

**CITY OF MILWAUKIE
CITY COUNCIL STUDY SESSION
MARCH 29, 2011**

Mayor Ferguson called the Milwaukie City Council study session to order at 5:05 p.m. in the City Hall Conference Room.

Present: Mayor Ferguson, Council President Greg Chaimov and Councilors Dave Hedges, Joe Loomis, and Mike Miller

Staff present: City Manager Bill Monahan, City Recorder Pat DuVal, Finance Director Richard Seals, Associate Planner Ryan Marquardt, Community Services Director JoAnn Herrigel, and Program Specialist Beth Ragel

Garbage Rates 101

Ms. Herrigel reviewed the garbage franchise history in the City of Milwaukie and waste collection system types. In 2002 City Council requested a report on solid waste collection alternatives and decided to stay with the franchising model. When a random satisfaction phone survey was done the ratings were very high for all of the haulers. The review goals were to ensure the cost of providing service was reflected in the rate, ensure expenses allowed under the Municipal Code were reasonable, compare cost/revenue to previous year, and determine the rate of return was healthy. She reviewed the rate setting schedule. Milwaukie Municipal Code Chapter 13.24 recognized the Administrative Rules and identified allowable costs. Ms. Herrigel will bring data and a recommendation to the City Council in June for a possible rate increase.

Councilor Chaimov appreciated the level of information and found the presentation helpful. He asked if a group such as the Citizens Utility Advisory Board (CUAB) reviewed the rate requests.

Ms. Herrigel replied Milwaukie had not had a Solid Waste Commission for 17 years; however the CUAB could be involved in the process which might be very helpful.

Councilor Miller asked if each hauler charged the same rate, and how it was decided who served whom.

Ms. Herrigel responded that each hauler charged the same rate for each level of service. She discussed the solid waste franchise service areas that were established and mapped in 1990. The only changes since that time were related to annexations. Surveys showed people liked the sense of having small service providers and easy access to the haulers. These haulers also provided collection in other areas in addition to Milwaukie. She anticipated the next question for the Portland area will be curbside collection of organics. She will follow up with the CUAB review question.

Milwaukie Mural Arts Program

Arts Committee members present: Dizzy Lavery and Lynn Kelland with staff comments by Ms. Ragel and Mr. Marquardt.

Mr. Kelland discussed the program in general, and **Ms. Ragel** commented on the estimated amount of staff time that could go into a program and the potential for grants. Few jurisdictions had formalized a permitting and review process such as Portland and Beaverton.

Mr. Marquardt touched on issues related to the mural/not mural question and cautioned that decision cannot be made on the basis of content. The municipal code would have to be amended and criteria established. He saw two options: allowance for murals without a review process or to have more control.

Ms. Mangle noted review of the sign code was in the Planning Commission work plan but did not include murals. A number of businesses had inquired about murals, so it was a policy question for City Council as to how much control it wanted.

Mr. Lavery discussed the feasibility of a mural project in the industrial area along Rail Road Avenue.

Councilor Miller was concerned about putting a great deal of work on staff when there were so many other City goals but did want a system of checks and balances. He felt neighbors should have some kind of control and was curious why the mural had not gone back up on the north side of the Chopsticks building.

Ms. Mangle replied that mural was considered a nonconforming sign.

Councilor Hedges discussed issues related to art and political statements. He was also concerned that the Neighborhood District Associations (NDA) had not been consulted. The group discussed generally when the time would be right to go to the NDAs with proposals while not putting a lot of work on staff.

Staff present agreed that drafting a program, taking it to the Neighborhoods, and preparing code provisions would be time consuming.

Planning and Revitalizing Core Commercial Areas

Mr. Asher provided context for the projects that focused on areas where business was transacted and best served the City Council's goals. These would be the downtown area, 32nd Avenue, and the Murphy and McFarland sites. The three touchpoints were the City Council goals, Comprehensive Plan, and the Milwaukie Vision Statement.

The group discussed housing density and diversity, jobs, and the importance of fitting with the existing lifestyle and character of the neighborhoods.

Mr. Campbell gave a brief Economic 101.

