

**CITY OF MILWAUKIE
CITY COUNCIL MEETING
MAY 4, 2010**

CALL TO ORDER

Mayor Ferguson called the 2077th meeting of the Milwaukie City Council to order at 7:00 p.m. in the City Hall Council Chambers.

Present: Mayor Jeremy Ferguson, Council President Greg Chaimov and Councilors Deborah Barnes, Joe Loomis, and Susan Stone

Staff present: City Manager Pro Tem Pat DuVal, City Attorney Bill Monahan, Operations Director Paul Shirey, Planning Director Katie Mangle, Associate Planner Brett Kelper, Associate Planner Ryan Marquardt, and Resource and Economic Development Specialist Alex Campbell

PLEDGE OF ALLEGIANCE

PROCLAMATIONS, COMMENDATION, SPECIAL REPORTS AND AWARDS

A. Milwaukie High School Student of the Month

The Mayor and City Council recognized Erin McLaughlin as the Milwaukie High School Student of the Month for April 2010.

B. Workplace Safety Awareness Day Proclamation

Mayor Ferguson read a proclamation naming May 12, 2010 as *Workplace Safety Awareness Day* in the City of Milwaukie.

C. Facilities Condition Assessment and Space Needs

Mr. Shirey explained this work session item was moved to the regular session but not for action. Last year the City hired the services of a firm to provide an asset inventory and grade the condition of all the major City-owned and operated buildings. The report documented the City's buildings to be in relatively good shape, having been well-tended over the years; however, future repairs and maintenance of the buildings would require more money than previously invested on capital repairs and replacement. As demonstrated in the past with street infrastructure, once left unattended long enough, a repair is no longer possible, but replacement at a significantly higher cost became mandatory. He reviewed the assessment report. Staff believed it would be a mistake to address the deferred maintenance needs of their existing buildings in the absence of some clearer direction on how to plan for future capacity and operation efficiency, including updating to the latest technology and security considerations and improvements to the City's service delivery.

Councilor Barnes understood the current needs as outlined, but was very concerned about how to find the funds in the current economy. Perhaps, staff should hire a company to provide the building blocks of where the City should go next with the understanding that the City did not have the money to do anything. She wanted to see long-term planning and if possible creating one centralized location. She asked if a structure existed now that could house all City of Milwaukie departments with the exception of police.

Mr. Shirey suggested Public Works would also be an exception because of the amount of property required to house equipment and meet the daily functional needs of that department. He did not know of an existing structure, but the matters needed to be addressed. At this time, he suggested doing a 'scoping study,' which would cost less than \$25,000.

Councilor Barnes reiterated that because of such difficult financial times right now, it was hard to decide to invest \$25,000 on a study when no funding was available long-term. She emphasized that the City Councilors wanted to ensure that all members of staff remained employed. She wanted to make it clear that if she voted 'no' today it was not because she did not support it, but because the timing was just too difficult right now.

Councilor Chaimov asked how the scoping document fit into the upcoming strategic plans being made for the City for the next 5-10 years.

Mr. Shirey replied that not having the scoping analysis of the City's building infrastructure would frankly cripple efforts to think strategically about that future. The City had a good document about its current physical assets, prompting questions about how much should be invested in something that may be obsolete and not serve the community's needs. The scoping study would provide solid information when Council began the strategic planning process.

Councilor Stone agreed with Councilor Barnes in terms of the economic times. She noticed an inventory study was carried out in July of last year, indicating that staff had been thinking about this problem. She recalled a previous request to do some remodeling at Johnson Creek. She asked if staff had taken any creative steps to figure out how things might be more workable in that environment. She acknowledged the cubicles were tight, but they were tight in a lot of places.

Mr. Shirey emphasized the problems were not only at Johnson Creek, but all the City's buildings. The focus should be not just on Johnson Creek being tight but on how well the buildings work. Staff is grouped in the way that makes the most sense with the services being provided. For instance, the billing clerk has to be amidst the chaos of court, but the clerk finds it very challenging to do his job at City Hall. He had no answer to that. Frankly, the Johnson Creek space was utilized to the very best of staff's ability to provide the bare minimum in terms of office or cubicle space so people could function adequately. No more room existed to address the crowded conditions.

Councilor Stone understood the issue was Citywide but had asked specifically about Johnson Creek because Mr. Shirey was familiar with that area. She asked how the Finance Director felt about the document since he had provided input into the report.

Mr. Shirey replied that he and the Finance Director had discussed the problem at great length, and he supported the expenditure which is in the facilities budget this year. No additional monies were being requested. The Finance Director supported the use of the funds provided it was the direction City Council wanted to take.

Mr. Parks believed the report gave a good indication of the assessment of current facilities but did not examine the needs of the organization in terms of whether spacing and location were appropriate for efficient work functions. There was clearly a need for a larger library facility and discussion about how that might look should get started. Other facilities might also be examined before making a commitment to some of the repairs and the other significant costs outlined in the completed report.

Mr. Parks confirmed that \$20,000 to \$25,000 was a reasonable range to lay out the space needs of each of the City's major functions.

Mayor Ferguson preferred the broader approach to address all the needs. He asked if it was possible to include other properties the City owned, such as the Cash Spot and the Harvey Street facility.

Mr. Shirey discussed maximizing the real estate the City owned, as well as taking into consideration parking, land use, owning versus leasing, quality standards, space allocation, geographic location, and relationships, and at least the Council would know a lot more than what was known at this moment. He agreed to compile a list of all the properties owned by the City to provide a better picture and confirmed he would move forward to get proposals for a space study costing less than \$25,000. He would report back in July.

D. Natural Resources Overlay Project Update

Ms. Mangle and **Mr. Kelver** provided a PowerPoint update. Ms. Mangle reviewed the steps being implemented by the City to protect Milwaukie's natural resources, why the project was occurring, and some changes within the process. The next phase of the project entailed crafting the proposal, so getting feedback and guidance from Council was important, especially with regard to several concepts revealed during a review with the Planning Commission and Advisory Group. The presentation was intended to be more of a work session, so staff welcomed hearing any suggestions or concerns from the Council.

Councilor Stone thanked staff for its good work that helped to protect valuable and irreplaceable natural resources. She had a concern with the wording of Key Concept #4. She recognized the need to make the Code changes to discourage disturbance of the resource areas, but noted it could be interpreted that the City was encouraging development by allowing some flexible setbacks. She asked for a scenario where changing this would allow development without disturbing the natural resource.

Ms. Mangle replied that one property owner working very closely with staff has a fairly large parcel in the middle of the City that is mostly wetlands with one house and a little bit of developable property. He is primarily interested in protecting the wetlands, but with that large lot, he could and has the right to do some development and sell it at some point. Staff is discussing how much the City can work with him as he works to protect the wetlands and subdivide that property to build a house or two. Perhaps the City could allow three houses as long as they were kept clear up on the lot and did not touch or go near that wetland. If such limitations were required without any change to the density or any underlying requirements, the property owner would just lose value on his property. She believed the general idea with Metro's Title 13 was that the City could try to use all the tools in the tool box, such as transferring development rights or allowing a little flexibility to further protect resources rather than just using the regulations and having only one solution. The idea is to allow property owners to make some smart choices by giving them incentives to do so.

Councilor Stone asked if the 700 property owners referred to in the report involved private or commercial properties. She also understood 25 people participated and asked if they were mostly businesses.

Ms. Mangle replied that the 700 property owners comprised a mix of private and commercial. Johnson Creek impacts a lot of the properties in the north industrial area. Minthorn Creek affects much of the International Way area and runs behind Bob's Red Mill. The wetlands in Llewellyn and Kellogg and Spring Creeks were mostly residential. While 700 properties are directly affected, natural resource advocates would say the whole community is really affected. She agreed the resources are for everyone, but staff is making an effort to reach out to those property owners. Staff was really pleased when the representative from Blount attended. She clarified the 25 people that participated

on the Advisory Board consisted of a healthy mix of people from all points of view: one industrial and several single-family residential property owners, and people from the Johnson and Kellogg Creek Watershed Councils, Conservation District, North Clackamas School District, North Clackamas Parks and Recreation, as well as just generally concerned citizens.

Councilor Stone asked how people felt about the changes Staff was proposing, especially to the new regulations.

Ms. Mangle responded that Mr. Kelter put it well last week at the Planning Commission meeting when he said "If we make everybody equally unhappy we probably have done our job". Some natural resource advocates were saying the City should buy all of the property and there should be no development near these corridors if the City is serious about protecting habitat. Staff had to remind them that was not one of the key concepts. Generally however, people asked for the goals to be clear, make sense, allow landscaping, encourage restoration, facilitate restoration projects, and make the process reasonable and with no fees. There was still work to do, but with the feedback provided she hoped the natural resource advocates group would see the next round and, if interested, staff would accommodate meeting with them again. Staff now hoped to shift some of the work over to Planning Commission and invite them to the Commission's meetings.

Councilor Barnes thanked Ms. Mangle and staff for their continued commitment to seeking input from the community and efforts to ensure the Code worked long-term. She asked that Staff be sure to communicate that the next step in the process was the open house event in order to receive final input from them.

Councilor Loomis appreciated the outreach and asked if staff recorded participants' comments.

Mr. Kelter reported that all background information, feedback, Code drafts, agendas and minutes from meetings were posted on the City website. Staff also continued to mail information to the names of those invited to the meetings based on their interest.

Councilor Stone asked about comments under Alternatives in the Staff report saying, "if we did not wish to continue pursuing the project outlined in the report, Staff would work to identify alternative approaches to comply with Title 13."

Ms. Mangle explained one reason it took a while to get this project going was because staff was pursuing alternatives. The City already had regulations established in these stream corridors, and the Title 13 area seemed like a small addition. An option had been considered to assert with Metro that the City was already compliant and already regulating 80% of the land the City is required to regulate. Staff determined that was not the responsible thing to do for the local interest because so much of that land was developable and sub-dividable. Because alternatives are available, staff tried to be very clear with the Advisory Group, Planning Commission, and Council that this was staff's recommended approach. Asserting substantial compliance would not serve Milwaukie well locally. Another alternative was to deal more directly with the more problematic area, which were the maps. Some cities had done so and produced local mapping using LIDAR and local wetland inventories, which was quite expensive. Milwaukie had not completed such local inventories, but she strongly recommended doing so upon completing the Comprehensive Plan update. At that point, the City would be eligible to receive large grants to assist in the process. Her recommendation was to continue pursuing the current course and do better once the Comprehensive Plan is updated; the Metro maps are the right alternative at this time.

E. Parking Chapter Amendments

Mr. Marquardt reminded a work session on the off-street Parking Chapter amendments was held with City Council in June 2009. The amendments were scheduled for public hearing at the next Council meeting, so he wanted to brief the Councilors about the scope and extent of the changes. The Planning Commission recommended approval of the amendments that would be forwarded to City Council. The Parking Chapter amendments was a staff initiated project. Page 2 of the Staff report listed problems with the current regulations that have been experienced by staff and applicants. These problems spanned the spectrum of uses, from residential to commercial to schools, which led staff to revise the entire chapter rather than making small amendments to the existing chapter. He reviewed the broad policy decisions regarding the proposed amendments, as listed in Attachment 1 of the staff report.

Councilor Stone confirmed that narrow drive-aisle dimension referred to the pathway that cars used in the parking lot. She asked if any distinctions were between how wide each parking stall is now, and whether the stall width would change or remain the same.

Mr. Marquardt replied that currently two standard stall dimensions exist, one for larger cars and a compact stall, which is a bit narrower. Feedback received from developers and consultants working on the project was that having two sets of standards did not work well; therefore, the new standard would be a combination of the current standard and compact dimensions. The parking stall would shrink a bit, but not a great deal. He was not sure of the exact dimensions.

Councilor Stone appreciated a generous space to avoid damage to her small compact car from other drivers. In terms of size, downtown parking garages were the worst. She hoped staff would be able to maintain a reasonable parking stall dimension that would easily accommodate large and small vehicles.

Mr. Marquardt briefly explained proposed changes concerning residential standards which were based on comments heard from homeowners, residents, and contractors. One key proposal set restrictions about the amount of parking allowed on certain parts of a property. The proposed amendments would restrict a homeowner from paving and using their entire front yard for parking, which is currently allowed. Existing Code required that a certain percentage of a lot, usually 30%, have vegetation, like grass or bark dust; so someone could not pave their entire lot but nothing prevented the 30% landscaping from being in a rear or side yard.

Councilor Stone noted that a fairly large front yard would be needed to accommodate one or two cars parking in front and also have some front yard left.

Mr. Marquardt replied the yard would not have to be all that big. For example, a 50-ft wide lot, which is standard for most of Milwaukee, would be able to fit in a slightly wider than two-car wide driveway and still meet the standard limiting parking in front of a house to no more than 50%.

Ms. Mangle commented that part of the proposal came from the parking lot that was proposed in front of the Balfour Street Care Facility. Staff investigated seven to ten full alternatives with the Planning Commission to figure out how to set limits, but still allow most property owners to do something reasonable. This was the best balance deemed by the Planning Commission. Comments submitted from the Hector Campbell NDA really helped refine this proposal, although they believed the standard should be stricter.

Councilor Barnes said she was a bit disappointed about the removal of the rooster proposal because her neighborhood actually had a problem with a rooster. Staff could receive a lot of calls from residents in her neighborhood asking why they could not include some kind of regulation.

Mr. Marquardt explained that the Planning Commission was not necessarily opposed to the regulation but were uncomfortable about when it was added in the process and the limited amount of time people had to comment.

Councilor Loomis also believed the rooster problem needed to be addressed but agreed slipping the regulation into these amendments was odd. He had also received complaints that deserved a better answer than he was able to give, so he favored restricting roosters in the City.

Councilor Stone said she liked the rooster crowing in the morning; it was a good thing. She asked for clarification about the last bullet point regarding replacement coverings for carports, which stated "Prohibits gate within 20 feet of right-of-way on arterial and collector streets."

Mr. Marquardt explained the rationale for the prohibition was safety-related which is why it would apply on collector and arterial streets. Basically, the City did not want to have a gate across a driveway where somebody would have to stop, get out, open a gate and then drive out of the travel lane on busier streets. It was not as much of a concern on local streets and neighborhood routes because such streets generally have less traffic and lower speeds.

Councilor Stone recalled a home on Johnson Creek with a gate in the driveway and other homes on busier streets that had these gates. Did it pose a safety problem?

Mr. Marquardt replied it was something the City wanted to prohibit on collector or arterial streets. Many of the regulations within the Parking Chapter would apply when staff reviews new development, or at the time of redevelopment. An existing gate on a site that is not being redeveloped would essentially be an allowed non-conformity on the site. As such properties redevelop, the owners might have to come into conformance with the regulation if it is in place.

Councilor Stone disagreed with that restriction. People appeared to gate their driveway to enclose their properties as a security measure. It seemed a little discriminatory for people living on those streets. If the gate opened into their property, she could not see why the City should limit that.

Ms. Mangle agreed it was a fair comment, adding that conversation had arisen many times during the amending of this chapter. Fundamentally, the concern was about ensuring that any parking created by any land use does not spill out and affect the public and negatively impact the streets or the functionality of the streets. The idea was to keep the parking related impacts or needs on the property. Getting out to open the gate could affect the function of the street. Although, there is a private need for gates, the Engineer Department noted that a homeowner should not be permitted to bring a whole community facility to a halt while pursuing that private need. That was the balance staff was trying to find.

Mr. Marquardt added that the driveway did not necessarily need to be entirely fenced off; other options were available to be able to fence off a yard or house, while leaving the driveway open. The City was not saying the front yard could not be fenced off or have some reasonable type of security measures, it was the degree to which it might impact the street that was they were trying to regulate.

Councilor Stone reiterated that she still did not agree. It was restrictive, and she believed people should be allowed to do that if they did not have to physically get out of their cars. She noted a vehicle waiting to turn left into their driveway also held up traffic.

Councilor Chaimov thanked staff for its hard work, and asked that the rooster regulation come before Council.

Ms. Mangle reiterated the Planning Commission was not opposed to the policy change but were a little uncomfortable with the procedure. That next day, she spoke to Tim Salyers who was carrying the proposal forward at Council's direction, and assured that the proposal would return and support him. It would probably be a one line amendment; the proposal would just take a little longer.

The Council recessed at 8:25 p.m.

CONSENT AGENDA

It was moved by Councilor Barnes and seconded by Councilor Chaimov to approve the consent agenda as presented.

- A. City Council Minutes of the February 16, 2010 regular Session;
- B. City Council Minutes of the February 18, 2010 Emergency Meeting;
- C. City Council Minutes of the February 23, 2010 Special Meeting;
- D. OLCC Application for Canby Asparagus Farm, 10605 SE Main Street, New Outlet; and
- E. Resolution No. 36-2010: A Resolution of the City Council of the City of Milwaukie, Oregon, Appointing Lynn Kelland to the Milwaukie Arts Committee.

Motion passed with the following vote: Councilors Chaimov, Stone, Loomis, and Barnes and Mayor Ferguson voting "aye." [5:0]

AUDIENCE PARTICIPATION

None.

PUBLIC HEARING

None scheduled.

OTHER BUSINESS

A. NE Sewer Extension Project: Installment Payment, Annexation Assistance, and Connection Discount Programs – Resolutions

Mr. Campbell briefly reviewed the proposed resolutions, which reflected changes made per Council's direction from the worksession. Council had also asked staff to look at resolving any possible inequity between properties within the North Clackamas Renewal Area and those already in the City, and to also look at reducing/minimizing the pass through of the ARRA benefit.

As far as resolving the inequity between the properties, staff proposed that the City provide the same discount amount to those properties annexed when the Johnson Creek Public Works facility was annexed into the City in the early 1990s. Because that group of 10 properties was already in the City, they were not put in the Urban Renewal Area and were therefore ineligible for an Urban Renewal contribution to their sewer costs, so the City would now make that available. In order to leave the utility whole, the City would take the value to allow that discount out of the ARRA grant money. Staff sought Council's guidance on the best method and rate at which to reduce the ARRA grant money pass through. It was a political decision. Finding a resolution was a challenge due to its sensitive nature. He had discussions with the City Attorney and Interim Finance Director to determine the best method. The Finance Director recommended being more aggressive and making it steeper. He submitted to Council a

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draft of a similar resolution that would step down the grant benefit 25% at the end of the two year period, as being used for other incentive programs and then cut it back to 50% of the original amount at five years and then 25% of the original in ten years. He welcomed a Council discussion on this question. The City Attorney suggested some minor changes to some of the language for further clarification that the discount is being made available to those who connect and annex into the City. He distributed a version of the resolution with tracked changes to Council.

Another item for the Council's consideration was the Finance Director's idea of linking this ARRA grant discount schedule to the time that somebody annexes to the City, rather than the time that they actually connect to sewer. The category level of discount one fit into would be locked in by the time one annexed, rather than when one connected. The Finance Director noted there may be people who were not necessarily ready to connect, and this would help them to make a decision about annexation. From a policy standpoint, staff believed it was clear and most consistent with the City's position that this project was really about sewer connections and extending sewer connections. The City Attorney confirmed he saw no legal problem with the approach suggested by the Finance Director. Mr. Campbell distributed a copy of the language the City Attorney suggested.

Councilor Chaimov asked if people in affected areas had an opportunity to weigh in on any of these options discussed.

Mr. Campbell responded that the installment program and annexation assistance ideas were developed from discussions with people in the area. The inequity issue was not raised in any way, so no discussions had occurred with people in the area; similarly, the reducing/minimizing had not been discussed yet. Staff was preparing for an open house in the area and assumed that it was pretty clear what the preference would be for people in the area, but staff wanted to present a statement of the City's position.

Councilor Loomis said he liked the Finance Director's idea for annexation to the City. It would be a tough choice for a household that just put in a new septic.

Councilor Chaimov asked if all the options were before City Council in the form of Resolution No. 1, No. 2, and a revised Resolution No. 3, or were other things to be considered.

Mr. Campbell believed Resolutions No. 1 and No. 2 were clear that the options were the installment plan and annexation assistance. Resolution No. 3 as presented in the staff report was the slower schedule and the version just distributed with the tracked changes was the more aggressive schedule. He presumed whichever direction the Council chose, they would still want to incorporate the City Attorney's language changes which clarified that the program is for those who annex. The substantive questions are at what rate to reduce the discount and whether the discount is set based on the time of connection or annexation.

Councilor Chaimov asked if Council decided to proceed with the option Councilor Loomis liked, how they would change the resolution.

Mr. Campbell recommended that perhaps Council could proceed with Resolutions No. 1 and 2, and allow him time to prepare the appropriate text for submission tonight.

Mayor Ferguson asked if there was an issue with holding Resolution No. 3 over to the next meeting.

Mr. Campbell replied whatever Council preferred, the important point was for staff to understand the sense of Council before they spoke to the people in the neighborhoods. He did not think the passage of the resolution now was critical.

Councilor Loomis wanted to know if other Councilors agreed before going through the trouble of rewording the resolution. He explained that he was concerned about other homeowners who had invested a great amount of money in their septic systems. He believed it appropriate to give them time to get some use out of that money. After spending \$10,000 on a new septic system, it would be an uncomfortable dilemma to have to make a decision about annexing to save 25% in the future. Instead, he would like to see those properties annex but not be required to connect to the system immediately to get the discount.

Councilor Barnes understood the concerns but reminded this had been an ongoing discussion for almost two years and people were aware. Right now, she was more concerned about the City's financial health and how important it was that the City recoup the money through the grant as quickly as possible. She preferred something more aggressive and to use this window of opportunity to prompt people to make decisions and also protect the City's financial welfare.

