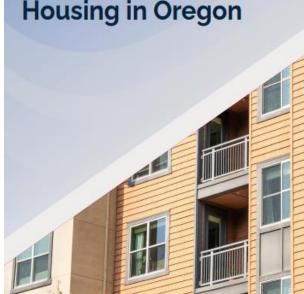
# Building Energy: Home Energy Score (HES) for Rental Housing

- ODOE and Earth Advantage have published a study on pathways to incorporate rental properties into existing HES standards
  - Findings: Real estate listing disclosure policies only need minor amendments to cover rentals
- ODOE is anticipating launching a new rental housing HES program in 2025
- Evaluate and consider updates to HES local ordinance to require disclosures on rental listings

CAP Action: Adopt a commercial and residential building energy score program based on the City of Portland's program.

AUTHORED BY EARTH ADVANTAGE Funded by the oregon department of energy September 2024

MENDING THE SPLIT: Pathways for Home Energy Score Disclosure for Rental Housing in Oregon





# Vehicles and Fuels: Tualatin and Neighbors Charging Up (TANC-Up) Grant

- TANC-UP awarded 17 cities \$15 million for 500 Level 2 networked charging ports
- City of Milwaukie will receive at least 25 charging ports for:
  - Affordable multifamily housing locations
  - Public Facilities: Libraries, community centers, transit hubs, parks, and schools
- Next steps
  - Establish stakeholder advisory group with participating jurisdictions
  - Develop a map of all EV chargers in Milwaukie for the city website
  - Engage priority communities to identify existing gaps in charging infrastructure

CAP Actions: Support outreach efforts to encourage shift to electric vehicles; Create a program to install electric vehicle charging infrastructure at multi-family housing complexes



# Vehicles and Fuels: PGE EV Charging Infrastructure

- On-Pole Chargers
  - 15 installed and active on-pole chargers and 3 new sites identified
  - City is working with PGE outreach to increase use of the existing chargers
- Curbside EV Chargers
  - Goal: ~5-7 Level 2 curbside charging ports near multifamily housing
  - City will work with PGE this Fall 2024 to identify site locations
- Milwaukie Electric Avenue
  - Four new ChargePoint DC fast chargers and one ChargePoint Level 2, with two ports
  - Down for 6-8 weeks of maintenance (Sept. 23 Nov.)

CAP Actions: Support outreach efforts to encourage shift to electric vehicles; Create a program to install electric vehicle charging infrastructure at multi-family housing complexes.



# Land Use and Transportation: 2025 Legislative Session

- State legislators are preparing for the 2025 legislative session by identifying priorities for a potential transportation package.
- Summer of 2024, the Oregon Joint Committee on Transportation (JCT) hosted a listening tour with 12-stops to gather input
  - Sept. 26: Mayor Batey and Councilor Anderson provided testimony at the JCT Road Show in Happy Valley
  - Sept. 27: Staff submitted written testimony to the JCT
- Staff will continue to track advocacy opportunities

CAP Actions: Implement the SAFE street and sidewalk improvement program; Partner with Metro and TriMet to increase transit service.



# Natural Resources: Tree Code Update

- Update to public and private tree code (MMC 16.32)
  - Structural and phrasing for clarification/readability
  - Closing enforcement and applicability loopholes
    - E.g. phrasing of violation sections
  - Integration with the natural resource code
- Working with code compliance and planning staff
- Bringing back to council work session in November 2024
- Arbor Day Celebration and Tree Planting
  - 8:45am-1pm on Oct. 26, 2024, at Water Tower Park

CAP Action: Increase tree canopy coverage to 40% by 2040



# On the Horizon

### Late Spring / early Summer 2025

- Greenhouse Gas Emission Inventory
  - Based 2024 calendar year data
- Tree Canopy Data
  - Based 2024 LiDAR data from Metro

### Summer / Fall 2026

- Begin Update to Milwaukie's Climate Action Plan
- City Building Feasibility Study



# Thank you!

### Katie Gavares

Climate and Natural Resources Manager GavaresK@milwaukieoregon.gov 503 786 7668

### Peter Passarelli

Public Works Director PassarelliP@milwaukieoregon.gov

Learn more at milwaukieoregon.gov/sustainability



WS 3. 10/1/24 Presentation

Milwaukie Bay Park Parking

October 1, 2024



Parking Total: 20 Trailer Spaces (1 ADA) 13 Vehicle Spaces (3 ADA)