The group discussed urban renewal, and Councilor Miller expressed his reluctance to place an extra burden on taxpayers.

Mr. Seals gave a brief overview of recent legislation setting certain limitations.

Councilor Loomis was not embedded in voting against urban renewal but did have questions.

Councilor Hedges urged re-use of the old buildings in the downtown area and commented on Safeway's veto power on businesses going into that site.

Mr. Asher reviewed the work plan element and discussed Metro's construction excise tax (CET) program and pending litigation. He suggested using Metro funds for planning. The group discussed budget implications of the CET grant program and possible budget implications.

Mr. Monahan discussed the proposed resolution before the City Council next week related to public area requirements. The group discussed those budget implications.

Communication Plan and Retreat

The City Council discussed how items were placed on the agenda and the need to be aware of possible budget implications when using staff time. The group discussed potential times for a retreat.

The study session ended at 8:20 p.m.

Respectfully submitted,

Pat DuVal

Pat DuVal, Recorder

STUDY SESSION

**MILWAUKIE CITY COUNCIL
STUDY SESSION
MARCH 29, 2011**

MILWAUKIE CITY HALL

Conference Room
10722 SE Main Street

WORK SESSION – 5:00 p.m.

A light dinner will be served

Discussion Items:

	<u>Time</u>	<u>Topic</u>	<u>Presenter</u>	<u>Page #</u>
1.	5:00 p.m.	Garbage Rates 101	JoAnn Herrigel	1
2.	5:30 p.m.	Milwaukie Mural Arts Program	Beth Ragel & Ryan Marquardt	2
3.	6:00 p.m.	Planning and Revitalizing Core Commercial Areas	Alex Campbell	6
4.	8:00 p.m.	Adjourn		

Information

Executive Session: All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions as provided by ORS 192.660(3) but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

Public Notice

- The Council may vote in work session on non-legislative issues.
- The time listed for each discussion item is approximate. The actual time at which each item is considered may change due to the length of time devoted to the one previous to it.
- The Council requests that all pagers and cell phones be either set on silent mode or turned off during the meeting.
- The City of Milwaukie is committed to providing equal access to information and public meetings per the Americans with Disabilities (ADA). If you need special accommodations, please call 503.786.7502 or email ocr@ci.milwaukie.or.us at least 48 hours prior to the meeting.



To: Mayor and City Council
Through: Bill Monahan, City Manager
From: JoAnn Herrigel, Community Services Director
Subject: Garbage Rate Setting 101
Date: March 21, 2011

Action Requested

No action requested. This is for Council's information only.

Background

Each year, the City's franchised garbage haulers submit financial information showing their revenues and expenses for the previous year. The City, with the assistance of County staff and a contracted financial analyst, reviews this data and determines whether a rate adjustment is necessary. Typically, the financial data is submitted to City and County staff in March or April and any rate adjustments are considered by Council in June or July and become effective on August 1. Staff reports generally summarize the haulers' data for Council in a table showing all hauler information combined and displayed as a single "hauler". Consequently, Council is unfamiliar with the form and substance of information submitted to staff annually.

In 2010, Council requested that staff and the haulers provide Council with in-depth information on how rate reviews are conducted. Staff intends to provide Council with "Rate Setting 101" at the March 29th study session. The presentation will cover the following:

- History of garbage rate setting in the City (since the 1980s)
- Typical schedule and process followed for garbage rate review by the City and County
- A description of data the haulers are required to submit on an annual basis
- A description of factors in garbage rate setting (Metro tip fee, weight of containers, distance traveled to disposal site, etc)
- A description of the 10% "Return on Revenue" haulers are allowed by Chapter 13.24 of the Milwaukie Municipal Code
- A description of upcoming solid waste system changes that may affect rates



To: Mayor and City Council

Through: Bill Monahan, City Manager
JoAnn Herrigel, Community Services Director
Katie Mangle, Planning Director

From: Beth Ragel and Ryan Marquardt

Subject: Establishing the Milwaukie Mural Arts Program ("MMAP")

Date: March 29, 2011

Action Requested

No action requested. Council input and guidance only.

Background

The Milwaukie Arts Committee, also known as "artMOB", is very interested in some kind of mural program in Milwaukie.