Councilor Stone understood both points. If people just invested in a septic system, they would not be inclined to connect to the sewer, regardless of a discount. She liked the idea of tying it to annexation but asked if it could be prefaced that if one installed a septic system within the last 5 years the discount could be extended to them to be fair.

Mr. Campbell answered yes, if the individual could show records as proof of the installation or repair. That would be another class that could be exempted from the step down. He clarified that the Finance Director's position was not based on the finances of the City, but to motivate people to annex.

Councilor Loomis suggested that the timeline not be open-ended between annexing into the City and connecting to City services.

Mr. Campbell responded one way that he might phrase it would be for those properties that annex within that first two-year period, they would be eligible for the full discount, which would fulfill the spirit of what was being requested.

Mayor Ferguson recommended that since there was no time constraints, Mr. Campbell could continue to work on the wording and return for the City Council's approval at the next meeting.

It was moved by Councilor Chaimov and seconded by Councilor Stone to adopt the resolution enacting an installment payment plan related to reimbursement district cost shares for properties that connect to the NE Sewer Extension Project within two years of project completion. Motion passed with the following vote: Councilors Chaimov, Stone, Loomis, and Barnes and Mayor Ferguson voting "aye." [5:0]

RESOLUTION NO. 37-2010:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, TO ENACT AN INSTALLMENT PAYMENT PLAN RELATED TO REIMBURSEMENT DISTRICT COST SHARES FOR THOSE PROPERTIES THAT CONNECT TO THE NE SEWER EXTENSION PROJECT WITHIN TWO YEARS OF PROJECT COMPLETION.

It was moved by Councilor Chaimov and seconded by Councilor Stone to adopt the resolution to administer a time-limited annexation assistance program to facilitate annexations that meet certain eligibility requirements. Motion passed with the following vote: Councilors Chaimov, Stone, Loomis, and Barnes and Mayor Ferguson voting "aye." [5:0]

RESOLUTION NO. 38-2010:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, TO ADMINISTER A TIME-LIMITED ANNEXATION ASSISTANCE PROGRAM TO FACILITATE ANNEXATIONS THAT MEET CERTAIN ELIGIBILITY REQUIREMENTS.

B. Walk Safely Milwaukie Program

Mayor Ferguson stated he had received very positive feedback on the Program and there was a lot of support from the community. He asked for a brief program update, and then Council could discuss how to direct staff in proceeding with the project.

Mr. Asher briefly described the Walk Safely Program, which would be funded through HB 2001. He noted that while the numbers being used in the State Gas Tax fund need to be re-examined, staff would do so if Council directed creating and implementing the Walk Safely Program. The neighborhood would be able to spend some money on education and small capital projects or save it for a match on larger pedestrian projects. City Council has heard over the years this was a crying need in the neighborhood. This program would empower the neighborhood and give them a chance to compete annually for funds in a grant-like program. He discussed options for other uses of the money including putting it in the State Gas Tax fund generally or to reduce the street surface maintenance fee. Staff recommended this program as a good use of funds.

Mr. Campbell added the street maintenance utility fee could be reduced next year by about 30-cents per month next year and max of 80- to 90-cents in future years.

Mr. Asher explained staff had not taken any action while City Council talked with the neighborhoods and while the budget situation became clearer. The assumption needed to hold that there were some dollars available if the Council wished to make something happen.

Councilor Chaimov stated the neighborhood associations he attended were just short of wildly enthusiastic about the program. Being able to have some input about improvements to their neighborhoods was very well received. If the money is available, he believed the City should go forward with the program as promptly as possible. However it would be a very bad idea to go forward if no money was available because they would just be raising and then dashing the neighborhoods' expectations. The most important step is to ascertain what could be bought with the program. If it turns out to be just a couple of crosswalk strips for all the neighborhoods in the City, that probably would not go over very well. But if the program actually offered a neighborhood and in time others, some substantial project of their choosing, it would be an excellent idea well worth pursuing.

Councilor Stone was most concerned about what the dollar amount would be and felt that needed to be clearly determined before going forward.

Councilor Barnes said there were a lot of unanswered variables, but Council had made a promise to the community regarding the street surface maintenance fee, and even if it was just 30 cents she did not want to break their trust as a Council. She discussed something tied to light rail that would offer traffic and pedestrian safety rather than a grant program.

Councilor Loomis thought it was a good idea but wanted to know how much money was involved.

Mayor Ferguson attended 3 neighborhood meetings and got positive feedback on the proposal. People were concerned about equitable sharing among the neighborhoods.

Mr. Asher understood staff would review the budget and report back if and when this could be done. He would ask the City Council to take a hard look at the equity issue.

C. Council Reports

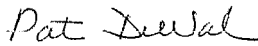
The Mayor and Councilors reported on current community events.

Mayor Ferguson announced the City Council would meet in executive session pursuant to ORS 192.660(2)(h) to consult with counsel concerning legal rights and duties regarding current litigation or litigation likely to be filed. The City Council would not be returning to regular session.

ADJOURNMENT

It was moved by Mayor Ferguson and seconded by Councilor Chaimov to adjourn the meeting. Motion passed unanimously with the following vote: Councilors Chaimov, Stone, Loomis, and Barnes and Mayor Ferguson voting "aye." [5:0]

Mayor Ferguson adjourned the regular session at 9:07 p.m.



Pat DuVal, Recorder

REGULAR SESSION

REVISED

AGENDA

**MILWAUKIE CITY COUNCIL
MAY 4, 2010**

MILWAUKIE CITY HALL

10722 SE Main Street

2077th MEETING

REGULAR SESSION – 7:00 p.m.

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3. CONSENT AGENDA <i>(These items are considered to be routine, and therefore, will not be allotted Council discussion time on the agenda. The items may be passed by the Council in one blanket motion. Any Council member may remove an item from the “Consent” portion of the agenda for discussion or questions by requesting such action prior to consideration of that portion of the agenda.)</i>	57
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4. AUDIENCE PARTICIPATION <i>(The Presiding Officer will call for statements from citizens regarding issues relating to the City. Pursuant to Section 2.04.140, Milwaukie Municipal Code, only issues that are “not on the agenda” may be raised. In addition, issues that await a Council decision and for which the record is closed may not be discussed. Persons wishing to address the Council shall first complete a comment card and return it to the City Recorder. Pursuant to Section 2.04.360, Milwaukie Municipal Code, “all remarks shall be directed to the whole Council, and the Presiding Officer may limit comments or refuse recognition if the remarks become irrelevant, repetitious, personal, impertinent, or slanderous.” The Presiding Officer may limit the time permitted for presentations and may request that a spokesperson be selected for a group of persons wishing to speak.)</i>	

- 5. **PUBLIC HEARING** *(Public Comment will be allowed on items appearing on this portion of the agenda following a brief staff report presenting the item and action requested. The Mayor may limit testimony.)*
 - A. **None scheduled**
- 6. **OTHER BUSINESS** *(These items will be presented individually by staff or other appropriate individuals. A synopsis of each item together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item.)* **73**
 - A. **NE Sewer Extension Project: Installment Payment, Annexation Assistance, and Connection Discount Programs – Resolution** **74**
Staff: Alex Campbell, Resource and Economic Development Specialist & Susan Shanks, Senior Planner
 - B. **Walk Safely Milwaukie Program**
Mayor Ferguson
 - C. **Council Reports**
- 7. **INFORMATION**
- 8. **ADJOURNMENT**

Public Information

- **Executive Session:** The Milwaukie City Council will meet in executive session immediately following adjournment of the regular session pursuant to ORS 192.660(2)(h) to consult with counsel concerning legal rights and duties regarding current litigation or litigation likely to be filed.
- 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.
- 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.
- The Council requests that all pagers and cell phones be either set on silent mode or turned off during the meeting.

2.

PROCLAMATIONS,
COMMENDATIONS,
SPECIAL REPORTS,
AND AWARDS

PROCLAMATION

Proclamation by *Mayor* _____ *Jeremy Ferguson* _____

Workplace Safety Awareness Day in _____ *City of Milwaukie* _____

Wednesday, May 12, 2010

WHEREAS, the City of Milwaukie, Oregon OSHA and other organizations in Oregon recognize that ensuring safe workplaces in our state is a responsibility we all share; and

WHEREAS, Oregon's safety community has made significant progress in reducing worker deaths and injuries in the thirty-four years since the passage of the Oregon Safe Employment Act in 1973; and

WHEREAS, safe workplaces in Oregon result from business, labor and government collaborating to reduce the human and economic toll of workplace injuries and deaths.

Now, therefore, I, Jeremy Ferguson, *Mayor* of the City of Milwaukie, hereby proclaim Wednesday, May 12, 2010, as Workplace Safety Awareness Day in Milwaukie and urge all citizens to recognize employers and workers for their important work and continued dedication to safety.

Jeremy Ferguson, Mayor

ATTEST:

Pat DuVal, City Recorder



To: Mayor and City Council

**Through: Pat DuVal, Interim City Manager
Kenneth Asher, Community Development/Public Works Director**

From: Paul Shirey, Public Works Operations Director

Subject: Facilities Condition Assessment and Space Needs

Date: April 20 for May 4, 2010 City Council Work Session

Action Requested

None requested. Provide Council with a status report on Facilities condition assessment and the opportunity to conduct a City-wide space needs assessment and planning effort.

History of Prior Actions and Discussions

March 17, 2009: Resolution 15-2009 awarding a contract for a Facility Condition Assessment and Inventory

Background

Responsible and efficient use of City facilities over time requires timely maintenance and careful planning. In order to develop a complete picture, the City requires a good understanding of the current condition of the existing facilities and maintenance needs. With the results of a Facility Condition Assessment and Inventory (details discussed below), the City now has that information.

The condition assessment did not evaluate the City's facilities in terms of space utilization, nor consider the impact on efficiency or service levels of the existing facility configuration. These, too, are critical factors that should inform a strategy for facility investment for the next decade. In order to make truly informed decisions about how best to invest scarce facilities dollars, it would be prudent to consider space needs City-wide.

The condition assessment provides a snapshot of the relative condition of existing city facilities and the recommended investment necessary to maintain those facilities over the next ten years. The level of investment needed to maintain the city's current facilities in good condition is approximately \$3.5 million over the next nine years, or nearly \$400,000 per year. Historically, the City has only invested about half that amount. Failure to invest this minimum level to maintain the city's buildings and grounds will result in a decline in the condition of the infrastructure. As in the case of the city's streets, once the condition gets bad enough, significantly greater resources are required to bring the facility back up to good condition.

Facility Condition Assessment and Inventory

A Facility Condition Assessment and Inventory (FCA&I) was completed for the City's four major campuses in July 2009. The FCA&I will help the City implement an asset management system in the Facilities Division in conjunction with the rest of the Public Works. The City's contractor, Faithful+Gould prepared a comprehensive analysis of City Hall, Ledding Library, the Public Safety Building and the Public Services Building* on Johnson Creek Blvd.

Each campus was thoroughly inspected and analyzed for the following: building substructure, shell, interior, services (heating, cooling, electrical, gas, plumbing, fixtures, equipment and furnishings), and energy and sustainability. The study applied a Facility Condition Index (FCI) determined by using a ratio of **total deferred maintenance** to the **current replacement value**. Milwaukie's facilities were all in the "Good" range at the time of the study (Spring 2009). The total cost of maintenance needed, as itemized below, is \$2,815,776 in today's dollars, not including "soft costs" (fees, contractor overhead, etc.; soft costs are estimated to be 25-30%).

The Executive Summary of the report is attached (Attachment A). The full report itself:

- Lists all the components, or assets, of each building, from its "skin" to the electrical, plumbing and mechanical systems as well as the surfaces and coverings, and structure.
- Assesses the condition of the asset, life cycle, repair and maintenance required and cost to replace at end of life.
- Ranks the condition of each facility
- Calculates replacement cost and the minimum level of investment needed to maintain the facility in "good" condition over a ten-year horizon.

(Security, information systems, and the building grounds were not assessed.)

*At the JCB campus, the study evaluated the two older buildings (the front building and the sign shop), but not the most recently constructed Operations building. That building was completed recently enough that staff was confident that maintenance needs in the near- to medium-term are minimal.

The report estimated current deferred maintenance to be approximately \$200,000. The report detailed investments necessary to address current deferred maintenance and anticipated maintenance needs over the planning period (ten years) at each of the City campuses, as follows:

City Hall

- Total estimated cost of maintenance is **\$341,569** for a variety of repair and replacement items, including energy saving retrofits.

Public Safety Building

- Total estimated cost of maintenance is **\$1,712,477** for a variety of repair and replacement of many building components including the roof covering as well as some energy saving retrofits.

Ledding Library

- Total estimated cost of maintenance is **\$450,483** for repair and replacement of many building components such roof covering, air handling equipment and electrical service upgrades, and some energy saving retrofits.

Johnson Creek Facility

- Total estimated cost of maintenance is **\$335,151** for repair and replacement of many building components such as re-painting, wall replacement and roof coatings, as well as some energy saving retrofits.

The study recommends adopting an investment strategy over ten years equal to an average of approximately \$350,000 per year. However, several higher cost items should be addressed early in the program, including \$600,000 at PSB this year and an additional half-million dollars in 2013.

While it is apparent from the “Good” FCI rating that the City has done an excellent job maintaining its facilities, the level of capital investment over the last several years has declined due to budget constraints. The City could consider a financing option to allow the critical items identified in the study to be completed in a timely fashion.

Facility/Space Needs

Some of the City’s major buildings including Johnson Creek, City Hall, PSB and Ledding Library are either inadequate to provide additional capacity in the near future and/or are functionally deficient. Major functional areas are located blocks or miles apart and affect the cost of doing business. Technology is a major driver as the City plans to improve the efficiency of its operations and the effectiveness of the services delivered. The older City buildings are costly to retrofit with current technology.

- Public Works Operations has no room to expand its yard operations in a coherent fashion. Currently, the City leases a vacant adjacent lot to meet the current needs of the departments for storage, maneuvering and loading and off-loading. As regulatory requirements continue to advance, yard needs

continue to increase. (The decant facility is a perfect example; it is necessary to comply with federal permits, but will have a substantial footprint within the existing yard.)

- The front office at JCB that currently houses Community Development, Planning, and Building has been stretched to, and possibly beyond, its capacity already. A narrowly-focused assessment of working conditions (provided as attachment 2) in this building concluded that the space available is inadequate for current activities. Office cubicles are substandard and overcrowded. In addition, limited IT infrastructure limits the flexibility of the entire arrangement.
- City Hall is substandard in terms of size and quality of working space. It too is overcrowded and will not be able to accommodate growth without substantial investment in major renovation. There is inadequate functional separation of space. For example, the billing clerk is in a very noisy environment, particularly when municipal court is in session. Most of the building is completely subjugated to the process of trying to serve the hundreds of citizens who appear before the court weekly. This joint use also poses security issues. Finally, there is a clear desire on the part of Council to consider expanding court activities, which would require substantial investment.
- PSB, only fifteen years old, will require nearly \$1.8 million in improvements to properly maintain over the next ten years. Functionally, the building works well for the Police Department and in terms of public access and service. Since the building is only 17 years old, the technological infrastructure is in good shape for the foreseeable future.
- Ledding Library is challenged in terms of antiquated operating systems and lack of space to grow given increasing library service area. One portion of the building, the original library house circa 1922, needs to be totally replaced. The Library itself is half the size it should be to meet the needs of its service area. That area will expand in the near future once the Oak Lodge library is closed as planned.
- IT infrastructure is a challenge City-wide. First, the multiplicity of campuses requires redundancy and reduces maintenance efficiency. Second, server rooms and physical constraints are problematic, for instance, at the older JCB building (the servers are in a cramped attic area) and at the Library (equipment is essentially in the open).

As the City considers making the investments suggested by the facility condition assessment, it would be prudent to consider which facilities merit substantial reinvestment. Such an examination should consider the possibility of consolidating some operations, closing some facilities, expansion, or purchase of new facilities. The City has not had a comprehensive facility master plan for years; a space needs assessment would help to putting a well-grounded master plan in place.

Key components of a space needs assessment would include:

- Basic mapping of City functions and likely service demands.
- Evaluation of quantity and quality of work space in terms of current and likely future employment levels and service demands, including security requirements.
- Consideration of possible efficiencies that could be realized through reducing the number of City facilities, in terms of meeting rooms, common areas, IT infrastructure, staff travel time, etc.

Concurrence

The acting Finance Director has provided input to this report. Department heads were surveyed regarding their facility needs and issues.

Fiscal Impact

The condition assessment suggests that current investment levels are inadequate to maintain current facilities. Should Council wish to proceed with a space need assessment, the cost would range from \$20,000-\$25,000. Staff believes that additional information is a pre-requisite before launching a major round of facility investments.

Work Load Impacts

A space need assessment would require the close attention of the Public Works Operations Director, but can be accomplished within current staffing levels. In addition, an effective and useful study would require the cooperation of all department heads. (The exercise, however, would be useful in encouraging individual departments to take the time to do some long-term strategic planning regarding service levels, staffing needs, etc.)

Alternatives

Council may wish to direct staff to focus on developing a plan to implement the recommendations of the facility condition assessment based on the working assumption that no significant space changes are likely for the foreseeable future. Staff believes the

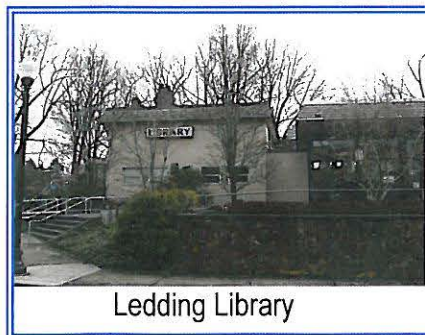
most fiscally prudent course of action is to make some determination of overall facility needs prior to initiating a round of major investments in existing buildings.

Attachments

1. Executive Summary of June 2009 Facility Condition Assessment study
2. JCB front office space needs assessment
3. Court study

**Report of
Facility Condition Assessment
And
Inventory**

**For
The City of
Milwaukie
Oregon**



26 June, 2009

**Provided By:
Faithful+Gould, Inc.**

Provided For:





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APPENDIX A SCOPE OF SERVICES

APPENDIX B RESUMES OF ASSESSMENT TEAM

APPENDIX C ACRONYMS & GLOSSARY OF TERMS

REPORT 1 CITY HALL

REPORT 2 PUBLIC SAFETY BUILDING

REPORT 3 LEDDING LIBRARY

REPORT 4 JOHNSON CREEK FACILITY

COMBINED EXECUTIVE SUMMARY

INTRODUCTION

In accordance with the agreement held between City of Milwaukie, contract #09-001, dated 23rd March 2009 and Faithful+Gould, Inc. this completed report provides a comprehensive Facility Condition Assessment and Inventory of 10722 SE Main Street, Milwaukie, Oregon (The Facility).

This report includes an executive summary of the combined facilities together with complete Facility Condition Assessment and Inventory reports for the subject facilities namely City Hall, Public Safety Building, Ledding Library Building and the Johnson Creek Facility. This report provides a summary of the facility information known to us at the time of the study, the scope of work performed, an equipment inventory, evaluation of the visually apparent condition of Property, energy efficiency solutions and an expenditure forecast of expenditures anticipated over the next ten-years. The expenditure forecast does not account for typical planned maintenance items such as changing filters to fan coil units and only considers deficiencies above a \$1,000 aggregated value.

Our cost rates to produce life cycle and replacement cost estimates are based on our knowledge of the local regional market rates. Our line item costs assume that the work will be undertaken by either in-house or by direct sub-contract labor. If the work is procured through public general contractor bids, we recommend budgeting for additional project costs of between 25%-30% to allow for professional fees and general contractor overhead/profit and management costs.

The report also calculates the Facility Condition Index (FCI) of the facility based upon the calculated FCI. Further discussion of the Facility Condition Index is detailed in the sections below.

This report was completed in general accordance with the ASTM E2018-01 Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process.


