

### **Town Hall**



## Milwaukie City Council



### **COUNCIL TOWN HALL**

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**NOTICE** 

JULY 28, 2025

# MIDDLE HOUSING TOWN HALL

at CITY HALL 10501 SE MAIN STREET MILWAUKIE, OREGON

> July 28, 2025 5:30 p.m.

The Milwaukie City Council will hold a town hall to discuss middle housing at City Hall, 10501 SE Main Street, Milwaukie, at 5:30 p.m.

For additional information about this meeting contact the Office of the City Recorder at 503-786-7502 or ocr@milwaukieoregon.gov

#### Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice

The city is committed to providing equal access to public meetings. To request listening and mobility assistance services contact the Office of the City Recorder at least 48 hours before the meeting by email at <a href="mailto:ocr@milwaukieoregon.gov">ocr@milwaukieoregon.gov</a> or phone at 503-786-7502. To request Spanish language translation services email <a href="mailto:espanol@milwaukieoregon.gov">espanol@milwaukieoregon.gov</a> at least 48 hours before the meeting. Staff will do their best to respond in a timely manner and to accommodate requests. Most Council meetings are broadcast live on the <a href="mailto:city's YouTube channel">city's YouTube channel</a> and Comcast Channel 30 in city limits.

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### **Executive Sessions**

The City Council may meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660(2); all discussions are confidential; news media representatives may attend but may not disclose any information discussed. Final decisions and actions may not be taken in executive sessions.



### COUNCIL MIDDLE HOUSING TOWN HALL

**MINUTES** 

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

JULY 28, 2025

Council Present: Councilors Adam Khosroabadi, Robert Massey, Rebecca Stavenjord, and

Council President Will Anderson, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Assistant City Manager Scott

Katie Gavares, Climate & Natural Resources Manager

Vera Kolias, Senior Planner Emma Sagor, City Manager Scott Stauffer, City Recorder Jeff Tolention, Assistant City Engineer Laura Weigel, Planning Manager

**Mayor Batey** called the meeting to order at 5:36 p.m.

### **Welcome**

Sagor reviewed the event agenda. Council and city staff introduced themselves.

### **Educational Presentation**

**Weigel** explained what middle housing is, noted laws that govern middle housing, and discussed how middle housing rules had been implemented in Milwaukie.

**Sean Edging**, Senior Housing Planner at the Oregon Department of Land Conservation and Development (DLCD), reviewed state middle housing laws including recent changes approved by the state legislature.

**Weigel** and **Gavares** discussed examples of how middle housing laws had been applied in Milwaukie and how the city's Tree Code interacted with middle housing rules. They noted that state law limited what housing rules cities could control.

**Kolias** and **Tolentino** explained how middle housing rules impacted the city's land use review processes.

**Sagor** provided a summary of the implementation of state and city middle housing laws, rules, and policies, and remarked on what middle housing policies and strategies the city could consider in the future.

### **Moderated Discussion**

Council and city staff participated in a discussion about middle housing. To review the questions asked during the discussion, and staff responses, see the attached "Questions and Responses Summary" exhibit attached to these minutes.

### **Reflection and Concluding Thoughts**

Council thanked the audience for attending the town hall and remarked on takeaway thoughts from the discussion. They commented on what Council and the city could do to maintain a sense of community, support the creation of new denser housing, keep Milwaukie as affordable as possible, make sure developers pay an appropriate amount for building new structures and include parking in their building plans.

Council members expressed concern about the limits on local housing decisions placed on cities by state middle housing rules.

### 11928

**Mayor Batey** adjourned the meeting at 7:35 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder



# Middle Housing Town Hall July 28, 2025 Summary

### **Questions and Responses**

### **Verbal Questions asked at Town Hall**

- Can people just pay to cut down trees? If so, they should triple the fees.
  - Removal of onsite trees which results in a reduction of onsite canopy below 30% canopy coverage will result in required mitigation. Mitigation tiers are cumulative and are calculated based on the resulting final onsite canopy after requested tree removals. The mitigation fee is \$4,000.00 for each reduction of 7.5% site canopy coverage below 30% total site canopy. Fees are cumulative based on total canopy reduction.

30 - 22.5% | \$4,000.00 22.5% - 15% | \$4,000.00 15% - 7.5% | \$4,000.00 7.5% - 0% | \$4,000.00 \*\$2,000.00 per tier for qualified affordable housing developments

Trees on the Milwaukie invasive tree list are not to be included in the calculations. Trees on the Milwaukie Rare or Threatened tree list are to be preserved where possible, and additional removal fees for these trees may apply. Only onsite trees are included in the preservation standard calculation.