<u>North Lot</u> 14 Trailer Spaces (1 ADA) 4 Vehicle Spaces (1 ADA) <u>South Lot</u> 6 Trailer Spaces 9 Vehicle Spaces (2 ADA)



### Last Direction – March 2024

- Paid Parking was discussed but should be part of the greater MBP discussion/development
- Gladstone data for their paid parking program
- Some interest in reconfiguring the south parking lot



### North Lot

Marine Board not open to reconfigure Needs better signage

### South Lot

Marine Board Open to Seasonal Reconfiguration Needs Better Signage



# Proposed Downtown Parking School

10818

12

10888

-

2 HR &

Permit

Parking

25 Spaces

SE Jackson St

SE 2715t Ave 10800

2 HR Public & Permit Parking 10700 101 Spaces

10801

10817

10821

10835

TH

R.

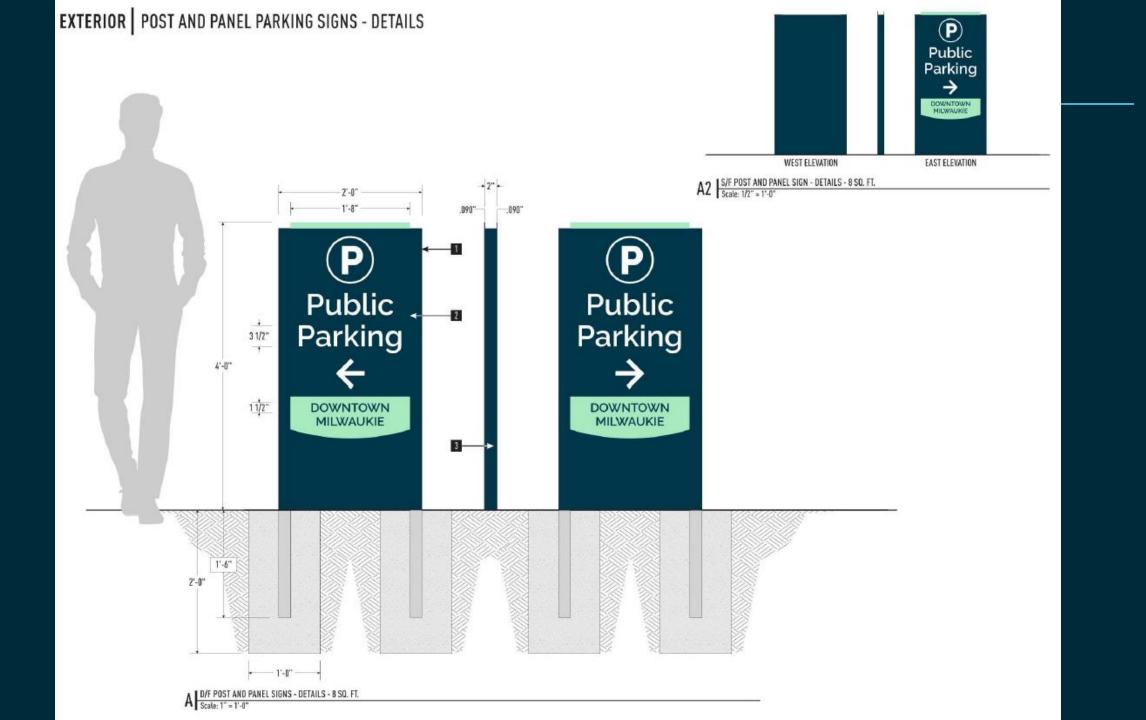
10851

10883

SE Jackson St

th

2 HR Public & Permit Parking 37 Spaces







# **Recent History & Background**

**2013**: City was awarded a \$1.2M Marine Board Grant - Replace Boat Ramp and Associated Facilities - 20-year Facility Grant Cooperative Agreement (IGA) **2016**: Amendment #1 - Emergency Closure of the Ramp due to damage - Extended the term by two additional years **2020**: Amendment #2 - Repair and modify 11 boarding docks

- Extended the term 10 additional years (circa 2045)

# **Constraints & Considerations**

- Term of Agreement (32 Years)
- Changes Require Marine Board Approval
- The grant funds were specific to boating and associated amenities
- Commercial use is prohibited (i.e. paid parking)