PROJECT DETAILS


On March 24, 2009 Mr. Andrew McClintock and Mr. Dean Leonard of Faithful+Gould visited the Property to observe and document the condition of the building and site components. During our site visit, Faithful+Gould was assisted by Mr. William Miller (Facilities Maintenance Coordinator) and Mr. Ed Moore (Facilities Maintenance Technician) of the City of Milwaukie. In addition, Faithful+Gould was assisted by the following specialty sub consultants working under contract to Faithful+Gould:


- Mr. Alan Matzka, P.E. – Evergreen Engineering (Mechanical Consultant)
- Mr. Steve Winslow, P.E. – Evergreen Engineering (Electrical Consultant)


FACILITY DETAILS


Table EX-1 Facility Details

BUILDING NAME:	Milwaukie City Hall				
BUILDING DESCRIPTION:	<p>The Property comprised of a timber-framed structure which was built in circa 1939. The property consisted of a concrete floor and walls at the basement level with timber upper floors and roof structure. The roof consisted of a low-sloped roof with a single metal membrane with insulation.</p> <p>The Property has undergone exterior and interior renovation works associated with the installation of a brick veneer exterior enclosure, new elevator, renovation of restrooms, new roof coverings, retrofit of windows and general finishes throughout. The original fire engine bays are still present, and this space has not yet been renovated at first floor level.</p> <p>The building was formerly used as the Milwaukie Fire Department; however the City of Milwaukie's council now resides at the Building.</p>				
ADDRESS:	10722 SE Main Street, Milwaukie, Oregon		NEAREST INTERSECTION:	SE Main Street and SE Harrison Street	
HISTORIC DISTRICT:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	HISTORIC BUILDING:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
GROSS SQUARE FOOTAGE OF BUILDING:	9,885	GROSS SQUARE FOOTAGE OF LAND:	27,648 (estimated)	YEAR OF CONSTRUCTION:	1939
CURRENT REPLACEMENT VALUE:	\$5,906,095*	OCCUPANCY STATUS:	OCCUPIED <input checked="" type="checkbox"/> VACANT <input type="checkbox"/> PARTIALLY <input type="checkbox"/>		
BUILDING USE:	Office		NUMBER OF STORIES:	Two (Including Basement)	

BUILDING NAME:	Milwaukie Public Safety Building				
BUILDING DESCRIPTION	<p>The Property comprised of a two-story structure which housed the City of Milwaukie Police and Fire Department. The building was constructed circa 1993, with the Fire Department occupying the building immediately after completion and the Police Department in 1994.</p> <p>The Property comprises of a load-bearing exterior wall construction supported via concrete wall foundations and strip footings. The first floors was formed via a reinforced slab-on-grade, with the upper floors of a concrete topping supported via a steel floor deck, which in turn are supported by steel girder joists and steel beams, which are fixed into the masonry load-bearing walls.</p> <p>The roof consisted of a number of low-sloped roofs also with a concrete topping supported via a steel floor deck, in turn supported by steel girder joists and steel beams, with Built-up Roof (BUR) systems containing rigid insulation.</p> <p>The building contained both a wet and dry-pipe fire suppression system.</p>				
ADDRESS:	3200 SE Harrison Street, Milwaukie, Oregon (formerly 3232 SE Harrison Street)		NEAREST INTERSECTION:	SE Harrison Street and Milwaukie Expressway 224	
HISTORIC DISTRICT:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	HISTORIC BUILDING:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
GROSS SQUARE FOOTAGE OF BUILDING:	32,487	GROSS SQUARE FOOTAGE OF LAND:	109,416 (estimated)	YEAR OF CONSTRUCTION:	1993
CURRENT REPLACEMENT VALUE:	\$7,809,897*	OCCUPANCY STATUS:	OCCUPIED <input checked="" type="checkbox"/> VACANT <input type="checkbox"/> PARTIALLY <input type="checkbox"/>		
BUILDING USE:	Police & Fire Department		NUMBER OF STORIES:	Two	

BUILDING NAME:	Ledding Library				
BUILDING DESCRIPTION	<p>The Property comprised of a two-story structure with a useable basement level. The Property consisted of a structural concrete strip foundation with perimeter foundation walls, supporting metal stud exterior walls, timber upper floors and roof structure. The roof structure consisted of a number of low-sloped surfaces with a combination of Built-up Roof (BUR) systems and single metal membrane with rigid insulation. There was no wet or dry-pipe fire suppression system present at the building.</p> <p>The grand opening of Ledding Library was in 1965; however the library was in use by the City of Milwaukie since 1961, when a Mrs. Florence Ledding provided her home for use as a permanent location for a library, and subsequently named it after herself and her husband. In 1964 the building was remodeled and an addition was built to the south and attached on to the original home. At this time the home also received renovation which included a new roof structure, from a steep-sloped roof to a low-sloped roof. A further expansion saw an addition to the west side of the Property in 1986.</p>				
ADDRESS:	10660 SE 21 st Avenue, Milwaukie, Oregon		NEAREST INTERSECTION:	SE Main Street and SE Harrison Street	
HISTORIC DISTRICT:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	HISTORIC BUILDING:	HISTORIC DISTRICT:	YES <input type="checkbox"/>
GROSS SQUARE FOOTAGE OF BUILDING:	14,173	GROSS SQUARE FOOTAGE OF LAND:	52,745 (estimated)	GROSS SQUARE FOOTAGE OF BUILDING:	14,173
CURRENT REPLACEMENT VALUE:	\$4,481,263*		OCCUPANCY STATUS:	OCCUPIED <input checked="" type="checkbox"/> VACANT <input type="checkbox"/> PARTIALLY <input type="checkbox"/>	
BUILDING USE:	Library and Office		NUMBER OF STORIES:	Two (Including Basement)	

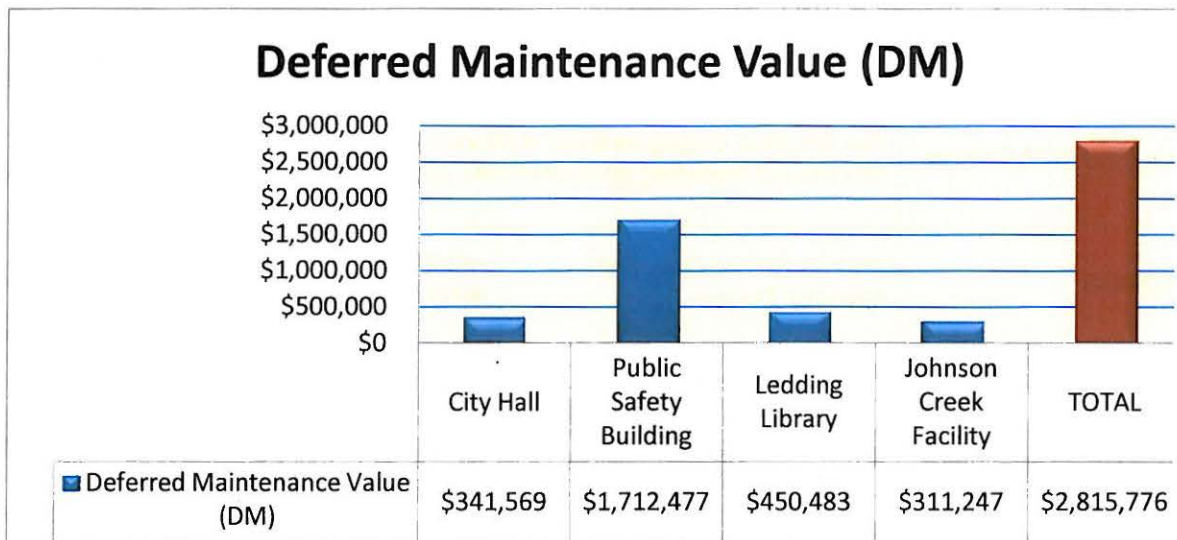
BUILDING NAME:	Johnson Creek Facility				
BUILDING DESCRIPTION	<p>The Properties comprised of two single-story structures located at the facility. The larger building contains the City of Milwaukie Building Department Office and Vehicle Repair Garage. The other smaller building being the Public Works Operations (PWO) consisted of the Sign-Shop at the time of assessment.</p> <p>The Office and Garage shared a measured gross floor area of 11,871 square feet and was built circa 1990. The Sign-Shop contains a measured gross floor area of 5,600 square feet and was built circa 1992. Office and Garage is a stand-alone building, with the Sign-Shop building being connected to the newer Facilities Building.</p> <p>The Office and Garage comprised of a CMU load-bearing exterior wall construction support via cast-in-place concrete spread footings. The first floor consisted of a reinforced cast-in-place concrete slab-on-grade, with a steep-sloped roof constructed of pre-fabricated wood roof trusses. The roof covering consisted of a plywood sheathing deck with a metal sheet roof finish. The building contained aluminum framed windows with insulated panels mainly at the Office section of the building. The Garage contained a number of pre-finished steel section over-head doors. The building as a whole contained metal hollow flush panel doors at its exterior and wood paneled doors at the interior.</p>				
ADDRESS:	6101 SE Johnson Creek Blvd , Milwaukie, Oregon	NEAREST INTERSECTION:	SE Johnson Creek Blvd and SE Linwood Ave		
HISTORIC DISTRICT:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	HISTORIC BUILDING:	HISTORIC DISTRICT:	YES <input type="checkbox"/>
GROSS SQUARE FOOTAGE OF BUILDING:	11,921	GROSS SQUARE FOOTAGE OF LAND:	Unknown	GROSS SQUARE FOOTAGE OF BUILDING:	11,921
CURRENT REPLACEMENT VALUE:	\$1,855,286*	OCCUPANCY STATUS:	OCCUPIED <input checked="" type="checkbox"/> VACANT <input type="checkbox"/> PARTIALLY <input type="checkbox"/>		
BUILDING USE:	Office and Garage		NUMBER OF STORIES:	One	

BUILDING NAME:	Johnson Creek Facility				
BUILDING DESCRIPTION	The Sign-Shop building consisted of reinforced cast-in-place concrete footings, with a steel frame structure and interlocking pre-finished metal cladding sheet system to its elevations and roof.				
ADDRESS:	6101 SE Johnson Creek Blvd , Milwaukie, Oregon		NEAREST INTERSECTION:	SE Johnson Creek Blvd and SE Linwood Ave	
HISTORIC DISTRICT:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	HISTORIC BUILDING:	HISTORIC DISTRICT:	YES <input type="checkbox"/>
GROSS SQUARE FOOTAGE OF BUILDING:	5,600	GROSS SQUARE FOOTAGE OF LAND:	Unknown	GROSS SQUARE FOOTAGE OF BUILDING:	5,600
CURRENT REPLACEMENT VALUE:	\$199,765*	OCCUPANCY STATUS:	OCCUPIED <input checked="" type="checkbox"/> VACANT <input type="checkbox"/> PARTIALLY <input type="checkbox"/>		
BUILDING USE:	<u>Sign Shop</u>		NUMBER OF STORIES:	One	

PRIMARY EXPENDITURES

Table EX-1 provides a summary of the anticipated primary expenditures over the ten-year study period for each of the facilities. Further details of these expenditures are included within each respective report section and within the ten-year expenditure forecast, in Appendices A of each report. The results illustrate a total anticipated expenditure for all the facilities over the 10-year cost study period of circa \$2,800,000. The public safety building has the largest anticipated deferred maintenance of circa \$1,700,000. We have scheduled below key items of work required at each facility.

Chart EX-1 Primary Expenditures Summary ^{1, 2, 3}



¹ All costs presented in present day values

² Costs represent total anticipated values over the ten-year study period

³ Budget for additional project costs of between 25%-30% to allow for professional fees and general contractor overhead/profit and management costs

KEY FINDINGS:

City Hall

- Repair of deteriorated mortar joints to the brick veneer walls at an estimated cost of \$87,550 phased over two years in 2012 and 2013
- Re-painting of interior painted surfaces at an estimated cost of \$22,050 in years 2011 and 2018
- Replacement of sheet carpet floor covering at an estimated cost of \$36,400 in year 2011
- Replacement of Unico® air handling units at an estimated cost of \$43,200 in year 2018
- Replacement of main distribution panel at an estimated cost of \$10,200 in year 2013
- Up-grade fire alarm system at an estimated cost of \$23,585 in year 2018
- Installation of a new emergency power generator at an estimated cost of \$20,000 in year 2010
- Energy retrofit measures at an estimated cost of \$39,839 in year 2009

Public Safety Building

- Re-painting of the exterior Concrete Masonry Unit (CMU) walls at an estimated cost of \$32,956 in years 2011 and 2017
- Replacement of roof coverings at an estimated cost of \$512,000 in year 2010, with a further replacement at an estimated cost of \$241,280 in year 2013
- Repainting of interior wall surfaces to both gypsum wall boards and CMU walls at an estimated cost of \$102,900 in years 2010 and 2017
- Replacement of the original sheet carpet floor covering at an estimated cost of \$70,460 in years 2010 and 2018
- Replacement of the other sheet carpet floor covering at an estimated cost of \$18,200 in years 2013
- Replacement of ceramic wall and floor tiles at an estimated cost of \$126,800 in year 2013
- Replacement of HVAC Equipment (generally) at an estimated cost of \$100,976 in year 2012
- Replacement of cabinets at an estimated cost of \$24,500 in year 2013
- Replacement of the emergency power generator at an estimated cost of \$80,000 in year 2018
- Replacement of Suspended Ceiling Tiles at an estimated cost of \$27,450 in year 2013
- Replacement of Incandescent Down Lights with fluorescent at an estimated cost of \$14,322 in year 2014
- Energy Retrofit Measures at an estimated cost of 12,340 in year 2009

Ledding Library

- Re-painting of the exterior wall stucco at an estimated cost of \$28,290 in year 2015
- Replacement of Built-up Roof Systems at an estimated cost of \$106,880 in year 2010
- Further replacement of Built-up Roof Systems at an estimated cost of \$44,800 in year 2017
- Replacement of cedar shingles at an estimated cost of \$34,500 in year 2010
- Replacement of tile carpet floor covering at an estimated cost of \$64,688 in year 2012
- Re-paint Interior Painted Surfaces at an estimated cost of \$18,835 in year 2012
- Replacement of multi-zone air handling unit at an estimated cost of \$35,000 in year 2009
- Replacement of building automation components at an estimated cost of \$20,000 in year 2018
- Replacement of main distribution panel at an estimated cost of \$10,200 in year 2014
- Replacement of Branch Electrical Panels at an estimated cost of \$14,256 in year 2014
- Up-grade fire alarm system at an estimated cost of \$27,534 in year 2018
- Energy Retrofit Measures at an estimated cost of 9,354 in year 2009



Johnson Creek Facility

- Re-painting of the exterior Concrete Masonry Unit (CMU) walls at an estimated cost of \$34,152 in years 2011 and 2017
- Replacement of coating to roof surface at an estimated cost of \$42,665 in year 2012
- Repainting of interior gypsum wall boards surfaces at an estimated cost of \$11,700 in years 2011 and 2018
- Repainting of interior CMU walls at an estimated cost of \$10,800 in years 2009 and 2016
- Replacement of sheet carpet floor covering at an estimated cost of \$22,360 in year 2011
- Re-painting of the concrete floor slab at an estimated cost of \$65,000 in year 2009
- Energy Retrofit Measures at an estimated cost of \$27,505 in year 2009

Chart EX-2, illustrates a summary of the ten-year expenditure forecast for the building with a more detailed analysis within Appendix A, which provides a breakdown of individual work items as recommended within the main body of the report.

Chart EX-2 Ten-Year Expenditure Forecast



This chart highlights significant expenditure for the public safety building within year one (2010) and closely followed by year ten (2013), primarily due to the following systems which are expected to reach their Estimated Useful Life (EUL) and due for replacement as listed below.

Year 2010

- Roof Replacements
- Interior Finishes

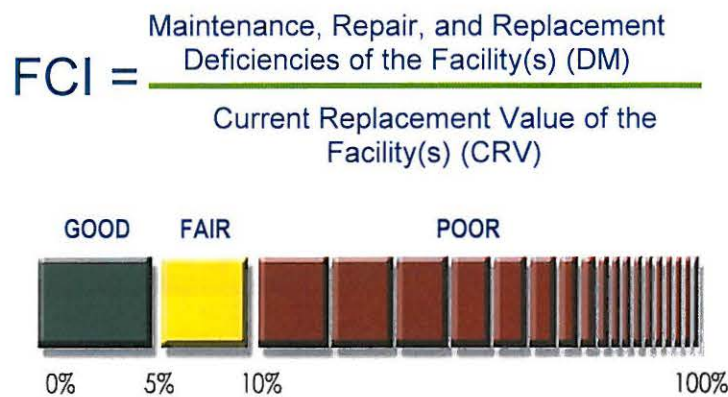
Year 2013

- Roof Replacements
- Interior Finishes
- Furnishings

FACILITY CONDITION INDEX (FCI)

In this report we have calculated the **Facility Condition Index (FCI)** for the facility; illustrating the likely condition of the systems and equipment should the required funding not be expended over the cost study period. The FCI is used in Facilities Management to provide a benchmark to compare the relative condition of a group of facilities. The FCI is primarily used to support asset management initiatives of federal, state, and local government facilities organizations.

The FCI is the ratio of accumulated Deferred Maintenance (DM) (total sum of required and recommended works) to the Current Replacement Value (CRV) for a constructed asset calculated by dividing DM by CRV. The range is from zero for a newly constructed asset, to one for a constructed asset with a DM value equal to its CRV. Acceptable ranges vary by "Asset Type", but as a general guideline the FCI scoring system is as follows:



The FCI is a relative indicator of condition, and should be tracked over time to maximize its benefit. It is advantageous to define condition ratings based on ranges of the FCI. There are a set of ratings: good (under 0.05 (under 5%)), fair (0.05 to 0.10 (5% to 10%)), and poor (over 0.10 (over 10%)) based on evaluating data from various clients at the time of the publication.

Table EX-2 FCI Scoring System

Condition	Definition	Score	Percentage Value
GOOD	In a new or well maintained condition, with no visual evidence of wear, soiling or other deficiencies	0.00 to 0.05	0% to 5%
FAIR	Subject to several years wear, slight signs of wear and soiling but is still in a serviceable and functioning condition	0.05 to 0.10	5% to 10%
POOR	Subjected to hard or long-term wear. Has reached or nearing the end of its useful or serviceable life. Renewal or renovation now necessary	Greater than 0.10	Greater than 10%

Table Ex-4 provides a calculation of the FCI for the four buildings illustrating both the current condition of the buildings and the likely condition of the facilities should the required funding not be expended over the ten-year cost study period. The results of the study indicate that currently all buildings are well maintained and have a facility condition index rating within the GOOD condition. The results also indicate that the facilities will fall into the POOR condition rating over the 10-year cost study period should the recommendation not be implemented.

Table EX-4 Facility Condition Index (Combined)

Building	CRV (per gross square foot of floor area)	Current Replacement Value (CRV)	Deferred Maintenance Value (DM)	FCI Ratio	Property Condition
City Hall Building Current FCI Ratio	\$117*	\$2,055,051**	\$26,313 (Current)	0.4%	GOOD
City Hall Building Year 10 FCI Ratio	\$597*	\$5,906,095**	\$341,569	6%	FAIR
Public Safety Building Current FCI Ratio	\$240*	\$7,809,897**	\$28,748 (Current)	0.4%	GOOD
Public Safety Building Year 10 FCI Ratio	\$240*	\$7,809,897**	\$1,712,477 (Year 10)	22%	POOR
Ledding Library Building Current FCI Ratio	\$316*	\$4,481,263**	\$49,371 (Current)	1.1%	GOOD
Ledding Library Building Year 10 FCI Ratio	\$316*	\$4,481,263**	\$450,483	10.1%	POOR
Johnson Creek Building Current FCI Ratio	\$117*	\$2,055,051**	\$104,000 (Current)	5%	GOOD
Johnson Creek Building Year 10 FCI Ratio	\$117*	\$2,055,051**	\$331,155 (year 10)	16%	POOR

NOTE: * CRV divided by the gross square footage of the building
 ** Supplied by the City of Milwaukie

Chart EX-3 indicates the effects of the FCI ratio per year, assuming the required funds and expenditures are made to address the identified works and deferred maintenance each year. The results of the study indicate that currently all buildings are well maintained and have a facility condition index rating within the GOOD condition and will remain in good condition with exception to the public building which during 2010 and 2013 will fall into the FAIR condition subject to the recommendations being implemented each year.