- Detached quadplex -- could we do lot size minimums like Lake Oswego?
  - Lake Oswego has multiple residential zones with varying minimum lot sizes.
     Milwaukie has two residential zones with different minimum lot sizes, so our codes are difficult to compare. But both cities must comply with state law regarding middle housing and minimum lot size.
    - State law requires that middle housing—except cottage clusters—have the same minimum lot size as single detached homes.

In Milwaukie's Moderate Density Residential Zone, the minimum lot sizes are:

- 5,000 sq ft for single detached home
- 7,000 sq ft for cottage clusters
- 3,000 sq ft for duplexes, triplexes, and quadplexes (1,500 sq ft per unit for townhouses)
  - In 2022 Planning Commission and City Council adopted the 3,000 sq ft minimum for plexes to incentivize the development of these types of units.
- The recent passage of House Bill 2138 changes many of the established rules. Among other changes, cities will have to allow all middle housing types on any lot or parcel zoned for residential use. DLCD will issue specific implementation guidance this fall. In discussions with DLCD Housing Accountability and Production Office staff, the city learned that increasing minimum lot sizes will likely not be defensible and changing the code now in a way that contradicts the new statutory requirements would likely put the city in legal jeopardy. Staff will review DLCD's guidance once released and will update Milwaukie's code to reflect the new legislation as required.

### Can we revisit minimum lot sizes?

Please see the response to the question above.

### Doesn't the state law get triggered at a population of 25,000? Why did Milwaukie have to participate?

 State law on middle housing applies to "large cities", defined as those cities within the Metro region with a population of over 1,000. Milwaukie meets this definition and must comply with these statutes.

### How does the middle housing rule benefit existing residents?

 Middle-housing requirements were passed by state legislators with the intent to increase housing options and opportunities for all, including current Milwaukians. The hope is that all Milwaukie residents, both past and present, will have more chances to live in the community of their choice.

### Can you build as many homes as possible on a piece of property?

The zoning code limits the number of units on a lot to 4 units. Cottage clusters are limited to 12 cottages per cluster, but there is no limit on the number of clusters on a property. For example, a large piece of property could be developed as a cottage cluster development or could be divided and then developed with a plex on each lot. Please note that all of this

development is still subject to minimum development standards, such as lot coverage, setbacks, and vegetation requirements.

- Is there a requirement for whether these homes are sold or for rent?
  - No. The zoning code does not regulate housing tenure (rental or ownership).
- What happens when a developer defaults? Can the bank do whatever they want to a property if they take over?
  - The City's land use and development code requirements are applied the same regardless of whether a property is owned by an individual or an institution.
- In another community the developer was willing to "negotiate" with the neighbors about room size and density. Are we able to do that?
  - Property owners are allowed to develop their property to their desired preferences as long as it meets all the regulatory requirements (i.e. planning, building, trees, etc.). Some developers do consider the thoughts and opinions of neighbors when designing their project; however, it is not a legal requirement. The City encourages developers to meet with neighbors and the Neighborhood District Association (NDA) prior to building.
- Is Fee In Lieu of Construction (FILOC) or other fees a way to push back on development? Is there an appetite for the council to take these types of actions?
  - Frontage improvements may include new sidewalks, new curb and gutter, and half street roadway repaving, according to the city's Public Works Standards. The improvements are limited to the length of the property's frontage.
    - The applicant can request to pay a FILOC, rather than construct the improvements, but this request must be approved by city engineer.
    - FILOC funds must be spent on similar facility types (streets, stormwater, sewer, etc.) and must be used within the same NDA.
    - FILOC is typically considered if extensive offsite improvements are needed or if the improvements are included in an existing Capital Improvement Project. It is not a tool used to "push back" on development.
    - FILOC funds are supposed to be spent within 10 years of receipt.

- The City Council has expressed an interest in reviewing all the possible ways the city can legally require improvements to address community concerns.
- Can planning require more standards on cottages to make it more like Single-Family Dwellings with bigger setbacks for each cottage?
  - State law is quite prescriptive with cottage clusters, which are handled differently than other middle housing types. Development standards, including maximum dwelling unit size, requirements for a shared common courtyard, and maximum perimeter setbacks are established in the middle housing statute. Milwaukie elected to comply with state law by adopting, for the most part, the adopted Model Code language for cottage clusters. Per statute, cities cannot adopt code that is more restrictive than the state's Model Code
- Milwaukie has the lowest standard for converting a house into a duplex. Do I have to ask the council to up the standards for conversion?
  - The city defines a dwelling as a structure with legal sleeping, cooking (i.e. stove), and sanitary facilities (bathroom). The city allows a property owner to convert a portion of their single-family home into an additional unit (I.e., basement) if they can create a separate area with those elements. Adding a dwelling unit, or converting an area into habitable space, still must meet building code.
  - If the City Council wanted to create more requirements for adding a dwelling unit to a single-family home, then they could direct staff to research other jurisdictions' requirements and make recommendations.