Currently murals that are viewable from the right of way must follow the City's sign regulations. Generally this restricts the location of murals to commercial zones and limits their size to 10-20% of the wall area. The Milwaukie Arts Committee believes murals serve a public purpose and should not be considered signs nor regulated as such. The committee also acknowledges that murals, as with any public art, can generate strong reactions from the public. The committee has spent much time discussing the benefits and risks of murals within residential zones (which could include murals on water towers, on churches and schools) and believes that the Milwaukie mural program should start by only allowing murals in commercial and industrial zones. Over time, the committee may want to revisit this and expand it to residential zones once we have some successful projects completed and more fully understand the implications of a mural program.

Beth Ragel, the City's staff liaison to the Arts Committee, and Ryan Marquardt with the Planning Department, have researched mural program models used in Beaverton, Portland, Molalla, Canby, Oregon City and Sandy. Additionally, we have researched the cost of murals and have found that quality murals can be expensive. Murals, including mosaics and bas relief work, can range from \$10,000 and on up. Even if the Arts Committee were to garner grant funding for a mural project or assemble volunteer artists to complete a mural project, realistically the committee might produce one mural every 1-2 years. As such, we believe that there is a higher probability for mural proposals on private property in the next few years than on public property or from the artMOB committee itself. Private organizations such as businesses may be more readily positioned to create and proliferate murals in Milwaukie.

Based on our research, staff believes the best model for a mural program in Milwaukie is similar to the program used in Portland and Beaverton. In these cities, if a private property owner wants to put a mural on their property the city requires a 5-year public art easement which enables the city to review the proposal with a selection committee. This reduces the risk of a mural being inappropriate. The selection committee typically includes abutting neighbors, members of the arts committee, a public artist with no personal stake in the outcome, and other public art professionals. These committees are generally assembled on an ad-hoc basis.

Painted murals are usually treated as short term—with agreement that the property owner maintain them for the first five years. After that, the building owner can choose what they wish to do with the mural. Mosaics and bas relief are more durable and likely last longer. The City of Milwaukie may want to have a longer term agreement with the property owner for the maintenance of such work.

Typical review criteria for murals include:

- Artistic merit
- Scale
- Context
- Community support
- Feasibility

Typical requirements include:

- Media
- Structural and surface stability
- Signed easement form from building owner