Chart EX-3 Year by Year effects of FCI over the Ten-Year Study Period

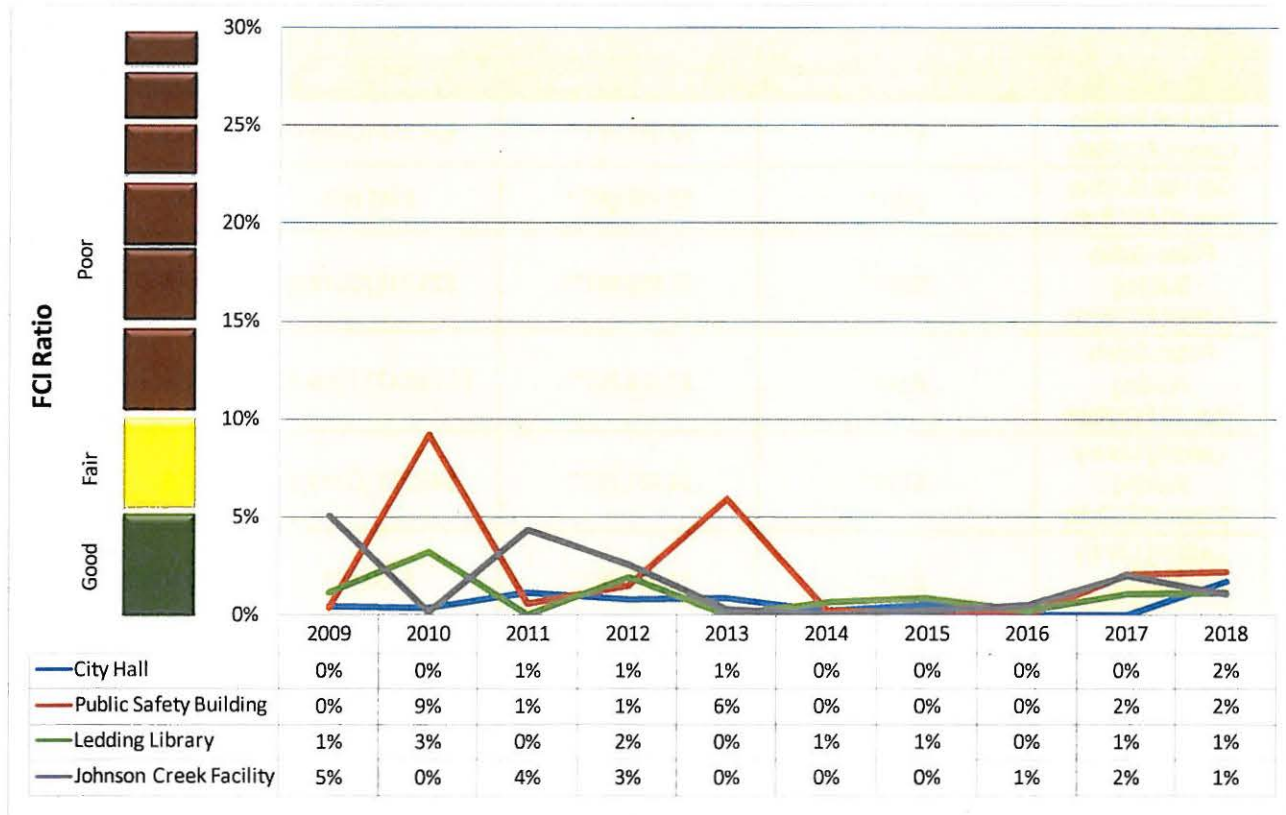
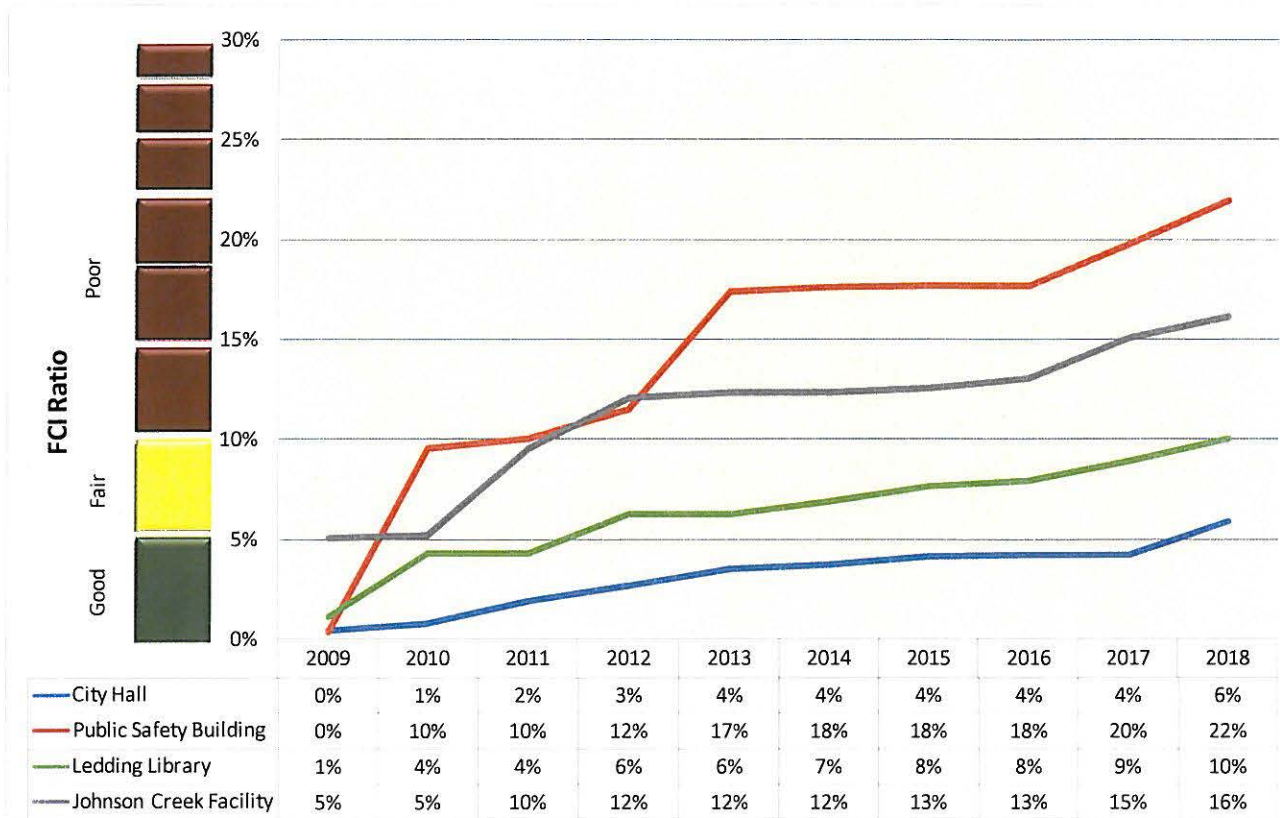




Chart EX-4 indicates the cumulative effects of the FCI ratio over the 10 year period assuming the required funds and expenditures are **NOT** made to address the identified works and deferred maintenance each year. The results of the study indicate that currently all buildings are well maintained and have a facility condition index rating within the GOOD condition. The condition of the buildings will deteriorate over time with the public safety building and the Johnson Creek facility falling in to the poor condition rating from 2011. The City hall and Ledding Library buildings will not fall within the POOR condition rating within the 10-year cost study period.

Chart EX-4 Cumulative effects of FCI over the Ten-Year Study Period



ATTACHMENT 2

MEMO

To: JCB Remodel Committee
From: Jennifer Fowler / Jennifer Fowler Interiors
Date: November 6, 2007
Re: City of Milwaukie, JCB Office Space Remodel/Expansion Analysis

The JCB Remodel Committee enlisted my services in late July to analyze their existing office space and propose options that would meet both immediate and future needs. The needs relayed to me were as follows:

- Create a minimum of 5 new workspaces immediately, and accommodate future staff growth projected at approximately ½ - 1 employee annually.
- Increase meeting space / training area / conference room. A space is needed that is large enough to accommodate all JCB employees at one time (40 to 50 people – approximately 750 square feet)
- Create a more functional layout of the office overall.
- Create additional space for Planning, as well as a more functional space that would include workstations large enough to layout plans for review.
- Relocate CD Admin staff closer to reception and closer to the director's office. Provide an enclosed office for the office supervisor, and maintain enclosed offices for the directors.
- Provide an additional small meeting space / quiet workroom.
- Add storage space to accommodate archived items currently being stored at City Hall. These materials need to be easily accessed.
- Provide a place for informal staff interaction. Currently staff tends to congregate near the copy machines, which causes distraction for the front desk staff.
- Maintain adequate shower and locker facilities in the office.

An initial meeting took place on August 9, 2007, to discuss these requirements, along with a review of all other particulars required by me in order to embark on the project. Each committee member relayed detailed information in relation to their department's needs, calculations of incoming storage and existing storage quantities. I photographed and documented current storage, equipment and staff workstations and learned how each department needed to function, as well as their specific space requirements and proximities to resource materials and other staff.

A walk-through of the space revealed that over time, in an effort to accommodate additional staff and materials, the flow and circulation had become circuitous and did not serve the overall function of the office. It was also observed that if unimpeded, daylight could penetrate the space very well, but had been blocked significantly with efforts to create new workstations and acoustical barriers. It had clearly been impossible to maintain a semblance of consistent furnishings, and the furniture was not providing flexibility for a growing staff and changing needs.

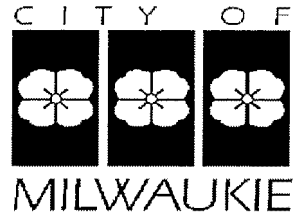
With the acquired information, I worked at accommodating all the discussed requirements into the existing building. After a lengthy study and coming up short of square footage in every instance, I determined that meeting the complete list of requirements was impossible within the existing footprint of the building. For

example, by accommodating just a few of the additional workstations for incoming staff, additional space for storage became impossible. This proved to be one of the biggest challenges knowing that existing storage will need to increase with time, outside of the estimated 400+lf of archive materials expected from City Hall. When attempting to accommodate this incoming storage, existing essential service areas such as the locker-room facilities, became impeded. Providing for new meeting spaces encroached on already tight working spaces, and attempting to provide better layout spaces for individual staff limited the number of new workstations possible. My analysis revealed very clearly that the existing facility is already at capacity.

Having determined this, my approach and focus turned towards proposing a solution that encompassed an expansion of the current facility, thereby addressing the project with a broader perspective and a longer-term solution. Also being aware that needs had been met previously by providing or proposing off-site and/or temporary structures, I felt the best solution was not a temporary one, but rather a plan that would allow for all immediate needs as well as those projected well into the future.

On October 4th I met with the remodel committee to review schemes that proposed an expansion. We discussed the plans I developed and came up with some thoughts about revising them slightly to determine the lowest-impact approach in relation to work interruption and possible cost outlays. The current plan is a result of those discussions and entails the following:

- Single floor expansion of the existing building 45' to the south, and 11' to the east, allowing for an increase of 2,723sf.
- Proposal of new furniture system to accommodate a “spine” based system allowing for the most flexibility and growth over time, and accommodating up to 32+ workstations. Current furnishings can be utilized within this plan in the meantime.
- A central, enclosed core to allow for equipment, layout spaces, archival storage and conference rooms. Conference rooms are separated by operable partitions. When open, all-staff gatherings can occur.
- Outside walls of core provide for low storage to support workstations along the perimeter, and pin-up space above.
- Daylight penetrates the space by keeping workstations below window heights.
- Enclosed offices are still achieved without impeding flow of space or day lighting.
- Overall flow and circulation is open and conducive to growth and flexibility.
- Individuals are located in proximity to work areas and other staff for optimal, daily function.
- Locker room facilities remain an integral element and will serve the growing staff at their current size.
- The break room / lunchroom remains in its current location but receives simple upgrades and becomes a pleasant, central meeting space for staff.



TO: MAYOR AND CITY COUNCIL
FROM: MIKE SWANSON, CITY MANAGER
DATE: JANUARY 22, 2008
**RE: CITY HALL COURT FACILITY AND JCB OFFICE SPACE
REMODELS**

ACTION REQUESTED

This item is for information only at this time. This staff memo provides information on two proposed facility needs, each of which will be presented in a separate section. Cost estimates are currently being developed, and we will return with additional information once we have that in hand. However, it is an appropriate time to introduce these proposed projects to the City Council for your information.

BACKGROUND

SECTION 1: CITY HALL COURT FACILITY

At present the City's Municipal Court jurisdiction extends to matters within the City's Municipal Code, including traffic and Code violations. Misdemeanors, which include crimes such as harassment, menacing, disorderly conduct, reckless driving, theft, criminal trespass, criminal mischief, and unlawful possession of a firearm, do not fall within the Court's jurisdiction. The District Attorney does not accept many misdemeanor filings for prosecution, citing staff shortages. Thus, our officers are often faced with a crime and knowledge of the perpetrator but no effective consequence.

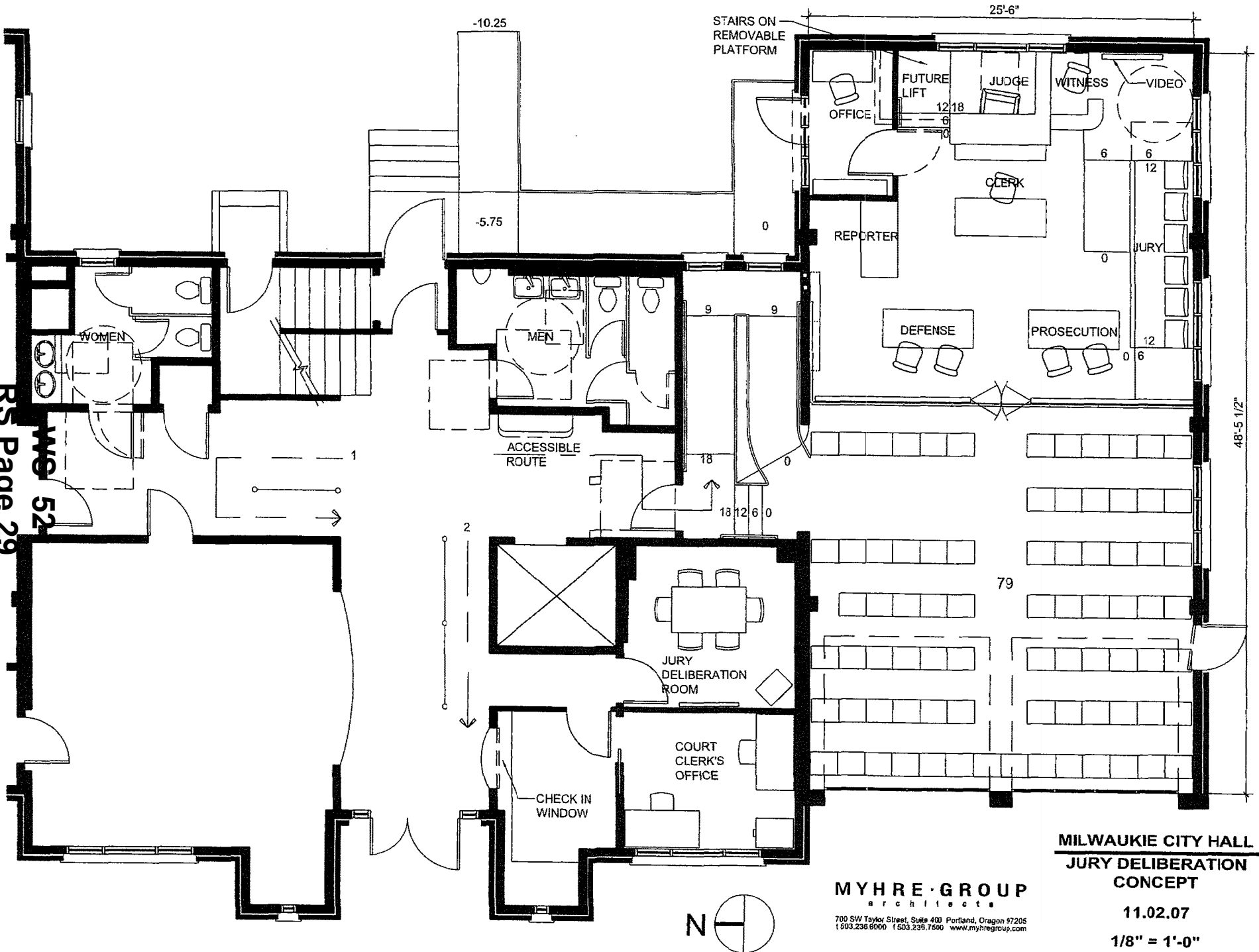
For a number of years we have considered extending the Municipal Court's jurisdiction to misdemeanors. The change will carry a number of costs, among which is adequate space in which to handle criminal matters. We identified the former fire bay in City Hall as a potential site for a court facility and retained the Myhre Group to design a court facility, which I have attached as Attachment A. This design has been reviewed by the Municipal Judge for his approval. It has also been submitted to a professional cost estimator. Once we have the cost we can identify possible financing sources as well as the total cost for adding misdemeanors to the Court's jurisdiction.

SECTION 2: JCB OFFICE REMODEL

JCB is increasingly unable to adequately accommodate the increased activity stemming from development within the City. When adding an additional Planner during the last budget process I acknowledged the need for the position but noted that I would be authorizing it without provision for adequate space. Inadequate meeting space, noise problems, insufficient lighting, inadequate provision for future growth, and a lack of filing space accessible to staff are only a few of the problems.

Planners, Engineers, and functions such as that performed by Alex Campbell and Gavin Hales are professional positions. We expect and receive a professional level of work, but we provide substandard facilities in which to conduct that work.

Thus, I requested that JCB management conduct a study of space needs that would address the problems outlined above. To that end they developed a design with the help of an expert in office space interiors. I have attached a copy of that design as Attachment B. It has been submitted to a professional cost estimator. Once we have the cost we will explore possible financing sources.



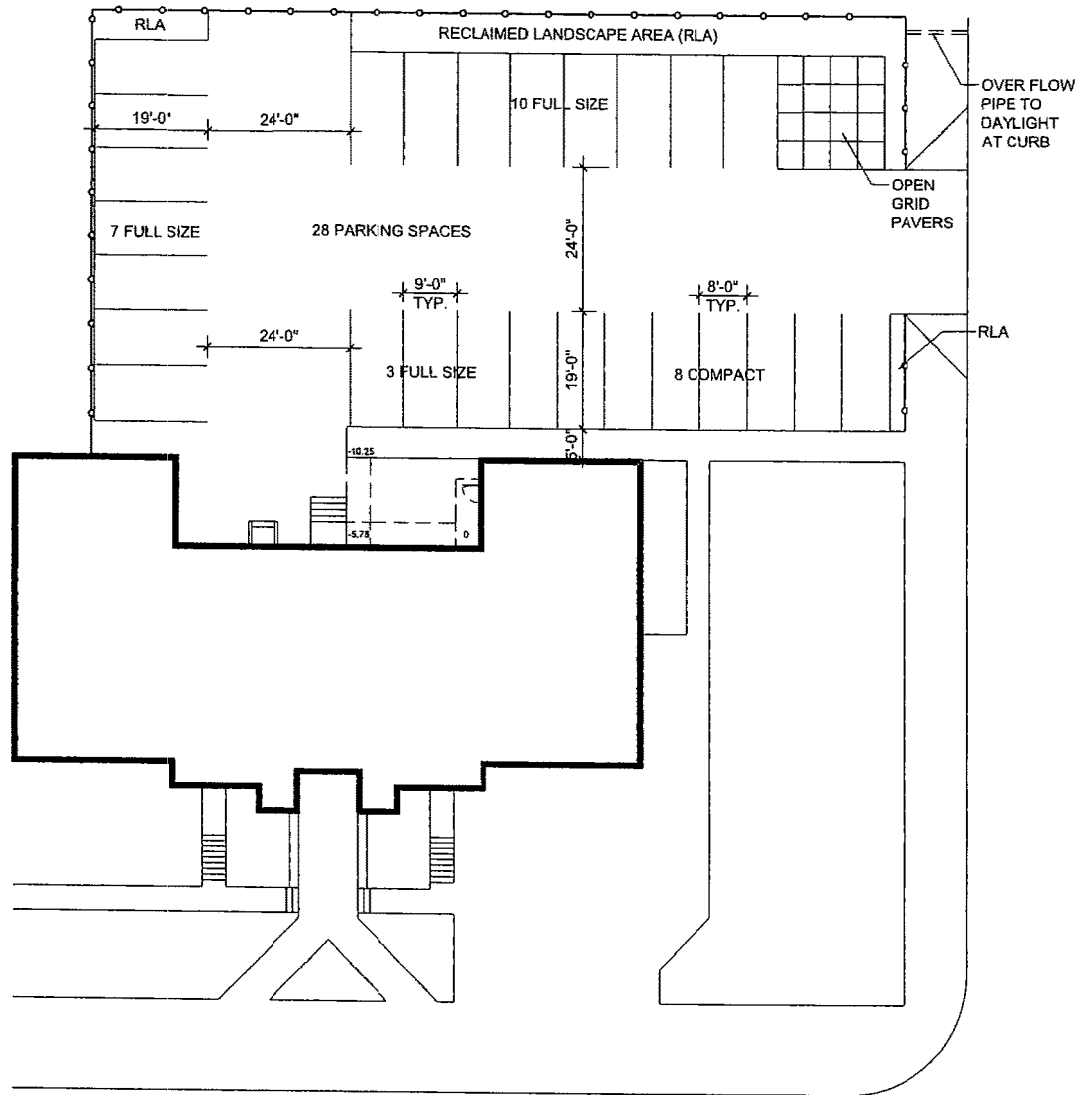
MILWAUKIE CITY HALL
JURY DELIBERATION
CONCEPT

11.02.07

1/8" = 1'-0"

MYHRE · GROUP
 architects

700 SW Taylor Street, Suite 400 Portland, Oregon 97205
 1 503.236.8000 1 503.236.7500 www.myhregroup.com



WS 53
RS Page 30

MILWAUKIE CITY HALL
PROPOSED PARKING
LAYOUT OPTION A

10.08.07

1" = 20'-0"



MYHRE GROUP
ARCHITECTS

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 503.238.5800 503.238.7900 www.myhregroup.com



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RS Page 31

**Milwaukie City Hall Remodel
Scope Description DRAFT**

Oct. 8, 2007

Updated Nov. 1 2007

Updated Dec. 14, 2007

Site Improvements:

Reconfigure site per Schematic MGA Proposed Parking Layout Option A dated 10-8-07 to include:

1. Squaring off the Existing On-Site Parking Area to increase number of stalls available on site.
2. Re-stripping the parking lot to maximize efficiency.
3. Removing Asphalt not required for parking or circulation and replacing with landscape.
4. [Reclaimed Landscape Area and Open Grid Pavers at new parking stalls to be utilized to treat storm water on site]
5. [Storm Water Overflow pipe to be installed from landscape swale under sidewalk to curb gutter as required]
6. [Provide Shade Trees at Reclaimed Landscape Areas to minimize Heat Island Effect where appropriate]
7. [New landscape to be native plantings requiring minimal water/ no irrigation]
8. Add parking lot lighting (to address personal security concerns)
9. [All new site lighting to be energy efficient and shielded to ensure that all site lighting falls within the property boundaries and minimizes glare and sky glow effect (no Sodium fixtures per City Staff)]
10. Add canopy over rear (East Facing) door for weather protection.
(Two elevation options to be provided in lieu of Main Street Garage Door elevation- once Jury deliberation space is determined)
11. New exterior accessible ramp at private exit from Judge's office to ~~grade~~ the landing of the existing stair at the rear of the building. This will also require the door to be reversed at this location.
12. Add new Surveillance system to monitor ~~two code enforcement vehicles or entire parking area.~~ *Fixed or sweeping- motion detectors to record to CD.*
13. Provide signs stating "Employees Parking Only" and "Parking Lot under video surveillance"
14. Lighting over egress door on the South Façade to be replaced with energy efficient period fixture.
15. [Provide Bicycle Storage for 5% of City Hall Staff at sidewalk on South side of building.] *(5 Stalls to be provided at area surrounded by Judges Chamber ramp.)*
16. *Bollards to be added at existing driveway to Fire Bay. (Bollards to be aesthetically pleasing (possibly similar to Fed. Bldg. in PDX) and located just outside garage doors)*

Format Key:

[] = Sustainable Strategies

Italics = *Group Discussion Item/ Input required*

Fire Bay Reconfiguration and Improvements:

Remodel Existing Fire Bay into a Courtroom for traffic and potential misdemeanor court per MGA Schematic Floor Plan Option 2 dated 10-8-07 to include:

1. Seating for approximately 79 in the public seating area.
2. Accessible internal ramp between building core and courtroom space. (existing door to be relocated to accommodate new ramp and stairs.) (Plumbing at existing Fire Hose Room to be re-routed down adjacent wall where possible.)
3. Elevated Judge's platform (18" A.F.F.)
4. Elevated Jury box for 6 jurors (12" A.F.F.)
5. Raised Witness stand (6" A.F.F.)
6. Judges Chambers with new private exterior door for Judge. (Existing Hose Tower door to be salvaged for use as interior door to Judges chambers.)
7. Clerk's station.
8. Prosecution's station.
9. Defendant's station.
10. Recorder's station (for equipment only-unoccupied)
11. Partial height wood barrier dividing general seating from hearings area.
12. Partial height wood barrier dividing hearings area from jury area.
13. Operable partition system to divide public seating/multi purpose area from hearings area.
14. Removable benches at seating/multi purpose area. (benches to "lock" down if possible)
15. Existing garage doors to be replaced with new metal or wood framed window system patterned to reflect the original fire doors with *bullet resistant*, tempered and sight obscuring/translucent glazing. (Operable (*Power Operated*) system desired provided safety, energy and moisture intrusion requirements can be met)
16. Exit door at south wall (required for second means of egress from Public seating/ Flex space) to be provided with an alarm and signed "Emergency Exit Only- Alarm Will Sound". No hardware to be provided on exterior side of door for security reasons.
17. Panic Alarm to be provided at Judges Station Direct to LOCOM.
18. Warning light at Judges station to light should any alarms be triggered from the main building.
19. Wiring for electronics as deemed appropriate by the City of Milwaukee's Information Systems & Technology Director *to include network access and power to Judge, Clerk and Attorneys Stations.*
20. Flat Screen Video Display for arraignments *on adjustable arm at wall near Witness stand.*
21. Flooring to be modular carpet tiles over existing slab on grade *or stained concrete.*
22. Walls to be Painted Gypsum Board over existing framing.
23. Wall insulation to be added/ upgraded as required for improvements.

