

**CITY OF MILWAUKIE
PLANNING COMMISSION
MINUTES
Milwaukie City Hall
10722 SE Main Street
TUESDAY, September 28, 2010
6:30 PM**

COMMISSIONERS PRESENT

Jeff Klein, Chair
Lisa Batey
Scott Churchill
Teresa Bresaw
Chris Wilson
Mark Gamba

STAFF PRESENT

Katie Mangle, Planning Director
Brett Kelper, Associate Planner
Kenny Asher, Community Development
& Public Works Director

COMMISSIONERS ABSENT

Nick Harris, Vice Chair

1.0 Call to Order – Procedural Matters

Chair Klein called the meeting to order at 6:30 p.m. and read the conduct of meeting format into the record.

2.0 Planning Commission Minutes – None

3.0 Information Items

Katie Mangle, Planning Director, announced that this was Commissioner Bresaw's last meeting. She thanked her for serving the community as a Planning Commissioner for 8½ years.

Chair Klein said he had served with Commissioner Bresaw for 6 years, and would always remember Commissioner Bresaw stressing the importance of having green planting strips and sidewalks.

Commissioner Batey said she would recall Commissioner Bresaw's strong advocacy for green space and aesthetics.

Ms. Mangle sought input from the Commission about forming a subcommittee of the project for Residential Design Standards, similar to what was done with the Natural Resources Overlay project.

- The Residential Design Standards project, anticipated to begin in January, would review single-family and multi-family residential standards. Doing most of the work through a subcommittee could substantially reduce the number of Commission meetings needed.
- The subcommittee would consist of three or four Commissioners, one or two Design and Landmarks Committee (DLC) members, at least four Neighborhood District Association (NDA) representatives, and one or two property owners to ensure certain groups were represented. Others could also be invited to participate.
 - Those on the subcommittee and most involved with the project would be talking to property owners and people in the neighborhood, allowing for more well-rounded conversations as the standards were being developed. The project was more design-oriented and visual than other projects so subcommittee members could talk easily about it with neighbors and those who would be affected by the standards.

- The Residential Design Standards project mostly regarded aesthetics, but must be directed by the Comprehensive Plan policies. The project would not involve rezoning or changing uses. Milwaukie has the lowest standards in the region for single-family residential houses, various standards for accessory dwelling units, and no standards for multi-family houses.
 - The goal of the project was to tighten up important design issues. Rules regarding height, massing, percentage of windows on the front façade, standards for manufactured homes, etc., would all be addressed.
 - Milwaukie was experiencing some quality residential development because developers were exceeding the City's requirements.
- The subcommittee approach would only work if three or four Commissioners committed to do that work in addition to their regular Commission duties. The subcommittee would work through the details of the design standards, so the Commission could review them overall, and not have to restart the whole process.
 - If not enough Commissioners were interested in having a subcommittee, a community group could be another option.
 - Consultants and architects would be working with the subcommittee and generating renderings, 3-D models, etc.
- Grant funding for those consultants and architects is only available through the end of June. The standards did not have to be adopted by June; the City could keep working on them after that point. However, being efficient and making the most of the consultants' time was important as well as getting the standards to the right people in the community.

Comments from the Commission included:

- A minimum of four Commissioners should be on the subcommittee to ensure a majority vote, though all Commissioners and anyone else would be welcome to attend.
- Including members from all the NDA Land Use Committees (LUCs) would provide them with some good training.
- A separate group whose members were interested in design could work together more efficiently than the whole Commission, especially with the Commission's time constraints.
- A lot of Commission meeting time would be saved. The Commission would know about the process that was followed since many were involved, and could hopefully review and move the design standards forward to City Council quickly.
- A subcommittee sounded more efficient and inclusive than the formalized Commission meetings and would allow for more conversation and an exchange of ideas.
- Commissioners not able to serve on the subcommittee would be informed of the progress being made. The intent was to prevent having to redo major portions of the standards when they came before the Commission.
- The Commission could use this opportunity to reach out to and do some training with the NDA LUCs. The Commission rarely received information or comments from them.
 - The subcommittee might motivate the LUCs and provide some idea of what the Commission actual did. It might also be a way to get some new people on the LUCs.
 - Subcommittee work would train citizens so that the City could tap into a pool of trained people to step into open board or Commission positions when needed.
- The Commissioners agreed a subcommittee was a good idea.

4.0 Audience Participation –This is an opportunity for the public to comment on any item not on the agenda. There was none.

5.0 Public Hearings – None

6.0 Worksession Items

The order of the agenda was changed. Item 6.2 Natural Resources Overlay briefing #7 was addressed at this time, prior to 6.1 South Downtown Concept Plan.

6.1 Summary: South Downtown Concept Plan Briefing Staff Person(s): Kenny Asher, Katie Mangle

Ms. Mangle stated that staff was really excited about how this project has progressed. It had been on a long, very interesting path and developed in very unconventional ways. The project was headed for really good things, partly because of the light rail station coming to South Downtown. The community members who had been involved in this project have had a lot to say about what should and should not change.