- Public accessibility, safety and lighting

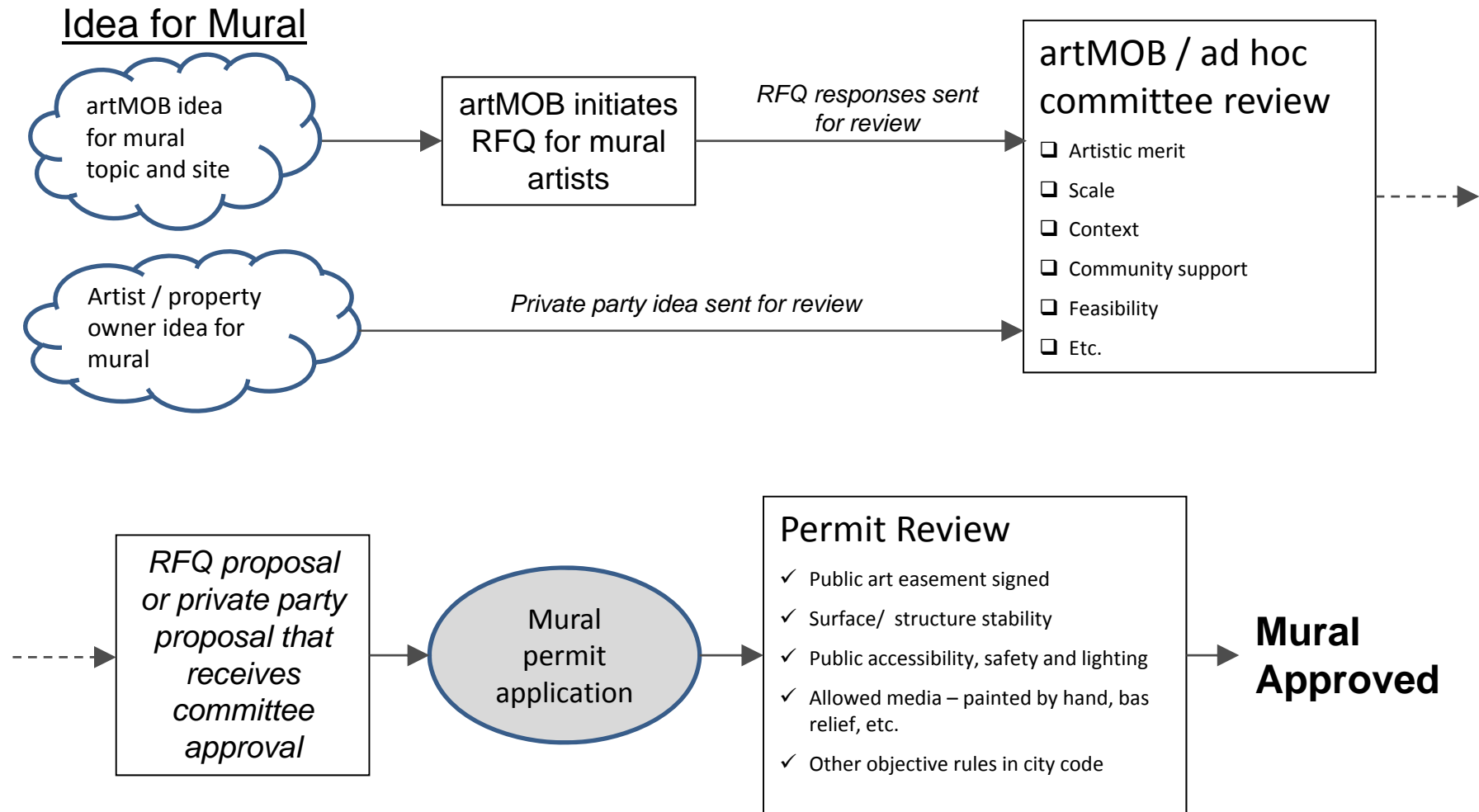
Rewriting the code and creating a comprehensive mural program will require staff time and any proposed code amendments will need to be taken to Planning Commission and then to Council for adoption. Likewise, the work load to review and permit murals that are proposed in Milwaukie will depend on the number and type of murals proposed. It is possible that this will take moderate amount of staff time from both Community Services and the Planning Department.

In summary, the Milwaukie Arts Committee would like to establish a mural program in Milwaukie and thinks that murals should be limited to commercial and industrial zones, include a review process with a stakeholder group, and require a public art easement.

Key Questions:

- Does City Council view this as a priority for staff?
- Does City Council have guidance on the following aspects of the program design:
 - What areas of the City are appropriate for the location of murals?
 - What persons or groups should be involved with artist selection and design of murals?
- Does the City Council want to proceed with a program to allow murals in a way that exempts them from the sign code limitations?
- Does City Council have guidance on how much we should review and regulate murals on private property? (See attached flow chart).

Proposed Mural Permitting Program



DRAFT





Memorandum

To: Bill Monahan

From: Kenny Asher, Community Development and Public Works Director
Katie Mangle, Planning Director
Alex Campbell, Resource and Economic Development Specialist

Date: March 4, 2011

Re: Planning and Revitalizing Milwaukie's Commercial Core

Milwaukie is not a bedroom community. The city has two industrial areas, a downtown that employs over 900 people, two large shopping centers and interesting little neighborhood-oriented commercial hubs with an eclectic assortment of businesses. These commercially zoned areas, which include downtown, the Milwaukie Marketplace/Oak St. Square area, and the King Road Shopping Center, along with the some frontage along 32nd Avenue, form the city's commercial core.

Unfortunately, most of these commercial areas are struggling to live up to their potential – their potential to support economic development in Milwaukie (e.g. more jobs); to make a larger contribution to Milwaukie's tax base and thereby support improved city services; to bring more convenient shopping options within easy reach of Milwaukie residents; and to create more “third place” gathering places in the community.