24. Ceiling to be Painted Wood Paneling and Trim "Box Beam" configuration as high as possible.
25. [Provide Commissioning to assess and verify existing Heating Ventilation and Air Conditioning systems perform as intended.]
26. Upgrade existing Heating Ventilation and Air Conditioning (or provide separate HVAC) as required to service the new courtroom. Air Conditioning to be provided.
27. [Comply with Indoor Air Quality Standards established by ASHRAE 62.1-2004]
28. [Monitor air for CO2 content and provide systems to allow HVAC system to correct when monitor detects deficiency]
29. [Provide MERV 13 (Minimum Efficiency Reporting Value) or better air filters for mechanical system]
30. *[Provide natural ventilation through operable windows.]*
31. [Provide mechanical ventilation (30% above ASHRAE 62.1-2004)]
32. [Target minimum energy performance for new improvements (LEED utilizes the ASHRAE/IESNA Standard 90.1-2004)]
33. Plumbing and Electrical upgrades as required to service the new courtroom.
34. Sprinkler system upgrades as required to service the new courtroom.
35. [Film to be added to existing courtroom windows to maximize energy efficiency (and minimize solar heat gain).]
36. [Blinds to be provided for all existing windows.]
37. High efficiency period lighting w/ ceiling fans where appropriate.
38. [Provide lighting control for energy efficiency (such as task lighting to minimize ambient lighting needs or occupancy sensors)]
39. Sound insulation to be added at courtroom walls *and ceiling* adjacent to main building
40. [Use building products with recycled content (target 10%)]
41. [Use regionally manufactured materials (target 20%) and regionally extracted materials (target 10%)]
42. [Use products containing rapidly renewable building materials such as bamboo, cork, etc. (target 5% of project cost)]
43. [Use FSC (Forest Stewardship Council) Certified wood products (target 50%)]
44. [Establish indoor air quality management plan during construction activities and flush out before occupancy.]
45. [Establish target for reducing construction waste by 50% and diverting for reuse/recycling]
46. [Establish target for use of off site sourced salvaged building materials of 5%]
47. Selective demolition as required for the above improvements.
48. *All windows into Courtroom and Judges Chambers are to be Bullet resistant.*
49. *Fire Pole to be incorporated into the Design- Possibly hung from ceiling horizontally with commemorative plaque on adjacent wall.*
50. *Wiring to be provided to Attorneys Stations (in discrete and cost effective manner.)*

Other Building Improvements:

Check-In

1. Check in window to be provided at top of courtroom ramp with counter space and operable closure??? *To Be Determined!*
Check in window located near main entrance of the building.
2. Wiring for Computer system tied to courtroom systems.

Jury Deliberation Room

1. Jury room located to the south of the elevators

Court Clerks Office

1. Court Clerks office located to the south of the new check in window

Restrooms

1. Men's restroom partitions to be reconfigured to meet ADA requirements.
2. Men's restroom mirror to be lowered so bottom edge is 40" max. to meet ADA requirements.
3. Women's restroom sinks to be lowered to 34" max. at rim of sink.
4. Women's restroom door to be relocated to meet accessibility requirements.
5. [Provide occupant sensors at sinks]

Corridors

1. Metal detector to be installed outside entrance to courtroom.
2. Existing countertop outside of courtroom to be shortened to allow for accessible access around metal detectors.

Entryway

1. [Provide walk off matt outside Main and Rear Entry Points to minimize maintenance and improve indoor air quality]
2. *Existing Storefront at Main Entry to be replaced with new storefront patterned after original entry door (3'-10" x 7'-0" leaf centered between two sidelights).*

Guardrails at Basement Stairs

1. *Replace existing guardrails to basement stairs with period railings.*

Other Building Wide Sustainable Strategies

1. [Provide for energy efficient water heating systems.]
2. [Provide energy efficient lighting fixtures.]
3. [Provide individual lighting controls (target 90% of building occupants as well as multi-occupant spaces)]
4. [Provide individual temperature and ventilation controls (target 50% of building occupants as well as multi-occupant spaces)]

Operational Issues:

1. [Establish target of 70-90% energy star compliant appliances, computers, and office equipment]
2. [Prohibit smoking in building and establish designated areas for smoking at least 25' from openings and air intakes.]
3. [Demonstrate the building's environmental strategies through signage, web site, etc.]
4. [Assign preferred parking locations for carpool/ vanpool users.]



To: Mayor and City Council

**Through: Pat DuVal, Interim City Manager
Kenneth Asher, Community Development and Public Works Director**

**From: Katie Mangle, Planning Director
Brett Kever, Associate Planner**

Subject: Natural Resources Overlay Project Update

Date: April 27, 2010, for May 4, 2010, Regular Session

Action Requested

None. This is an informational item to update the Council on the Natural Resources Overlay code and map amendment project, which is approximately halfway complete. Staff will ask Council to adopt the amendments in late 2010; the purpose of this report is to keep Council informed about both the work done to date and also staff's approach to completing the project.

History of Prior Actions and Discussions

October 6, 2009: Council endorsed the project scope of work.

July 7, 2009: Council reviewed the Planning Commission work program, which included this project as a priority for the 2009-10 fiscal year.

May 5, 2009: Staff mentioned this project during a Council discussion of the Harmony Vision planning project.

2002: The City of Milwaukie adopted its Water Quality Resource (WQR) regulations (Milwaukie Municipal Code (MMC) Section 19.322) to comply with Metro Functional Plan Title 3 (Water Quality, Flood Management, and Fish and Wildlife Conservation) and Statewide Planning Goal 6 (Air, Water, and Land Resources Quality). The WQR areas (wetland and riparian areas) are shown on the City's Zoning Map. The WQR regulations protect these areas by requiring development to avoid the resource area and minimize and then mitigate adverse impacts.

Background

Located on the banks of the Willamette River and intersected by a variety of creeks and wetland areas, Milwaukie is a city shaped by water and the natural environment. The purpose of the Natural Resources Overlay project is to ensure that both water quality and fish and wildlife habitat are protected for the future. This is important for Milwaukie's local goals and identity, as well as to fulfill our responsibilities to comply with state, federal, and regional regulations.

The timing of this project is necessitated by the City's need to demonstrate compliance with Metro's Title 13 (Nature in Neighborhoods) requirements. Milwaukie is currently out of compliance with Title 13 and must directly implement Metro's Habitat Conservation Area maps and regulations until we adopt local maps and regulations.

Milwaukie's Environmental Regulations and Maps

Since 2002, the City's zoning code (in MMC 19.322) has included provisions that protect the community's water quality resources (wetlands, creeks, ponds, and rivers) by minimizing disturbance caused by development. The code limits disturbances and requires mitigation when impacts are necessary. When a property owner has proposed development near a mapped water quality resource, staff and the Planning Commission work to ensure that disturbances are avoided, minimized, and mitigated. The Water Quality Resource (WQR) regulations served the local need to protect the resources from development and also helped the City comply with the Clean Water Act, Statewide Planning Goal 6, and Metro Functional Plan Title 3.

In 2006, Metro adopted Title 13 of the Functional Plan, otherwise known as "Nature in Neighborhoods." The Nature in Neighborhoods program includes land use regulations as well as public education and grant programs to foster public/ private innovation. Together, these efforts help all cities within the Metro region comply with Statewide Planning Goal 5 (Natural Resources, Scenic and Historic Areas, and Open Spaces). To comply with Title 13 (and therefore Goal 5), all cities in the region must demonstrate substantial compliance by mapping riparian habitat and adopting land use regulations to restrict development on these lands.

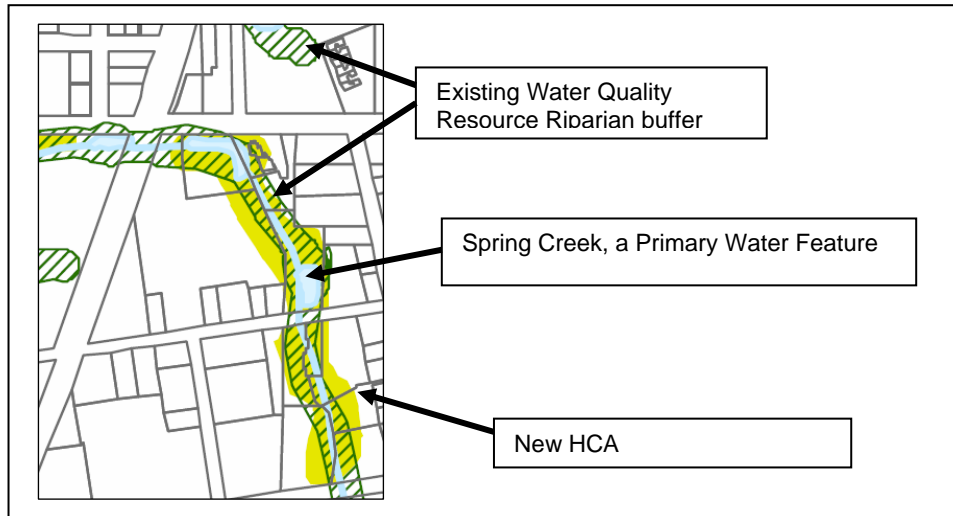
Milwaukie's plan to demonstrate compliance with Title 13, while still complying with Title 3 and the Clean Water Act, is to modify its existing environmental maps and regulations by:

1. Keeping existing mapped WQR areas.
2. Adding new Habitat Conservation Areas (HCAs) to the map.
3. Rewriting zoning code chapter 19.322 to include both the existing restrictions to WQRs and new rules for land that is only mapped as HCA.

The Natural Resources Overlay project will expand the area to which the City applies environmental protection regulations by adding new HCAs to the City's existing WQR

areas. In most areas, the HCA overlaps with WQR (see Figure 1), and in those places the more restrictive WQR rules will prevail.

Figure 1 – Sample map of WQR areas and HCAs along Spring Creek



Key Concepts of the Natural Resources Overlay Project

Staff has designed the Natural Resource Overlay project to develop local regulations that implement federal, state, and regional requirements. Based on feedback from Council, the Commission, and the community, the local regulations are being developed based on the following four key concepts:

- 1. Continue to protect Water Quality Resource areas.** Through MMC 19.322, the City already protects land surrounding wetlands, creeks, and rivers. The proposed amendments should not reduce the high level of protection currently in place for those resources. Where mapped WQR areas overlap with mapped HCAs, the WQR designation will take precedence and the WQR level of protection will apply.
- 2. Expand the swath of protected land to include designated HCAs.** The City will adopt Metro's HCA maps, resulting in a slightly larger "swath" of resource protection than is currently provided by the WQR designation alone. Metro's regional inventory of HCAs focuses on riparian habitat (tree canopy and significant vegetation near significant water features) instead of on a fixed distance from an actual water feature. As a result, the HCAs tend to extend farther from protected water features than the vegetated buffers of the WQR areas.
- 3. Adopt a local version of Metro's HCA maps.** Metro has provided the City with a regional inventory of High-, Moderate-, and Low-value HCAs as the basis for identifying the new areas that will be protected. However, the inventory was done at such a scale that there were inevitably some inaccuracies, such as the misidentification of paved or otherwise developed areas. Staff proposes to rely

on the Metro maps but also to correct obvious errors. In addition, staff proposes to eliminate the Low-value HCAs from the local map and to combine the High- and Moderate-value HCAs for the purposes of streamlining the new regulations. (See Attachment 1, Draft Revised Map of WQR and HCA Areas Within the City of Milwaukie.)

- 4. Develop new regulations, based on the Title 13 Model Code, to apply to HCAs outside of the WQR areas.** Metro provided a model code for local jurisdictions to use in enacting the new Title 13 regulations. Staff is proposing that the City draw on the model code as a resource but tailor it for Milwaukie and integrate it with the existing WQR regulations. The code changes will both discourage disturbance of resource areas and also facilitate habitat-sensitive development by removing barriers currently faced by developers that may discourage protection of the habitat. Examples include flexible setbacks to encourage a developer to bring structures further away from a natural resource and allowing smaller lot sizes in order to protect open space.

How the New Regulations Would Work

Based on the four key concepts described above, staff is focusing most of its efforts on drafting a new set of regulations that comply with regional, state, and federal requirements but that do so in a locally meaningful way. To understand how the new code could work, it is useful to consider how the draft proposed code compares to the current code policies (see Attachment 2, a table that outlines some of the similarities and differences).

Ongoing Process

The new rules could directly affect over 700 property owners whose lots include or are near designated natural resource areas and many others who value the clean water and diverse habitat in the corridors. So, in September 2009, City staff convened the first meeting of a Natural Resources Advisory Group to assist the Planning Commission with this project. Approximately 25 people participated, including property owners who would be affected by the new rules, natural resource experts, and other interested community members. Members of the Advisory Group have contributed to thoughtful, challenging discussions that are helping staff refine the draft code. So far, the discussions have raised the following issues:

1. Request for more exemptions for “normal” landscaping activities.
2. Modification of the City’s existing regulations for tree removal in WQR areas.
3. Concern about the accuracy of the proposed resource maps.
4. How to encourage, not restrict, restoration and enhancement activities.
5. Whether the mitigation standards for disturbance of natural resource areas are appropriate.
6. Process and fees for review of various activities.

One of the challenges with this project has been how to improve upon the habitat maps provided by Metro. Unlike the WQR areas, which are defined as the area 50 feet from the edge of a delineated wetland or water body, the HCAs will identify the actual land covered by the adopted HCA maps. However, the mapping was completed by Metro at a regional scale and is not entirely accurate upon close examination. City staff is addressing this by conducting some refinement of the HCA maps prior to City adoption and writing regulations to allow applicants to correct the maps during the review process.

Staff is planning to hold a public open house in June 2010 to explain the proposed map and regulations to a broader array of stakeholders. If the project stays on schedule, the City Council will hold public hearings on the map and code amendments in October 2010.

Concurrence

The Planning Commission has had several briefings on this project over the past two years and concurs with the project approach.

Fiscal Impact

This project is budgeted within the Planning Department budget for FY 09-10. The costs include a contract with Angelo Planning Group for \$15,030 to prepare the draft code amendments and draft WQR/ HCA map. Additional costs will include expenses for direct mailings, mapping, and public meetings. The consultant contract will end on June 30, 2010; no additional funds have been budgeted for FY 10-11.

Work Load Impacts

This project continues to be a priority for the Planning Department. Planning staff is managing the project and will prepare the necessary land use applications for adoption. Staff from the Community Development, Community Services, Information Systems Technology, and Engineering Departments continue to be involved in drafting the proposal and working with the public.

Until Metro determines that the City's municipal code is in compliance with Title 13, the City is directly implementing Metro's model ordinance for Title 13, on the advice of the City Attorney. The City is also using the current HCA maps provided by Metro, which include numerous inaccuracies.

Alternatives

If Council does not wish to continue to pursue of the project outlined in this report, staff will work to identify alternative approaches to complying with Title 13. However, staff recommends that the City move forward to adopt local implementing ordinances and

revised maps as would result from the work described in this report. Until the City adopts maps and code to protect Habitat Conservation Areas in some way, the City is required to directly implement Metro's HCA maps and Title 13 model ordinance.

One alternative approach would be to base new natural resource regulations on locally created maps and not rely on Metro's HCA maps or regional wetlands inventory. This would require that Milwaukie prepare a Local Wetland Inventory and a habitat map using LIDAR (light detection and ranging) technology. This approach would be preferable to using Metro's maps but would require approximately \$150,000 in funding, which is currently not in the Planning Department budget. When the City updates its Comprehensive Plan, such an analysis will likely be included in the scope of work for that project.

Attachments

1. Draft Revised Map of WQR and HCA Areas Within the City of Milwaukie
2. Table 1 – Comparison of current and proposed policy
3. Project Page on City's website listing information available to the public

<http://www.cityofmilwaukie.org/projects/naturalresources/naturalresourcesproject.html>

WQR and HCA Areas within the City of Milwaukie

(preliminary map provided by Metro)


Legend

 City Boundary

WQR Areas

 Vegetated Corridor

 Wetland Buffer

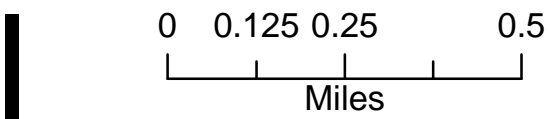
 Water Body

HCA Areas

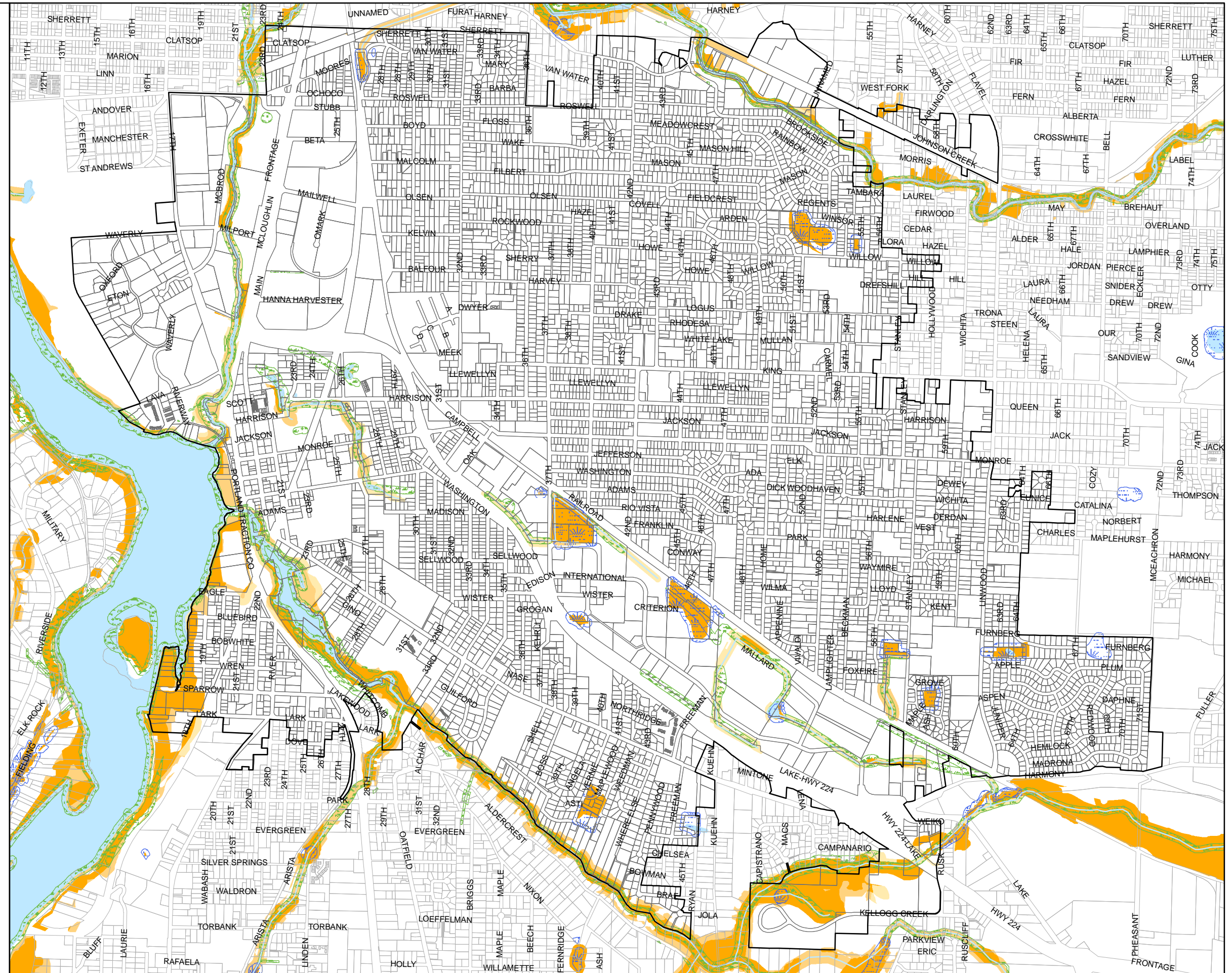
 High value

 Moderate value

 Low value



Author: City of Milwaukie Planning Department
 Revised: May 2009
 Source: City of Milwaukie GIS, Clackamas County GIS, Metro Data Resource Center
 All data depicted is approximate.
 Not suitable for building or engineering purposes.