### Written questions submitted at Town Hall

- Where is parking allowed on Home Avenue?
  - Generally, parking is allowed on the east side of the street, but admittedly, better signage is needed. The City's code enforcement staff is always willing to meet with neighbors to clarify areas where parking is and is not allowed, and the city will review traffic regulations around areas of significant new residential development to ensure greatest clarity and on-street parking availability, while preserving emergency access and meeting public works standards.
- What percentage of new development in Milwaukie is middle housing? Are developers even interested in building single-family?

- Currently, it's most residential development. In fiscal year 2025 (July 2024 June 2025) the Building Division reported that of the 50 residential building permits issued, 6 were for ADUs, 5 were for single detached dwellings, and the remaining 39 were for middle housing units.
- How can we reduce the lag time between FILOC charges and investments in infrastructure? Living with construction while waiting for safety/livability improvements impacts residents, not developers.
  - Construction can certainly be inconvenient and impactful to adjacent property owners and renters. The infrastructure improvements (i.e. sidewalks, street trees, etc.) that are associated with a development aren't fully realized until project completion. However, the City's code enforcement staff can help address issues that occur during construction. These may include things like debris/erosion run-off, illegal parking, litter, work occurring outside of approved construction hours, and similar issues.

### **Verbal Comments made at Town Hall**

- Do not make any concessions for the tree code. We need to protect trees more.
- Middle housing makes everything worse for existing residents. I'm not seeing it.
   We are being forgotten. You want to make housing affordable for folks outside of Milwaukie but not those inside.
- Doesn't seem like the neighborhood is taken into consideration. It's destroying neighborhoods. I want more housing here, but the amount that is coming without parking is too much.
- I hear "this is giving folks an opportunity for ownership," however, it makes more sense for developers to rent that offer for-sale. Cottage clusters are deeply predatory to potential buyers.
- The detached plex's are an "end around" and make livability awful. The
  Harrison/Home project is a real race to the bottom. There needs to be more
  vegetation requirements to create more life and add stricter fines for trees.
   Parking needs to be looked at more closely because the infrastructure is not set
  up to accommodate all of this development with no parking.

- I can't own a home here. What happens if the developer defaults on the property? Does the bank become the owner? Does that mean that the bank can just create a bunch of things that we don't want? Allow these people to have parking spaces.
- I hate seeing old growth trees get cut down and then are planted with new little trees that we'll never see mature. Don't let that happen.
- Home Ave basically just got rebuilt and I have no idea where we can or cannot park. If we're adding this density and we don't require parking, then I think the council needs to up the code enforcement ability.
- There need to be HOAs required otherwise they will turn into little slums. The infrastructure isn't great, which is why we need to rezone and allow for more amenities in neighborhoods.
- Stanley Ave construction -- It's hard to see a large ranch get subdivided and turned into multiple expensive houses go on them. The developer is making a mess and there needs to be infrastructure.
- We don't have sidewalks on Olsen Street, and I don't want them. I think it's
  robbery to require the homeowner to maintain the sidewalk. People will need
  cars and use cars all the time. We need to maintain parking. We homeowners are
  taxpayers.
- We need higher fines for the tree code and more enforcement. Most of the
  developers are breaking the law on the weekends and there isn't a staff person
  who can enforce them. I would like to also see more accessibility for the homes
  being built. More creative solutions for on-street parking solutions and people
  are not adhering to the parking requirements.
- You have an opportunity to influence the city and right now it's becoming less desirable. This is not a solution for affordable housing, which is a federal issue.

- Hillside 32<sup>nd</sup> is very narrow and not safe. It needs to be a wider road. Driver and Bike safety? Cyclists don't care about the law. They need to obey the law.
- To the City Council, what do you want the city to be? Is the crest of the city really the dogwood tree? Do we really care about trees? If so, we need to step up enforcement.

### Written comments submitted at Town Hall

- There should not be fees in lieu allowed for tree removal or frontage improvements.
- Fees should be higher for tree removal.
- The city should do more to clearly define where street parking is and is not allowed.
- Yes, to infrastructure. If you can't require parking and you can't require extension of sidewalks, the city needs to figure out funding (lobby the state!) to protect pedestrians on streets. You can do it! Thank you for your work and your service.

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