There are a multiple reasons for this underperformance, and no two areas face the exact same challenges. However for all of them, the recipe for unlocking their potential is in brewing the right mix of vision, policies, incentives, private investment, and public action. Staff believes one reason this hasn't happened yet is because of the following conundrum: although the areas have unique challenges with each requiring a tailored approach, the entire area needs to be understood as a single system with interdependent parts and, optimally, a strategy that attempts to address the entire commercial core at or about the same time.

This memo will attempt to explain the challenges faced in each of these areas, and a comprehensive approach to tackling those challenges. Both the challenges and the proposed solution are scheduled for council discussion at the March 29 study session.

Challenges for Downtown: The 2000 Downtown Plan effectively visualized a new downtown (i.e. new buildings, new streets, new parks, new uses). An entire new set of zoning ordinances was adopted in support of this vision. Given the ambition of this plan, progress has been understandably slow. One immediate stumbling block is the shear

amount of public and private investment that will be required to achieve the 2000 vision. The gap between what the vision costs, and the amount of money available to pay for it, is significant. This is particularly true with regard to downtown streetscape improvement requirements. After 10 years of implementing the downtown zoning code, staff believes it is important to revisit the policies and tools that are in place to achieve this vision. The policies may be misguided, and the tools may be too crude. The vision itself might be too grand.

For example, the City uses development standards and use restrictions to steer property improvements toward the vision. This can be seen in the code's use restrictions, review processes, and minimum building heights. One effect of this, however, is the steering *away* that occurs when existing and prospective businesses confront Milwaukie's downtown code and incentive limitations. While there are some under-utilized parcels and empty storefronts in downtown, there are also existing small businesses that are thriving and looking to grow. While staff believes that the 2000 Downtown Plan gets many things right (like mixing uses, upgrading the quality of public spaces, increasing the residential and employment presence, preserving the ground floor for retail and commercial uses, orienting to the riverfront and limiting surface parking lots), the Plan is also in need of fine-tuning, and calibration to implementation realities and appetites.

Challenges for the South Downtown: One area that has been fine-tuned is the South Downtown. The community's new concept plan for the area south of Washington St is at once both a refinement of the Downtown Plan and a new vision that will require amendments to the code and Comp Plan—and public and private investment—if the plan is to be realized. The planning has already paid dividends in directing and organizing the light rail design in downtown and in motivating property owners and businesses to begin seriously considering redevelopment opportunities. City Council, early last fall, stopped short of formally adopting the “Refined Concept Plan” in anticipation of a future Council making that decision within the context of newly adopted goals. Given the attention that's being generated by the light rail project, the amount of underutilized property, the importance of finding a future location for the Milwaukie Farmers Market, the restrictive zoning code currently in place, and the area's likely role as the catalyst to additional Main Street development, it is important that Council take the step of formally adopting the South Downtown Plan and directing staff on implementation measures.

Challenges for Neighborhood Commercial Nodes. SE 32nd Avenue and King Road have nodes of commercial zoning and uses which are surprisingly scarce given the strength and size of the adjacent neighborhoods. Why is this? For one thing, Milwaukie's policies are not clear as to how these areas should function, or what can be done to strengthen them. For example, along 32nd Ave north of Providence Hospital, zoning codes severely restrict how the existing commercial buildings may be used, and certainly don't encourage more coffee shops or neighborhood services. Similarly, the area around King Road and 42nd Ave has potential to be a true neighborhood center, but planning has not occurred that would lead to this outcome. The area needs a land use and investment plan, and then zoning that would implement such a plan. The challenge for these areas is less about “vision” and more about zoning and pedestrian-oriented infrastructure. The existing

zoning in these areas is commercial in some places, and residential in others, but in no case is it friendly to the kinds of uses that neighbors would most desire.

Challenges for Central Milwaukie: On either side of Harrison Street east of Hwy 224, there are large properties (and smaller properties) that are either vacant or potentially marketable for redevelopment. Yet the City has not done the necessary work to set the stage for their reuse. In the absence of any planning, there is confusion from property owners, potential developers, and even neighbors and staff as to what's desired for this area—to say nothing of an action plan for getting there. The zoning on these sites is confusing at best, and requires uses that may simply not be realistic.