ATTACHMENT 2

Table 1 – Comparison of current and proposed policy

Topic	Current WQR code	Proposed WQR/HCA code
Allowances (Activities exempt from review)	Allows removal of invasive and nonnative vegetation; landscaping planting that does not involve invasive nonnative or noxious vegetation; normal maintenance and repair of existing structures; temporary emergency procedures.	<p>For both WQR areas and HCAs: Allows removal of prohibited and nuisance vegetation; landscape planting that does not involve prohibited or nuisance vegetation; maintenance and repair of existing structures; emergency procedures.</p> <p>Within HCAs only: Allows alteration or expansion of existing structures not to exceed 500 sq ft into the HCA; new disturbances up to 120 sq ft of impervious surface; low-impact outdoor recreation facilities up to 500 sq ft (picnic areas, trails up to 5 ft wide).</p>
Mitigation Requirements	Remove debris and noxious materials; vegetate bare and disturbed areas with native plants; remove nonnative species; revegetate with native species according to mitigation plan approved by Planning Commission. (Associated with minor quasi-judicial review—depends on existing condition of disturbed WQR area.)	<p>For WQR areas: Same as current code (linked only to minor quasi-judicial review).</p> <p>For HCAs: Non-discretionary review provides specific mitigation standards; discretionary review allows for negotiated mitigation.</p>
Limits of Disturbance	Few disturbance-related activities are allowed without Planning Commission review. New development in WQR requires Planning Commission review.	<p>In WQR: No significant changes.</p> <p>In HCAs: Specific thresholds for disturbance that can be reviewed with non-discretionary (administrative) standards. Disturbance beyond those thresholds sends the project to discretionary (Planning Commission) review.</p>

<p>Restoration/Enhancement</p>	<p>Activities beyond planting native species and removing invasives are allowed in conjunction with a management plan that must first be approved by Planning Commission.</p>	<p>Planting natives and removing prohibited/nuisance plants are activities allowed outright.</p> <p>Projects involving minimal disturbance, limited tree removal, small structures can get Type I review.</p> <p>All other degrees of restoration get Type II review (can be bumped to PC for review if warranted).</p>
<p>Review Process</p>	<p>Most activities within WQR areas require Planning Commission (minor quasi-judicial) review.</p> <p>Type I = nuisance abatement; emergency tree removal; modifications to legal structures with no footprint change.</p> <p>Type II = improvements to existing public utility facilities; modifications to nonconforming situations.</p> <p>Minor Quasi-Judicial = other base-zone activities; walkways and bike paths; new utility facilities and stormwater facilities; partitions and subdivisions; alterations of existing structures w/ footprint change; other new development.</p>	<p>More distribution of activities across review type.</p> <p>Type I = construction management plans; boundary verification; limited tree removal; small-scale natural resource management plans; activities in HCA that can comply with non-discretionary standards.</p> <p>Type II = special uses including new public utility facilities and stormwater facilities, walkways and bike paths, and large-scale natural resource management plans; minor disturbances within the resource area; minor alterations/expansions of existing structures; limited partitions.</p> <p>Minor Quasi-Judicial = subdivisions; also, partitions and other development that cannot meet Type II criteria.</p>

ATTACHMENT 3



MILWAUKIE
Dogwood City of the West



HOME | GOVERNMENT | DEPARTMENTS | COMMUNITY | BUSINESS | PUBLIC SAFETY | VISITING | SEARCH | CONTACT

Natural Resources Overlay Project

The City of Milwaukie is working on a project to better protect the natural resources that make our town unique and beautiful.

The City already has strong protections in place to preserve the quality of water in the community's streams and wetland areas. Now the City is broadening those protections to include sensitive wildlife habitat and thereby comply with Metro's Title 13, the Nature in Neighborhoods initiative.

To do this, the City will amend its code to establish new guidelines for future construction in and around streamside and upland habitats.



An Explanation of Title 13

- [Summary](#)
- [Metro's Title 13 Website](#)
- [Title 13 Text \(Nature in Neighborhoods\)](#)
- [Title 3 Text \(Water Quality and Flood Management\)](#)

How Milwaukie is Complying With Title 13

- [Summary](#)
- [Planning Director's memo on interim implementation](#)
- [MMC 19.322 \(Water Quality Resource regulations\)](#)
- [Title 13 Model Ordinance](#)
- [Scope of the Update Project](#) (rev March 2010)
- [Plan for Public Involvement](#) (rev March 2010)
- [Project Schedule](#)

Project Maps

- [Summary](#)
- [Proposed Habitat Conservation Areas \(HCAs\) and Existing Water Quality Resource areas](#)
 - [Map 2-a](#)
 - [Map 2-b](#)
- [Amending the HCA maps](#)

Advisory Group Information

- [Summary](#)
- [Advisory Group Protocols](#)
- [Tour of Affected Areas](#) (Nov. 2009)
- [Meeting Information](#)
(*upcoming meeting information, past meeting summaries*)
 - Next Meeting: April 28, 2010

Draft Documents

- [Code Draft 2](#)
- [Commentary Draft 2](#)
- [Process Flowchart](#)

Contact Information

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kelterb@ci.milwaukie.or.us

Last updated: 04/01/2010

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To: Mayor and City Council

Through: Pat DuVal, Interim City Manager
Kenneth Asher, Community Development & Public Works Director

From: Katie Mangle, Planning Director
Ryan Marquardt, Associate Planner

Subject: Upcoming Hearing on Parking Chapter Amendments

Date: April 27, 2010 for May 4, 2010 Worksession

Action Requested

None. This is a worksession item for informational purposes.

History of Prior Actions and Discussions

June 2, 2009 – Planning Staff held a worksession with the City Council on some of the proposed policy changes being considered for the revised parking chapter.

1994 – Ordinance #1773 adopted, which was the last major revision to off-street parking chapter.

1968 – The City’s first off-street parking regulations are adopted as part of Ordinance #1183.

Background

Planning staff is nearing completion of a project to repeal and replace the existing off-street parking chapter in the zoning ordinance. The project also effect other sections of the zoning ordinance that are related to the replacement of the off-street parking chapter or are housekeeping amendments.

In 2007, staff decided to begin revisions to the off-street parking chapter in response to several situations that uncovered problems with the existing chapter. These situations included:

- The Town Center development project encountered problems with the minimum required drive-aisle dimensions, which are some of the largest dimensional requirements for any jurisdiction in the region.
- North Clackamas School District has had difficulty with restrictive parking quantity requirements in their elementary and middle school redevelopment projects.
- Harmony Mini-Storage had to request a variance because of limitations in the process to adjust the listed parking ratios.
- Milwaukie High School and the Pond House encountered difficulty in utilizing shared parking due to restrictive distance requirements.
- Applicants for the Trolley Trail relied heavily on City staff to navigate the code's vague requirements for determining the required amount of parking for a use not listed in the parking ratio table.
- Multiple developments in the North Industrial Area and along International Way have had unexpected parking area improvements due to the lack of clarity in the applicability section of the parking chapter.
- The secure residential treatment facility on Balfour St illustrated loopholes in the parking standards for residential areas.
- Many homeowners, as part of converting a garage space to living area, were required to construct carports to replace the covered parking space required by the code.
- Prohibitions on commercial vehicle parking on residential property were almost unenforceable due to an outdated definition.

The amount of known deficiencies with the off-street parking chapter and the frequency with which these problems were encountered led staff to believe that a revision of the entire chapter was warranted.

In Attachment 1, staff has summarized the key policy changes that are included with the proposed amendments. The summary is not a full explanation of the proposed changes, but rather a guide to proposed changes that would substantially change parking requirements in Milwaukie. Staff believes these changes will encourage more environmentally sound parking areas, increased flexibility for staff to apply the regulations to individual development projects, and clearer regulations and processes.

Some of the most important proposed changes are:

- Clearer applicability standards and requirements for improving old parking areas
- An updated and simplified parking ratio table
- Improved process for the parking ratio for unlisted uses
- Changes to deficient residential parking regulations

Staff has led extensive discussion and information sharing about the proposed amendments with the community. These have included:

- 5 Planning Commission worksessions (2008-2010)
- Presentations at 2 NDA leadership meetings in 2009
- Project website with proposed amendments and issue summaries on-line since early February 2010
- Emails to NDA Chairs and Land Use Committee members, local developers, property owners, and institutions informing them of the project and available materials on-line
- 2 Planning Commission hearings - March and April 2010

Council is scheduled to hear the proposed amendments on May 18, 2010 during the regular session. The amount of materials in the packet will be rather extensive due to the revision of an entire chapter and other associated amendments. Attachment 1 summarizes the key policy changes incorporated with the amendments. Staff is available to answer any questions or further explain the proposal if any member of Council wishes to do so prior to the May 18th hearing date.

Concurrence

The Planning Commission will hold a public hearing on the proposed amendments on April 27, 2010. Once the Commission has voted to recommend the proposal to Council, staff will schedule a public hearing with City Council.

Staff from the Milwaukie Community Development, Engineering, Building, and Code Enforcement Departments have all reviewed and support adoption of the proposed amendments.

Staff from Metro have reviewed the proposed amendments and support their adoption.

Fiscal Impact

This project was budgeted within the Planning Department budget during fiscal years 08-10. The costs included contracts with Winterbrook Planning and Siegel Planning Services to assist with preparing the draft code amendments. Additional costs will include expenses for direct mailings, mapping, and public meetings.

Work Load Impacts

No significant work load changes are expected as a result of adopting the proposed amendments. Staff believes that the clearer processes and regulations in the proposed amendments will make review and enforcement of the off-street parking regulations more efficient.

Completion of the off-street parking chapter project will allow staff to turn to other projects on the Planning Department's work plan.

Alternatives



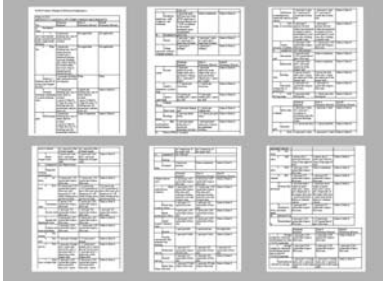
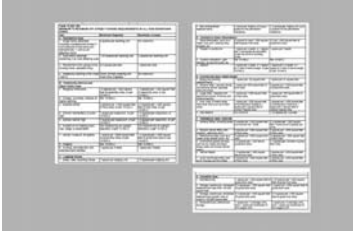
This is a worksession item and there are no alternatives at this time. At the upcoming City Council hearing, the Council will have the options to adopt the amendments as proposed, or modify specific parts of the amendments.

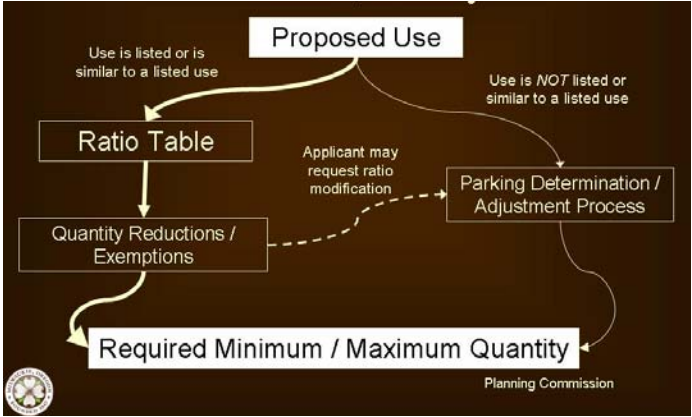


Attachments

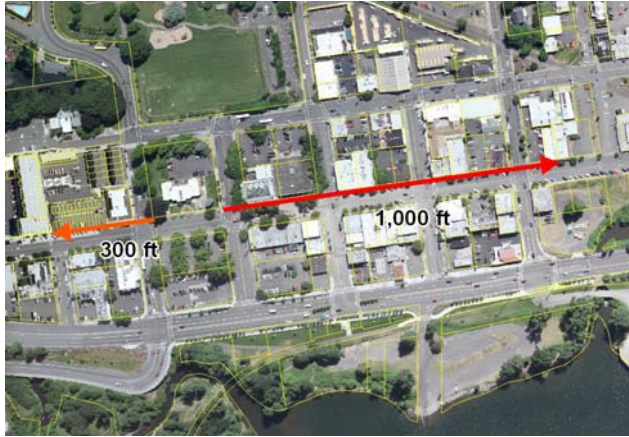
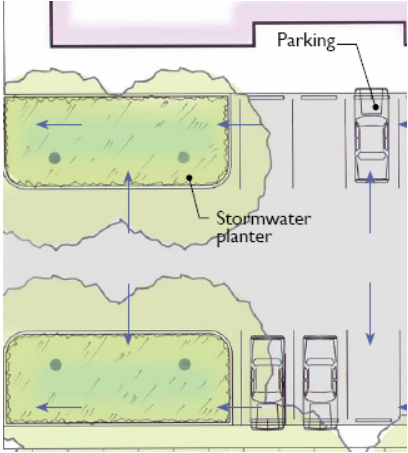
1. Summary of Proposed Policy Changes

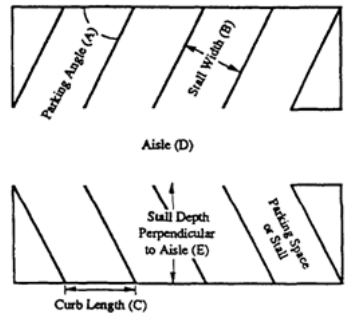

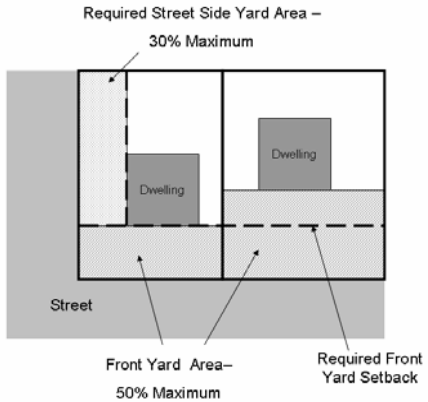
ATTACHMENT 1




Summary of Proposed Policy Changes

Policy Changes	Description	Example
<p>When the parking chapter standards apply</p>	<ul style="list-style-type: none"> • Remodels without a change in use: Exempt • New development and expansions that double existing floor area: Full compliance • Small additions & changes in use: closer to conformance • “Closer to conformance” means improvements to paving, number of spaces, bicycle parking, and landscaping • Costs of upgrades are capped at 10% of permit value 	<div style="display: flex; justify-content: space-around;">   </div> <p style="text-align: center;">Before and after parking area upgrades</p>
<p>Update the required parking ratio table</p>	<ul style="list-style-type: none"> • Required parking ratios revised to: <ul style="list-style-type: none"> ○ reflect current best practices ○ be easier to implement • Ratio table simplified from 50+ specific-use categories to 30 more general uses 	<div style="display: flex; justify-content: space-around;">   </div> <p style="text-align: center;">6-page existing table.....Proposed 2+ page table</p>

Policy Changes	Description	Example
<p>Improve process for modifying parking requirements</p>	<ul style="list-style-type: none"> • New process for applicants to request adjustments to listed parking ratios and to determine parking ratios for unlisted uses 	 <p style="text-align: center;">Proposed modification process</p>
<p>Expanded list of automatic reductions and exemptions</p>	<ul style="list-style-type: none"> • Close to a bus or rail stop: 10-25% reduction from minimum required parking • Neighborhood Commercial areas: 25% reduction from minimum required parking • Other reductions: multi-tenant commercial sites, or sites that opt to include transit amenities, additional bicycle, car sharing, or vanpool parking 	<div style="display: flex; justify-content: space-around;"> <div data-bbox="1182 818 1535 1084">  <p style="text-align: center;">Neighborhood Commercial</p> </div> <div data-bbox="1577 833 1986 1084">  <p style="text-align: center;">Multi-tenant Commercial</p> </div> </div>

Policy Changes	Description	Example
<p>Allow more applicants to arrange for shared parking lots</p>	<ul style="list-style-type: none"> • Increase maximum distance between the development and the parking lot from 300 ft to 1,000 ft • Minimum safety requirements added for the route between the use and the shared parking 	 <p>300 ft vs. 1,000 ft from City Hall</p>
<p>Allow more flexibility to design landscaping; encourage integration or “green” practices</p>	<ul style="list-style-type: none"> • Clearer standards for screening parking areas next to residential properties • Require same amount of interior landscaping, but more flexibility in design and placement 	 <p>Flexible landscaping standards allows for stormwater planters in parking areas</p>

Policy Changes	Description	Example
<p>Updated parking lot design standards</p>	<ul style="list-style-type: none"> • More specific lighting requirements • Narrower drive aisle dimension • No distinction between “standard” and “compact” spaces 	
<p>Update residential parking requirements to increase requirements where needed, decrease requirements where they are not effective.</p>	<ul style="list-style-type: none"> • Single family dwelling minimum required parking spaces per dwelling unit: reduced from 2 to 1 • Remove requirement to provide one covered parking space (aka garage or carport). • Limitations on how much yard space may be used for parking: <ul style="list-style-type: none"> ○ front yard: 50% ○ street side yard: 30% • Prohibits gates within 20 ft of right of way on arterial and collector streets 	 <p>Replacement covered parking not required</p>  <p>Area limitations on parking in front and street side yards</p>

Policy Changes	Description	Example
<p>Refine existing limits on storing boats, RVs, & “commercial vehicles” on residential properties</p>	<ul style="list-style-type: none"> • RV and Boat storage areas count toward front and street side yard parking limitations • Definition of “commercial vehicles” changed to exclude all but large trucks, heavy machinery • Commercial vehicles allowed to be parked in side or rear yards • Limitation on the number of uncovered boats/RVs that can be stored on lots over 1 acre 	
<p>New review process and development standards for parking structures outside of downtown</p>	<ul style="list-style-type: none"> • Revised design standards aimed at prohibiting blank facades • Review of structured parking is a land use action, and not just a development permit review • All large parking structures will require PC review 	
<p>Restrict roosters within the city.</p>	<p>Amendment requested by the Code Compliance Coordinator that roosters not allowed to be kept as part of an agricultural use or as a household pet</p>	

3.
CONSENT AGENDA

**CITY OF MILWAUKIE
CITY COUNCIL MEETING
FEBRUARY 16, 2010**

CALL TO ORDER

Mayor Ferguson called the 2072nd meeting of the Milwaukie City Council to order at 7:00 p.m. in the City Hall Council Chambers.

Present: Mayor Jeremy Ferguson, Council President Greg Chaimov and Councilors Deborah Barnes, Joe Loomis, and Susan Stone

Staff present: Acting City Manager Pat DuVal, City Attorney Tim Ramis, Library Director Joe Sandfort, Community Development and Public Works Director Kenny Asher, Planning Director Katie Mangle, Human Resources Director Cynthia Trosino, Civil Engineer Brad Albert, and Assistant Planner Li Alligood

PLEDGE OF ALLEGIANCE

Boy Scout Troop 259 sponsored by Milwaukie Lutheran Church presented the Colors.

PROCLAMATIONS, COMMENDATION, SPECIAL REPORTS AND AWARDS

National Scouting Month - Proclamation

Mayor Ferguson read a proclamation naming February 2010 as *National Scouting Month* in the City of Milwaukie, in recognition of the Boy Scouts of America for 100 years of service for youth in the Community and throughout the nation.

Milwaukie High School Music Program Spaghetti Serenade

Members of the Milwaukie High School Band announced the annual fundraising event on Thursday April 18, 2010 from 5.30 p.m. to 7.30 p.m. at the high school in the Commons.

Josh Cleary Eagle Scout

Mayor Ferguson introduced Josh Cleary and congratulated him on his outstanding achievement in earning his Eagle Scout Award. Mr. Cleary explained that he designed and built a Spiritual Garden at the Griffin Retreat Center next door to LaSalle High School.

Library Fine Amnesty Week

Mr. Sandfort, Ledding Library Director explained the Ledding Library Fine Amnesty Week event was scheduled from April 11th through April 17th in recognition of National Library Week. During Amnesty Week, library patrons with fines would have 50 cents waived for each nonperishable food item they donated to the Library. Lost materials, however, could not be paid through the program. All the food would then be donated to the Oregon Food Bank for distribution to local families. In the past, the program did not have a major impact on the General Fund revenues. Approximately \$1,000 per week was usually collected in fines, which decreased to about \$600-\$700 during the Amnesty Week. Given the current economic times, the food for fines concept would offer individuals with overdue fines a bit of a break, and further assist the community by providing a significant amount of food to local families. Last year, approximately 1,000 pounds of food was donated to the Oregon Food Bank.

CITY COUNCIL REGULAR SESSION – FEBRUARY 16, 2010

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CONSENT AGENDA

It was moved by Mayor Ferguson and seconded by Councilor Stone to approve the consent agenda as presented.

- A. Resolution No. 17-2010: A Resolution of the City Council of the City of Milwaukie, Oregon, Amending Resolution No. 37-2009 by establishing a Library Fine Amnesty Week from April 11, 2010 through to April 17, 2010 in Recognition of National Library Week.

Motion passed with the following vote: Councilors Barnes, Chaimov, Stone, and Loomis and Mayor Ferguson voting "aye." [5:0]

AUDIENCE PARTICIPATION

None.