Yet the sites in the Central Milwaukie area (e.g., the Murphy and McFarland sites) are perhaps the most important redevelopment parcels in the entire city because of their size and their proximity to Milwaukie's population base. The successful redevelopment of these sites can bring a measure of livability to the thousands of Milwaukians who would like to have additional commercial services, and especially gathering places, east of Hwy 224. Financially, the continued disuse of these sites represents hundreds of thousands in tax revenue that must be collected from existing taxpayers to support the growing cost of delivering public services. Should Milwaukie choose to reinvest in the core commercial area with tax increment funds, these are the sites from which that financing would be driven. If, however, the City determines that it has no role in facilitating central Milwaukie's redevelopment, reuse of these sites will take longer and be much less likely to meet community expectations. Uses that can most easily benefit from proximity to the highway, like mini-storage or perhaps distribution centers, are real possibilities. Once developed, some of the opportunities offered by these sites in their current condition, will be lost for decades.

Because each of these areas is at a different place on the planning/ implementation spectrum, the problems they present could potentially absorb a great deal of attention, from the staff, Council, Planning Commission, NDAs, and public. One way to streamline and organize that effort would be to pursue simultaneous efforts under one banner, all aimed at helping the city's commercial areas make a bigger contribution to Milwaukie's attractiveness and livability. In 2010, at Council direction, staff began to develop such a program structure to address many of these challenges within an integrated planning effort. This structure, which staff dubbed the Commercial Core Enhancement Program, became the basis of a grant application to Metro, which was soliciting proposals under its CET Program that would result in on-the-ground projects in support of the Region 2040 Framework Plan. Milwaukie's \$220,000 grant application for an intensive, integrated planning effort to address multiple barriers to development in the commercial core was successful. These funds are available to begin tackling these challenges.

What would that look like? Such an integrated approach might include study and public discussion of the following:

- Develop community plans for the neighborhood commercial streets on Harrison St., 32nd Ave., and near 42nd Ave. / King Rd.; resulting in Action Plans, code amendments, and potential rezoning.
- Create a land use/ transportation plan for Central Milwaukie, resulting in Action Plans, code amendments, and potential rezoning.
- Adopt the South Downtown Refined Concept Plan.
- “Refresh” the Downtown Plan and fix development policies to facilitate effective implementation of the community’s vision for downtown.
- Develop an urban renewal plan to clarify where private development might occur, (and at what density), how public improvements might stimulate additional private development, and establish an ongoing structure for Milwaukie to continually discuss, support and capture desired investments in the core commercial areas.
- Establish City-wide design standards for commercial properties (currently there are no such standards outside of Downtown).

Such an integrated approach would include public involvement at many levels to engage community members and property owners. An advisory body specifically focused on urban renewal would be essential.

While any of the elements described above could be pursued alone, the efforts (and geographic areas) are interdependent. For example, community plans for neighborhood commercial zones can be informed by the feasibility work that would occur as part of the urban renewal planning to assess how the community’s desires match the market potential of specific sites (e.g. what could go where). The zoning changes that might be proposed would be made in light of whether additional funding through tax increment financing was to be available to property owners and developers, which would affect the feasibility of private projects and the inclusion of public amenities. Recommended changes to parking ratios, use restrictions and specific development barriers would benefit from the involvement of development professionals who would engage in an urban renewal plan, etc.

The realization of these efforts in terms of actual development activity will take some time. However, staff views this work as complementary to ongoing efforts to enhance the City’s livability and economic health. Regardless of the Council’s disposition on the work described in this memo, the staff (in the Community Development, Community Services, and Planning Departments) are prepared to continue to support a variety of private-led or public-private efforts that support commercial activity, such as the Art a la Carte/First Friday events, Main Street Milwaukie, the arts-led activities (e.g., the City Hall sculpture garden), and the establishment of a façade improvement program. The Community Development Department’s budget request includes funds to provide assistance in marketing downtown events in the coming year.

The Community Development and Planning staff look forward to discussing these ideas with the Council at the March work session, and would be pleased to answer any questions or prepare any additional material for the Council prior to that meeting.