PUBLIC HEARING

- A. Continue Milwaukie Municipal Code Amendments 19321.7 and 19.321.3 – Ordinance

It was moved by Councilor Chaimov and seconded by Councilor Stone to continue the hearing on the proposed amendments to the regular City Council meeting of March 16, 2010. Motion passed with the following vote: Councilors Barnes, Chaimov, Stone, and Loomis and Mayor Ferguson voting "aye." [5:0]

- B. File: ZC-09-01, TFR-09-04

Applicant: Tim Riley, Clunas Funding Group, Inc.

Owner(s): Clunas Funding Group, Inc.

Address: Undeveloped Lot at Bowman Street and Brae Street

Legal Description (Map & Tax lot): 22E06BC03100

NDA: Lake Road

Mayor Ferguson called the public hearing on the zone change filed by Tim Riley, Clunas Funding Group, Inc. to order at 7:23 pm. The request was considered by the Planning Commission at its January 26, 2010 hearing, and the Planning Commission recommended approval of the zone change. This was a de novo hearing, and all persons wishing to speak were recognized.

The purpose of the hearing was to consider the Milwaukie Planning Commission's recommendation to approve the request for a zone change to undeveloped property located at Bowman Street and Brae Street. The applicable standards to be considered included Milwaukie Municipal Code (MMC) Chapter 19.900, Amendments, and Subsection 19.1011.4, Major Quasi-Judicial Review.

City Attorney Ramis reviewed the procedure of the hearing.

Mayor Ferguson reviewed the conduct of the hearing.

City Attorney Ramis asked if any members of the City Council had visited the site.

Councilor Chaimov had visited the site but did not observe anything different from what was provided in the staff materials.

City Attorney Ramis asked if any member of the City Council wished to announce any ex-parte contacts or any actual or potential conflicts of interest. There were none. No members of the audience made any challenges to any Council member's impartiality or

CITY COUNCIL REGULAR SESSION – FEBRUARY 16, 2010

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ability to participate in the decision. There were no objections to the City Council's jurisdiction to consider the matter.

Staff presentation: **Ms. Alligood** presented the staff report. She reviewed the proposal showing the subject property on the map, images of the site and surrounding area. The Planning Commission recommended approval of the application at its January 26, 2010 meeting by a 3:2 vote. She related the comments of the Commissioners that supported and opposed the application. The City's required dedication would reduce the site to 23,600 sf, which was less than 30,000 sf required for the three requested lots. Public right-of-way dedication and improvements were larger than normal, and rezoning would offset the cost of improvements. She reviewed the zoning map amendment criteria. Staff had identified two key issues for further analysis. One was whether R-7 was appropriate from a land use perspective. She described the public area improvements, which would be required whether one, two or three lots were built, and how the proposed lot sizes on the site would relate to surrounding properties. The second issue was whether R-7 was appropriate from a neighborhood perspective. The City's policies treat R-7 and R-10 zones similarly. The primary difference would be the distance between the buildings. Traffic impact differences would be negligible. She displayed a graphic representation submitted by the Applicant to show the difference in scale between house sizes allowed in R-10 and R-7 zones, as well as the size differences in spaces between buildable areas on R-10 and R-7 sites.

Correspondence: None. **Ms. Alligood** noted that the draft January 26, 2010 Planning Commission minutes had been distributed to City Council via email earlier today. A hard copy was also provided to Council at the hearing.

Applicant testimony: **Tim Riley**, Clunas Funding Group Inc., Lake Oswego, provided more detail about how R-10 and R-7 zoning rules would affect the subject property. He displayed images of the site showing the differences with the two versus three lots given R-10 and R-7 zoning rules, including building placement, lot coverage, and remaining lot areas after the public dedication of right-of-way was removed. One important factor was that the 30% lot coverage rule applied to both R-10 and R-7, so going to R-7 would not mean the lot could have more building area. The maximum amount of lot coverage was the same; although the size of the proposed three lots would provide some flexibility as to where the buildings could be erected. The difference was that R-7 allowed the maximum building envelope to be within 5 ft of the property line on one side and within 10 ft on the other side. In theory, if buildings were erected right next to each other, the buildings in R-10 could be as close as 20 ft apart, while two R-7 lots with the 5-ft sides adjacent to each other would have buildings as close as 10 ft. Visual impact had arisen as an issue in during the Planning Commission hearing. Clunas Funding Group showed sample building designs from various angles, illustrating the difference between having two versus three homes. Both options would fit well in the neighborhood, but he noted specifically that R-7 zoning would not lead to a visual impact that was out of character with surrounding neighborhood. The biggest visual impact would be to go from no development to any development. He did not believe a zoning change had an appreciable impact.

Testimony in support of the application: None.

Testimony in opposition to the application:

Debbie Zeck, 13076 SE Pennywood Ct, Milwaukie said she had attended all four meetings on the application. She purchased a 2,400 sf home on Pennywood Court approximately 7½ years ago and was told that the lot was owned by Water Bureau and would not be built upon. Shortly thereafter, she understood there were negotiations to turn the lot into a park. Later, she learned two houses would be built on the lot and now the Applicant wanted to build three houses. Her objection was the same as the two

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dissenters on the Planning Commission. The Applicant purchased the property in 2008 in the middle of one of the worst real estate crisis experienced in recent history. She asked why was due diligence not practiced? She had read that the Applicant was proposing three houses because his profit margin would narrow if he built two houses instead. She was bothered by the prospect that citizens could come before the City requesting a zone change based on monetary reasons. As a Pennywood resident, having two or three houses on the lot did make a difference because three houses would command less in value than two. She requested the application be denied because due diligence had not been followed. The proposed properties would negatively impact existing adjacent properties and property values would decline. Her property's value had already sustained a negative hit. As the Planning Commission stated, the real estate market would inevitably improve, and she did not believe they should be short sighted and allow the application to go through.

Mike Miller, 4206 SE Somewhere Dr, Milwaukie said he lived about four blocks west of the subject site. He reiterated that this was the fourth hearing held in relation to the property. He read a statement into the record. The first vote in which everyone was allowed to testify in person ended in a 2:2 tie. Commissioners Batey and Bresaw voted yes and Chair Klein and Commissioner Churchill voted no. At the second hearing, the Applicant submitted new information, which resulted in a third hearing. Citizens were only allowed to submit in writing new information in regard to the new information submitted by the Applicant. At the third hearing, Commissioner Wilson, who had not attended the first hearing, cast the deciding vote. The Applicant purchased the property knowing the R-10 zone applied. The property could be developed as two lots, without any change. He believed zone changes should be approved as a last resort, and not as a first option. The property could be developed under its present zone that was consistent with the neighborhood. It appeared the zone change was only being requested in order to maximize profit. Zone changes should not be approved for that sole purpose. No matter what the Council decided, two conditions of approval were needed: one to preserve the only tree on the property, and one for a walking path connecting the Bowman/Brae neighborhood to the Where Else neighborhood that had been used for many years. He requested that the City Council reject the application and leave the property in the R-10 zone.

Pam Michael, 13181 SE Pennywood Ct, Milwaukie, noted her property was located northwest of the red line depicted on the map. She agreed with both previous testimonies and wanted to reiterate the key points. The Planning Commission's decision was not unanimous and one Commissioner had to abstain because of his close proximity to the property. She believed he might have voted against. When Ms. Alligood presented the information at the other meetings, she made a profound point that the decision to approve or deny the application should not be based on financial loss or gain. The Clunas Funding Group's original presentation explained they wanted to change the zoning in order to make a financial gain or come out even because they received the property through foreclosure. She was unaware how that objective affected the Commissioners, but the financial stability of the company or business negotiations made prior to the current economy was not an acceptable reason to approve the request. Milwaukie residents should not have to endure three houses built closer together of less substance. Approval of the amendment would bring far more noise and disruption to the neighborhood that had been quiet for so many years. Changing from an R-10 to R-7 would also set a precedent for other builders or developers wanting to change any existing R-10 already established in that neighborhood. Once the City said yes to this development, how could it say no to others when the surrounding area had already been plotted as R-10? She emphasized the amendment should be denied because it was not suitable for the character of the neighborhood or its residents. She explained that her home was approximately 2,200 sq ft.

Linda McGavin, 13149 SE Pennywood Ct, Milwaukie, stated she had lived on her property adjacent to Ms. Michael for approximately 17 years and, like Ms. Michael, was one of the original property owners in the Pennywood neighborhood. Referring to the map, she noted the two lots on the end might be zoned R-7, but were substantially bigger. Dividing the site into two lots was a better option than three. Changing the zone would not benefit the character of the neighborhood, and would definitely have an adverse effect on the surrounding two homes and the larger homes to the south. The existing homes were very nice, large homes.

Neutral testimony: None.

Staff recommendation: **Ms. Alligood** recommended approval of the application and adoption of the findings of approval as presented.

Questions from City Council to staff:

Councilor Barnes wanted to ascertain the size of the homes adjacent to the property. She understood from the Ms. Michael and Ms. McGavin that the majority seemed to about 2,200 sq ft.

Ms. Alligood responded she did not know the size of the homes but noted Pennywood Ct was zoned R-7 and had a wide variety of lots ranging from approximately 7,000 sq ft to more than 10,000 sq ft. The area to the south was zoned R-10, also with a variety of lot sizes. She offered to further investigate the homes' sizes to assist Council in making its decision.

Councilor Barnes believed the information would be helpful because neighborhood character was an objective under the Comprehensive Plan, and for her, it came down to a house fitting into the character. She heard concerns that the proposed project would not fit into the neighborhood, but the three houses proposed by the developer were in the 2,400 to 2,200 sf range of nearby homes. She also heard that 3,000 sf homes existed, but she had not seen them. She asked if those homes were south of the site.

Ms. Alligood responded that R-10 zoned lots existed south of the site, but she could not confirm the size of those homes presently.

Applicant Rebuttal

Mr. Riley presented Internet data from FastWeb, maintained by First American Title Company, about the existing homes' square footages, which was collected from county records. He noted the database showed the 2,400 to 2,200 sf homes, as 2,026 sf and 1,807 sf, respectively, adding that the size discrepancy might be because the garage size was not included in the square footage. Lot size information was not available. Homes in the Bowman Terrace Neighborhood to the east were smaller, ranging from approximately 1,600 sf to 900 sf. Two houses across the street from the site were listed as 1,300 sf and 1,326 sf. Two homes to the south of the site on Brae St were listed at 1,605 sf and 2,093 sf. Larger homes of approximately 3,300 sf and 3,100 sf were located on Where Else Lane on roughly one-acre parcels. Two other flag lot properties running along Kellogg Creek, but not shown on the map, had homes of 3,051 sf, and 3,500 sf. These larger homes were located on one-acre properties to the west. One flag lot was about 30,000 sf, so naturally it would have a much bigger house. In examining the three lot scenario, the Applicant chose the 1,800, 2,200 and 2,600 sf home sizes to provide a range similar to what was immediately around the site.

He confirmed the property was acquired in a foreclosure in 2008. The Applicant considered selling the land as it was, but there was absolutely no interest. Not many builders or developers remained, and no one was willing to take the risk on a bare piece of land. Clunas Funding Group decided to improve the land themselves, the first step being to divide the land into parcels for development. The Applicant discussed the

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available options with staff and came up against the same issues regarding the public improvements as another developer who had wanted to divide the land into two lots in 2006. Not only was the cost of the public improvements a deterrent to development, but the required dedication made a three lot scenario impossible. After determining the street improvement, sidewalk and pedestrian connection to Where Else Ln, the remaining square footage only allowed for two lots. After discussions with staff, they realized it was reasonable to request a zone change from R-10 to R-7. It was pretty clear that a transition from R-10 to R-7 already existed between Lake Rd and Kellogg Creek. Concern was expressed about setting a precedent, but he believed that precedent had already been set, noting that three of the four residents opposed to the amendment actually resided in the Pennywood subdivision, which was already an R-7 subdivision. Their houses were built on lots approximately the same size as the three proposed properties. He noted the remaining undeveloped R-10 land on the map, adding that if the two owners wanted to sell or develop their property would also request a R-7 designation, mainly because the huge parcels located to the west had already been converted into R-7.

Councilor Loomis asked if the dedication of the right-of-way had shrunk the site down to where there could not be three houses.

Ms. Alligood responded the site was currently just over 30,000 sf, which would be three lots, but the dedication would take up about 21% of the area of the site. She confirmed that if the site were changed to R-7, the lots would be larger than standard, but there would not be enough square footage to put more than three houses on the site.

Councilor Stone noted that preserving the walking path was part of the neighborhood's concern and asked Ms. Alligood to indicate the actual location of the walking path on the map and how it would be changed. She also inquired about the request to save a lone tree on the lot.

Ms. Alligood pointed out the location of the current, informal pathway. Upon development, one of the public area requirements would be to formalize that path through a dedication of property and the construction of a bicycle and pedestrian path between those two streets. If the site were developed, the tree would be within the Bowman St right-of-way and part of the dedication. The Engineering Department expressed a willingness to save the tree if possible, and would be determine once a site plan was submitted.

Councilor Stone confirmed that the cost for the public area improvements would be the same whether the site was developed with one, two or three parcels, and asked what the actual cost would be.

Mr. Albert explained a good rule of thumb was \$200 per lineal foot for half-street improvements, which was a general average of all the standard improvements seen throughout the city. It was 25-ft wide by 200-ft long, and at \$200 per lineal foot, the cost would be roughly \$40,000.

Mr. Riley responded the Applicant had estimated the cost to be a little higher. He explained that those costs were absorbed into the sale price.

Councilor Stone noted the Pennywood lots north of the site on the aerial diagram appeared to be larger, so it seemed more appropriate to divide the subject property into two larger lots in order to fit what currently surrounded the site. The overall character of a neighborhood was not just about the structure, but also how much of the lot was covered.

Ms. Alligood said she was unsure of the lot sizes but could get the information online and provide it to the Councilors after a short recess.

Mayor Ferguson called for a brief recess and resumed the meeting at 8:21 p.m.

Ms. Alligood reported the home sizes and square footages of the lots directly north of the property, stating Ms. Michael's lot at 13181 Pennywood Ct was 8,757 sf with a 2,446 sf house, and 13182 Pennywood Ct had a 9,991 sf lot with a 2,197 sf house. As far as home sizes, she clarified that her figures regarded building footprint, which included any garage or structure attached to the house.

Councilor Stone asked how the lot sizes would compare if the parcel was divided into two versus three lots.

Ms. Alligood replied that dividing the parcel into two lots would result in 12,000 sf lots roughly, which was much larger than required. In the R-7 zone, the lots would range from 7,500 to 8,600 sf, and also considerably larger than required. If divided into three lots, the largest would be similar to the lot to the west, and the others would be smaller.

Councilor Stone inquired about the value of the homes in that neighborhood, because as outlined in the staff report, a citizen had concerns about their homes being devalued if smaller less expensive homes were built.

Ms. Alligood replied she was unfamiliar with the current market value of the surrounding homes, but an important point made by the Planning Commissioners and extensively discussed during their deliberations, was the zone of the property did not dictate the quality of the homes. She reiterated that because of the wide variety of property sizes and housing types in the area, it would be hard to get a definitive answer.

Councilor Stone asked what the Applicant expected the price to be of the proposed two homes versus three homes.

Mr. Riley replied he could better address square footage than pricing because right now pricing was low compared to the last six years. Clunas Funding Group determined the most appropriate home sizes for the site fit those on surrounding properties, namely, 1,800 sf on the low end for the far left, to approximately 2,600 sf on the right [east lot]. The farthest left lot had unobstructed western and southern exposure and was ideal for a smaller, more energy efficient, sustainable home. The 1,800 sf to 2,600 sf home sizes increased moving east, and best fit the lots. He could not guess the selling prices.

Councilor Stone guessed that a developer would have identified a profit benchmark and a projected sum to achieve.

Mr. Riley replied ideally, the public improvement costs would be divided among the two lots and expensive enough homes would be built so that the home building profit could make up for the improvements. However, homes of approximately 3,500 sf priced in the \$500,000-\$600,000 range would be needed. Such houses were not being built anymore. House sizes were being reduced to be more sustainable and energy efficient with less maintenance from a homeowner's point of view. The 1,800-2,500 sf size was the sweet spot for the existing site and enabled the developer to recoup the outlay for the public street improvements.

Councilor Stone emphasized that neighboring property owners were deeply worried about the proposal devaluing their properties. She wanted to ascertain whether the concerns were unfounded.

Mr. Riley suggested an objective solution would be to look at the real market value determined by the County. The Bowman Terrace homes, built in the early 1970s, had much smaller square footages and public records indicated they had an average market value of \$200,000-\$210,000. The homes closest to the site in Pennywood Court had a

real market value on average of \$320,000. For the two lots closest to the site to the south, 4214 Bowman St had a real market value of \$332,000 and 4248 Bowman St was valued at \$309,000. Homes built with similar square footages would have real market values in the low \$300,000 value range.

Closure of the public hearing: **It was moved by Councilor Chaimov and seconded by Mayor Ferguson to close the public testimony portion of the hearing. Motion passed with the following vote: Councilors Barnes, Chaimov, Stone, and Loomis and Mayor Ferguson voting “aye.” [5:0]**

Mayor Ferguson closed the public testimony portion of the hearing at 8:37 p.m.

City Council discussion and decision:

Councilor Barnes understood individuals who had come forward in the past that were concerned about big houses being built in their neighborhoods. For example, the big house on Lake Road was gorgeous, but was an eyesore in the neighborhood; it did not fit. She was concerned about having houses that fit into neighborhoods. While Council could not dictate what homes the Applicant could build, he heard the neighbors' message. The easiest and best way to sell a house was word of mouth from neighbors. She understood the neighbors' concerns, but under the Neighborhood Element Objective, the property had to maintain the residential character of the designated neighborhood areas, and the questions from Councilor Stone and herself really did illustrate that the majority of the residents' homes would fit in with the same lot size and square footage as that proposed by the Applicant.

Councilor Chaimov agreed with Councilor Barnes.

Councilor Stone believed subdividing the site into three lots would be more fitting to the existing neighborhood, considering all the surrounding homes. After hearing further testimony and finding out that the lot sizes were similar or maybe larger than some of the surrounding homes, she believed changing to R-7 would not alter the character of the surrounding homes. She hoped the style of homes proposed would fit well into the surrounding neighborhood while preserving access to the walking path, which was a community use. She would have liked to see the land developed into a park and believed the neighbors would have preferred that as well. She believed if the development was carried out thoughtfully and taking into account opinions from the neighbors and maintaining a good relationship with the community during the development of the property, she would be in favor of seeing the zone changed to R-7.

Councilor Loomis agreed with the Councilors' comments. He noted the neighborhood association was neutral. He would have considered differently if the association requested that the land be developed into a park because more pocket parks were needed in that area. He did not believe it was fair for the City to require a developer to provide public area improvements that hindered their ability to build three rather than two homes. He supported the Applicant's proposal.

It was moved by Councilor Chaimov and seconded by Councilor Barnes for the first and second readings by title only and adoption of the ordinance amending the City of Milwaukie Zoning Map from “Residential Zone R-10” to “Residential Zone R-7” for Tax Lot 3100 on Clackamas County Assessor’s Map 2S 2E A06BC (File #ZC-09-01, TPR-09-04). Motion passed with the following vote: Councilors Barnes, Chaimov, Stone, and Loomis and Mayor Ferguson voting ‘aye.’ [5:0]

City Attorney Ramis read the ordinance two times by title only.

Ms. DuVal polled the City Council: **Councilors Barnes, Chaimov, Stone, and Loomis and Mayor Ferguson voting ‘aye.’ [5:0]**

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ORDINANCE NO. 2012:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AMENDING THE CITY OF MILWAUKIE ZONING MAP FROM “RESIDENTIAL R-10” TO “RESIDENTIAL R-7” FOR TAX LOT 3100 ON CLACKAMAS COUNTY ASSESSOR’S MAP 2S 2E A06BC (FILE #ZC-09-01, TPR-09-04)

City Attorney Ramis read the Land Use Board of Appeal rules into the record.

OTHER BUSINESS

A. Approve a Personal Services Agreement with A. Andrew Parks, CPA, GEL Oregon, for Interim Finance Director—Resolution

Ms. Trosino, Human Resources Director, presented the staff report in which City Council was asked to approve a resolution authorizing the Interim City Manager to sign the personal services agreement for a six-month period not to exceed \$11,000 per month.

It was moved by Mayor Ferguson and seconded by Councilor Loomis to adopt the resolution authorizing the Interim City Manager to sign a personal services agreement with A. Andrew Parks, CPA, GEL Oregon, for Interim Finance Director services.

Councilor Barnes confirmed that the scope of Mr. Parks’ work under the 2010 budget also included presentations and evening meetings, including the City Council meetings required for the entire budget process and asked why that was not specified in the scope of work contract.

Ms. Trosino advised those points were not specifically included in the contract because staff had focused on indicating that the role encompassed everything related to finalizing that budget process, including any evening meetings.

Motion passed with the following vote: Councilors Chaimov, Stone, and Loomis and Mayor Ferguson voting “aye” and Councilor Barnes voting “no.” [4:1].

RESOLUTION NO. 18-2010

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING THE INTERIM CITY MANAGER TO SIGN A PERSONAL SERVICES AGREEMENT WITH A. ANDREW PARKS, CPA, GEL OREGON, FOR INTERIM FINANCE DIRECTOR SERVICES.

Andrew Parks asked the Councilors to review and identify dates on the proposed budget calendar that did not work with their schedules and pass that information on to Ms. DuVal. In facilitating and developing the City’s \$40 to \$50 million budget, he believed it would be very helpful to himself, the management team and perhaps Council, to get a better understanding of Council’s goals and what might need to be traded off to accomplish higher priority items. It was no secret that the City had real financial challenges given the recession and the citizens’ expectations. The City had to figure out how to address the General Fund deficit and balance the budget in a way to achieve the City’s goals, while minimizing any negative impacts to ongoing development within the community. He concluded that he looked forward to working with the Council.

Councilor Chaimov welcomed Mr. Parks on board.

Councilor Barnes explained she was impressed by his qualifications, but was concerned how the \$11,000 per month would impact the community.

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Councilor Stone responded that while it was a big chunk of change, it appeared to be in the ballpark with everyone else.

B. Council Reports

Councilor Barnes announced she had been appointed by the governor to a Career and Technical Education Task Force that was looking into workforce development for the future. She would be attending meetings for the remaining school year and into December when the legislative report would have to be ready for the legislature.

Mayor Ferguson described the Code Red Emergency Notification System and encouraged all Milwaukie citizens to register at the City's website at www.cityofmilwaukie.org by clicking on the Code Red icon at the bottom right hand corner of the site. The reverse 911 calling system was designed to dial 50,000 phone numbers per hour or approximately 1,000 numbers per minute. With only about 20,000 residents, all Milwaukie residents could be notified of an emergency situation in a matter of minutes.

He reminded the public that the Portland/Milwaukie Light Rail Open House was scheduled for February 20, 2010 at the Milwaukie High School from 4:30 pm to 7:30 pm. The regular monthly Light Rail meeting would be held February 22, 2010 at Bridge City Church.

Mayor Ferguson called for a motion to adjourn the regular session and return to Executive Session pursuant to ORS 192.660(2)(h) to consult with counsel concerning legal rights and duties regarding to current litigation or litigation likely to be filed. He confirmed that City Council would not return to regular session.

ADJOURNMENT

It was moved by Councilor Stone and seconded by Councilor Loomis to adjourn the regular City Council meeting. Motion passed unanimously with the following vote: Councilors Barnes, Chaimov, Stone, and Loomis and Stone and Mayor Ferguson voting "aye." [5:0]

Mayor Ferguson adjourned the regular session at 8:52 p.m.

Pat DuVal, Recorder

MINUTES**MILWAUKIE CITY COUNCIL EMERGENCY MEETING****FEBRUARY 18, 2010**

Mayor Ferguson called the emergency meeting to order at 6:35 p.m. in the Public Safety Building Community Meeting Room.

Council Present: Mayor Ferguson and Councilors Deborah Barnes, Greg Chaimov, Joe Loomis, and Susan Stone.

Staff Present: Acting City Manager Pat DuVal, City Attorney Tim Ramis, City Attorney Bill Monahan, Community Development and Public Works Director Kenny Asher, Information Coordinator Grady Wheeler

Settlement Agreement

It was moved by Mayor Ferguson and seconded by Councilor Chaimov to approve the settlement agreement with Clackamas County outlining a process to resolve the outstanding issues regarding prior and future provision and pricing of wholesale wastewater treatment services, and establishing a process, and authorizing the Mayor to sign.

City Attorney Monahan provided highlights of the agreement including the mediation and arbitration processes.

Mr. Ramis explained the first stage was mediation which was a facilitated conversation. If mediation did not work, the parties would go to arbitration which was a judicial process. The emergency session was needed in order to consider the recently-agreed upon language to meet the schedule. Nothing could proceed until both parties signed the agreement.

Councilor Barnes stated she did not consider this a reason to hold an emergency meeting and referred to Oregon State Statutes (ORS). Councilors had not been aware of this meeting, and she felt a special meeting with 24-hours' notice would have been more appropriate. The public did not have the opportunity to understand what was going on.

Councilor Chaimov appreciated those concerns. The City had applied pressure on Clackamas County, and it was important for Milwaukie to move quickly to maintain its present advantage in order to arrive at a long-term agreement to the benefit of all.

Councilor Stone noted the importance of transparency. This agreement was about getting both parties to begin talking, so it was important to act.

Councilor Loomis had nothing to add.

Mayor Ferguson felt it was important to start the process and inform the public.

Motion passed unanimously with the following vote: Mayor Ferguson, Councilors Chaimov, Stone, Loomis, and Barnes voting "aye." [5:0]

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At the next meeting of the City Council on March 2, 2010, the City Council will take testimony to hear community concerns and objectives that Milwaukie citizens would like taken into consideration during negotiations.

Mayor Ferguson adjourned the emergency meeting at 6:45 p.m.

Pat DuVal, City Recorder

MINUTES

MILWAUKIE CITY COUNCIL SPECIAL MEETING

FEBRUARY 23, 2010

Mayor Ferguson called the special meeting to order at 6:06 p.m. in the City Hall Conference Room

Council Present: Councilors Deborah Barnes, Joe Loomis, and Susan Stone

Council Excused: Council President Chaimov

Staff Present: Acting City Manager Pat DuVal, City Attorney Bill Monahan and Community Development and Public Works Director Kenny Asher

Settlement Agreement

Mayor Ferguson said on Thursday, February 18, 2010 the City Council voted unanimously to adopt a settlement agreement with Clackamas County establishing a process to resolve the outstanding issues of establishment of a short term wholesale sewer services rate and to resolve outstanding true-up issues. The agreement was signed by Clackamas County Chair Lynn Peterson on February 19, 2010. Now that agreement has been fully executed by both parties, the City Council can ratify the agreement.

Councilor Barnes asked Mr. Monahan if Council agreed to the settlement agreement could we include in negotiations that if there is an increase in rates for our rate payers that is in excess of what they are paying today it can go into a fund for something to do with the Kellogg Treatment Plant.

City Attorney replied this agreement was to set up a process for the 2 issues and processes following that. It does not restrict us to introduce any elements for discussion. He thought that could be brought into the discussion.

It was moved by Mayor Ferguson and seconded by Councilor Loomis to ratify the settlement agreement between the City of Milwaukie and Clackamas County that establishes a process to resolve outstanding issues related to a wholesale sewer services rate and the true-up issues between the parties. Motion passed unanimously with the following vote Mayor Ferguson and Councilors Barnes, Loomis and Stone “aye” [4:0]

It was moved by Mayor Ferguson and seconded by Councilor Stone to adjourn the Special Meeting and resume the Executive Session. Motion passed unanimously. [4:0]

Mayor Ferguson adjourned the special meeting at 6:09 p.m.

Pat DuVal, City Recorder



To: Mayor Ferguson and Milwaukie City Council
Through: Pat DuVal, Acting City Manager
From: Bob Jordan, Chief of Police
Date: April 9, 2010
Subject: **O.L.C.C. Application – Canby Asparagus Farm – 10605 SE Main St.**

Action Requested:

It is respectfully requested the Council approve the O.L.C.C. Application To Obtain A Liquor License from Canby Asparagus Farm – 10605 SE Main Street.

Background:

We have conducted a background investigation and find no reason to deny the request for liquor license.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, APPOINTING LYNN KELLAND TO THE MILWAUKIE ARTS COMMITTEE.

WHEREAS, a vacancy exists on the Arts Committee; and

WHEREAS, Milwaukie Charter Section 26 provides that, “the mayor, with the consent of the council, shall appoint the various committees provided for under the rules of the council or otherwise and fill all vacancies in committees of the council from that body,” and

WHEREAS, Lynn Kelland possesses the necessary qualifications to serve on the Arts Committee.

Now, therefore, the City of Milwaukie, Oregon resolves as follows:

SECTION 1: That Lynn Kelland is appointed to the Arts Committee.

SECTION 2: That his term of appointment shall commence May 4, 2010 and shall expire on March 31, 2014.

SECTION 3: This resolution takes effect immediately upon passage.

Introduced and adopted by the City Council on May 4, 2010.

Jeremy Ferguson, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Schrader Ramis PC

Pat DuVal, City Recorder

City Attorney

6.
OTHER BUSINESS



To: Mayor and City Council

**Through: Pat DuVal, Interim City Manager
Kenneth Asher, Community Development and Public Works Director**

**From: Alex Campbell, Resource and Economic Development Specialist
Susan Shanks, Senior Planner**

**Subject: NE Sewer Extension (NESE) Project: Installment Payment,
Annexation Assistance and Connection Discount Programs**

Date: April 22, 2010 for the May 4, 2010 Regular Session

Action Requested

Establish City programs to encourage early connection and annexation in relation to the NESE project.

History of Prior Actions and Discussions

April 2010: Work session on reimbursement approach and possible incentives.

February 2010: Council approved adding sewer work, replacing mains on King Road and Brookside Dr, to the contract for the NE Sewer Extension (NESE) project.

January 2010: Council annexed rights-of-way in the project area (Ord. 2010).

December 2009: Council awarded the contract for construction of the project to K & R Plumbing Construction Co. Inc., in the amount of \$2,653,257.05 (Res. 78-2009).

October 2009: Council approved an IGA with Clackamas Development Agency for payment to the City of urban renewal contributions to the project (Res. 64-2009); and requested the County transfer jurisdiction of rights-of-way in the area (Res. 66-2009).

September 2009: Council initiated annexation of the rights-of-way in the NESE Project Area by resolution (Res.58-2009). Council approved an updated Clean Water State Revolving Fund Loan Agreement for the NESE Project (Res. 57-2009).

August 2009: Staff briefed Council on project status and need to annex rights-of-way.

June 2009: Council awarded a contract to Right-of-Way Associates Inc. for easement and appraisal services within the NESE Project Area. Council adopted an Ordinance allowing the City to extend the life of reimbursement districts beyond fifteen years.

February 2009: Council authorized the City Manager to enter into a contract with Century West for engineering services to design the project.

December 2008: Council approved a loan agreement from CWSRF (Res.94-2008).

October 2008: Council approved moving forward with the extension of the City's sewer system into Dual Interest Area "A" including: entering into an IGA with Clackamas County for engineering services; applying for a DEQ loan needed to fund the sewer extension; and moving forward with public information efforts (Res.81-2008).

September 2008: Staff briefed Council at a work session on the proposed sewer extension project. Council requested additional information prior to acting.

May 2008: Staff briefed Council specifically with regard to relevant City and County policies, State law regarding annexation, and service delivery and governance issues.

March 2008: Staff briefed Council on the need for sewer service in Dual Interest Area "A," discussions with Clackamas County, and outreach efforts to owners and residents.

September 2006: Staff briefed Council on state statute and City Comprehensive Plan policy regarding island annexations.

November 2002: Council directed the City Manager to sign a CDBG grant application to subsidize connection costs for low-income residents in Dual Interest Area "A".

July 1990: Clackamas County Order No 90-726 established an Urban Growth Management Agreement (UGMA) in which the City and County agreed to coordinate the future delivery of services. With respect to Dual Interest Area "A", the agreement states: *"The City shall assume a lead role in providing urbanizing services."*

Background

The NE Sewer Extension (NESE) Project is under construction. It is in the best interest of the City, the Creek, and the sanitary sewer utility that as many of the 300 lots that will be served by the project connect to the sewer system as soon as is practical. Staff has developed several programs to encourage early connection.

Staff will hold Open Houses in the NESE Project Area on May 20 and 22. The goal of these events is to provide property owners and residents with information about all aspects of the NESE Project, including sewer construction, street annexation, street jurisdiction, available City services, and the planned assistance programs, described below.

The Cost Share Installment Payment and Annexation Assistance programs were presented to Council in April. There appeared to be a clear consensus to move forward with them. Resolutions establishing the first two programs are Attachments 1 & 2, respectively.

Cost Share Installment Payment

- Program Duration: Nov. 2010 to Nov. 2012
- Eligibility: All property owners
- Terms: Installment payment of Reimbursement District costs at 0% interest over a ten year period.

The City will allow all residents who connect within the first two years to pay their reimbursement cost share in 20 semi-annual payments, at no interest.

Annexation Assistance

- Program Duration: May 2010 to Nov. 2012
- Eligibility: All property owners who propose to keep the same zoning designation upon annexation and who are using their property in a manner that is consistent with the City's zoning code.¹
- Terms: No cost to property owner; staff assistance with application.

Staff will assist eligible property owners with annexation at no charge (no City fee). At Council's direction, eligibility will not be limited to the NESE project area.

NESE Discount

The vast majority of project costs will be financed by a no-interest federal loan. One-half of that loan is forgivable upon project completion, thanks to ARRA funding. Staff have been working on the assumption that all loan forgiveness would be passed through to customers. At the April Work Session, Council directed staff to explore avenues to:

1. "Steepen" the incentive to connect early by reducing, over time, the discount provided to customers.
2. Eliminate a possible inequity between properties eligible for North Clackamas Revitalization Area (NCRA) discounts and those that are not (i.e., those which were already within City limits when the NCRA was established).

¹ The majority of properties in the NESE area are zoned R7 and R10 in the County, both of which are single-family residential zones. If property owners wanted to keep their R7 or R10 zoning designation upon annexation, they would be eligible for assistance if their property was in use as a single-family residence.

Staff proposes that the City establish a NESE Discount program to achieve both of these goals. Properties within the City prior to 1994 would be eligible for a \$3,450 discount from their reimbursement district cost share (“limited discount”). (There are 12 properties in this category.) The remainder of the loan forgiveness value would be spread among all properties in proportion to their reimbursement cost share (“general discount”).

The full discounts would be available to all properties for five years, after which time the both discounts would be reduced by 25%; after ten years, the discounts would be further reduced to one-half of the original value. (A Resolution establishing the basic parameters of such a program is attached.)

Concurrence

Community Development, Engineering, Planning, and Community Services have worked closely on this project and developed the assistance and financing programs in consultation with the Interim Finance Director.

Fiscal Impact

It is anticipated that the reimbursement district established for this project will pay for the entire cost of the sewer project. The project is funded with an ARRA loan that will be repaid over 20 years. The City’s sewer fund guarantees the loan repayment. The assistance program will help properties connect sooner and reduce the likelihood that the sewer utility would be needed to assist with the debt service.

In 2007, the City reduced the application fee for simple annexation requests to \$100 so as not to discourage annexations to the City. This nominal fee does not cover expenses and staff time for even the simplest of annexation requests. Staff proposes to waive this fee for property owners who participate in the proposed annexation assistance program. Though waiving this fee would eliminate a potential source of revenue, processing many applications at one time would significantly reduce City expenses through staffing efficiencies and economies of scale.²

Staff also proposes to provide some of the necessary annexation documentation for property owners who participate in the annexation assistance program. This approach would result in costs that are not normally incurred by the City during the annexation

² On average, it costs the City approximately \$300 to process a single expedited annexation. This figure includes mailing notices to adjacent property owners, necessary parties, and utilities; and filing the annexation with Metro. It does not include staff time. By bundling annexations together, the City can realize significant savings through economies of scale since notices can include more than one annexation and Metro’s filing fee is based on acreage being annexed not number of properties. By bundling 30 annexations together, for example, the City could save roughly \$5600 in Metro filing fees alone.

process in the form of staff time and legal description preparation.³ As a result, the annexation assistance program, as proposed, depends on the City continuing to budget approximately \$10,000 for annexation expenses in FY 2010-11.

Work Load Impacts

The Community Development, Engineering, Public Works, Planning, Community Services and Finance Departments continue to work closely together on this capital project. The Engineering Department will continue to manage the construction of this project with current staffing levels. The Community Development and Planning Departments will manage the sewer connection financing and annexation assistance aspects of this project. Community Services will continue to head the outreach effort with the residents and property owners of the project area.

Accounting for and administering payments for Reimbursement District costs will place an additional burden on Finance Department staff. Careful design of the program will be important to minimize those burdens.

It is anticipated that annexations in this area over the next two years will be a significant part of the Planning Department's workload, which is one of the reasons why staff is proposing to assist property owners with annexations. Staff believes that it can process annexations more efficiently through the proposed assistance program and that these efficiencies would likely result in time savings that would offset some, if not all, of the additional costs incurred by the program.

Additional residential annexations will add to the Police Department's responsibilities. Encouraging more residents to annex quickly will speed the transition and minimize inevitable inefficiencies during the transition.

Alternatives

Staff believes the proposed Resolutions reflect Council's direction.

Attachments

1. Resolution establishing NESE Cost Share Installment Payment program
2. Resolution establishing Annexation Assistance program
3. Resolution establishing City NESE Discount program

³ Legal descriptions would be done by a consultant and, where necessary, are estimated to cost roughly \$100/property.

ATTACHMENT 1

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, TO ENACT AN INSTALLMENT PAYMENT PLAN RELATED TO REIMBURSEMENT DISTRICT COST SHARES FOR THOSE PROPERTIES THAT CONNECT TO THE NE SEWER EXTENSION PROJECT WITHIN TWO YEARS OF PROJECT COMPLETION.

WHEREAS, the City will establish a reimbursement district based on the actual cost of design, right-of-way acquisition, and construction of the NE Sewer Extension Project; and

WHEREAS, the City wants to encourage property owners to connect to sewer in the NE Sewer Extension Project Area expeditiously; and

WHEREAS, the City has received excellent financing terms for project costs; and

WHEREAS, the City is not obligated to offer installment payments or financing for reimbursement district costs.

NOW, THEREFORE, BE IT RESOLVED that the City shall allow property owners that connect to the NE Sewer Extension Project within two years of completion of the project or November 2012 (whichever occurs later) to pay their reimbursement district cost share in twenty semi-annual installments at no interest, provided they make all other required payments, comply with City requirements, and provide security for the total value of the cost share in the form of a lien.

BE IT FURTHER RESOLVED that the City Council may modify, adjust, or terminate this program in the future.

Introduced and adopted by the City Council on May 4, 2010.

This resolution is effective on May 5, 2010.

Jeremy Ferguson, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Schrader Ramis PC

Pat DuVal, City Recorder

City Attorney

ATTACHMENT 2

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,
TO ADMINISTER A TIME-LIMITED ANNEXATION ASSISTANCE PROGRAM TO
FACILITATE ANNEXATIONS THAT MEET CERTAIN ELIGIBILTY REQUIREMENTS.**

WHEREAS, annexation is a complex and unfamiliar process for most property owners; and

WHEREAS, the City wants to encourage property owners to connect to sewer in the NE Sewer Extension Project Area in an expeditious fashion by making the annexation process easier and less expensive; and

WHEREAS, the City wants to offer the same kind of annexation assistance to all eligible property owners regardless of location; and

WHEREAS, the City proposes to provide annexation assistance from May 2010 to November 2012; and

WHEREAS, the City proposes to process multiple assisted annexations together at least once each year such that staff time is utilized as efficiently as possible and to reduce the City's overall costs per annexation; and

WHEREAS, property owners needing an emergency sewer connection, proposing a zone change, or operating a nonconforming or illegal use on their property are not eligible for annexation assistance; and

WHEREAS, property owners who are not eligible, or who choose not to participate in the assistance program, may still annex to the City at any time through the regular annexation process.

NOW, THEREFORE, BE IT RESOLVED that the City will assist property owners with annexation without fee, from May 2010 to November 2012, in cases where they seek an expedited annexation and operate legal, conforming uses. Assistance will consist of City provision of all technical documents, including, but not limited to, legal descriptions, maps, and property owner and voter certifications. Such annexations will be bundled and processed by City staff at least once per year.

BE IT FURTHER RESOLVED that the City Council may modify, adjust, or terminate this program in the future.

Introduced and adopted by the City Council on May 4, 2010.

This resolution is effective on May 5, 2010.

Jeremy Ferguson, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Schrader Ramis PC

Pat DuVal, City Recorder

City Attorney

Document2 (Last revised 09/18/07)

ATTACHMENT 3

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, TO ESTABLISHING A DISCOUNT PROGRAM FOR THE NE SEWER EXTENSION PROJECT.

WHEREAS, the City will establish a reimbursement district based on the actual cost of design, right-of-way acquisition, and construction of the NE Sewer Extension Project; and

WHEREAS, the City wishes to encourage property owners to connect to sewer in the NE Sewer Extension Project Area expeditiously; and

WHEREAS, the City has received excellent financing terms for most project costs, including loan forgiveness of a substantial portion of total project costs; and

WHEREAS, the loan forgiveness will be equal to slightly less than half of the total project cost and the City intends to make all of that value available to properties that connect within five years; and

WHEREAS, there are twelve properties in the project area that were annexed in 1993 with the expectation that sanitary sewer would be made available; and

WHEREAS, properties in the project area that were not incorporated in 2006 at the time of the creation of the North Clackamas Revitalization Area will each receive a project cost discount of \$3,450, funded by the NCRA; and

WHEREAS, the City does not wish for those properties not in the NCRA to be disadvantaged in comparison to NCRA properties; and

WHEREAS, the City has some flexibility as to how it accounts for the loan forgiveness that will be received.

NOW, THEREFORE, BE IT RESOLVED that the City shall provide a “limited discount” of Three Thousand, Four Hundred and Fifty dollars (\$3,450) from the calculated reimbursement district cost share for those properties served by the NE Sewer Extension project that were within the City’s corporate city limits prior to January 1, 1994. The discount shall be applied to a maximum of one connection per lot.

BE IT FURTHER RESOLVED that the City shall provide a “general discount” to all properties in the project area, apportioning the remaining value of project loan forgiveness, net of discounts described above. The general discount shall be applied to each properties cost share, prior to the application of any other discounts, in proportion to their cost share.

BE IT FURTHER RESOLVED that all discounts available under this Resolution will be reduced by 25% from their original value on January 1, 2016. All discounts will be further reduced by the same amount on January 1, 2021, leaving 50% of the original discount value.

BE IT FURTHER RESOLVED that the City Council may modify, adjust, or terminate this program in the future.

Introduced and adopted by the City Council on May 4, 2010.

This resolution is effective on May 5, 2010.

Jeremy Ferguson, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Schrader Ramis PC

Pat DuVal, City Recorder

City Attorney