Kenny Asher, Community Development and Public Works Director, presented the South Downtown Concept Plan using several renderings shown on display boards. Key comments included:

- Two key work products to understand South Downtown were:
 - A book titled, "Pattern Language for the South Downtown of Milwaukie, Oregon," which included the best possible description of what the community wants to see for South Downtown. The book contained 13 patterns or guidelines for a development that would feel compatible with the rest of downtown and with Milwaukie; the development values the City wanted to see embodied in downtown. Much of what staff understood to be their mission for the South Downtown was contained in the Pattern Language book.
 - The other key deliverable was the Concept Plan poster. The book did not provide a picture of development or of place that really made much sense to the community and to City Council, so this last phase involved turning those ideas into something that could be built and that staff could discuss with the community.
- Key features of South Downtown included a Plaza: a great public space that captured and collected all the energy coming from light rail and the redevelopment around it; new connections to Riverfront Park; the restoration of the lake; and the revitalization of Main St.
 - People were excited about the notion that the Plaza could be connected to Riverfront Park.
- This phase of the project was really trying to decide where public spaces would be and how private development could be supported, although what exact development there would be was still unknown.
- The idea was to get ahead of development so the community could guide that development. There were many different ways to do that, including tools the Commission used, such as Codes, design guidelines and oversights, as well as his work in talking to developers and property owners and coordinating their efforts.

[Audio issues 14:30 – 16:07]

Commissioner Gamba commented that he was still a fan of the project, but was less enamored after the second process because the City lost the opportunity to develop something for the key purpose of being inhabited by people. Instead, the City was building according to the normal model of development for the sake of profit. He understood why the direction shifted, but was disappointed.

Commissioner Batey agreed that was a loss and that the first process would not work. However, most of the elements so important in the patterns were still present. They could not know what might be in the grey squares representing private development on the display board, and whether it would lose the feeling of patterns. That remained to be seen.

Feedback by and discussion amongst the Commission and staff continued as follows:

- A wider connection was needed along the south side of buildings in the northwest quadrant to create potential areas for restaurant seating outside, for example. The pathway needed to be a more obvious connection to Riverfront Park. The trees and narrow sidewalk made it too hidden. The wider walkway should also be less angular and have a more flowing nature in getting people out to the bridge and across McLoughlin Blvd.
- Certainly the next question was determining how development would look and work. The City's current codes and design guidelines were not enough to allow or encourage what was envisioned. Many details were really important, but how they would be accomplished was a big part of the entire project.
 - A key piece was amending the Code to allow the concept of live/work elements, as opposed to having people make the most profit from the development. These ideas had been proposed, but no one was advocating them during the process. With no one shepherding that concept, the unusual would not happen; it would be back to business as usual.
 - Those ideas were identified throughout the Pattern Language and based on a business model that was never described, which was why staff ended up going in another direction. No business model that could make that sort of vision possible was forthcoming.
 - Staff spent the last 6 months discussing how to keep the spirit of these ideas alive. How did the City, as a government entity, foster the good ideas in the Pattern Language, which really had to do with the development of private property?
 - The renderings reflected a more conventional approach, and not the armature of the Pattern Language, which prompted imagery of wonderful funky spaces that would come together beautifully. But most people did not understand that armature, and questioned how it would be accomplished and whether it even fit.
 - The current armature was a step forward, and now the City needed to see how creative it could get in establishing whatever mechanisms were needed to get as close to these concepts as possible. This was the hard part because now the City was dealing with issues like property rights that the process has not yet addressed.
- The display board listing the top 5 aspirations should be reversed to read:
 - Create a central gathering place for the city
 - Encourage individuality and development
 - Build incrementally
 - Match scale and character of downtown
 - Make the project affordable
- **Ms. Mangle** agreed the opposite order was a better way to express the project. The list had been made by Walker Macy Consultants from their reading of the Pattern Language, which included a lot about affordability. However, the project was not about bringing affordable housing to the area, but creating an affordable place for real people to build and open businesses in Milwaukie. The list reflected Walker Macy's shorthand for that concept, not one of cheap development or the bottom line.
- Perhaps having such a notable designer during the first half of the project pushed the project too far. But now the project had swung it too far back into "make the project affordable." The earlier plan had creative gesture, although it may have been too flamboyant, and lacked a business model to support it. There had to be balance between affordability and creativity.
- The pedestrian crossing bridge was a nice little jewel.

- Closing Adams St was good, but maybe something more creative could be done. It tended to flow from parking lot to parking lot with no real boundaries. Why not look at adjustability, or was the goal to just make the project affordable?
- The depiction of the large scale Plaza lacked creativity and enthusiasm for the space. It was not remarkable and could be Anywhere, USA. It was not that interesting.
- The pathway to the pedestrian bridge was pretty interesting and could respond to the topography and unique character of that end of downtown.
 - If the Plaza was the primary node, they could start to break the grid and pick up a secondary node plaza by the Cash Spot point to help anchor the project, just as Riverfront Park did on the west side of the pedestrian bridge. No urban façade was needed at that corner of Washington St. Maybe there was enough room to create a secondary node that tied one to the other.
- There were some decent bones to the proposed development, but it looked very developer driven.
- Rather than saying, "Make the project more affordable," say, "Make the project happen," because "affordable" sounded cheap. "Make it happen" would mean that people would have to have the money and there were different ways to do that.
- Having a clock on the light rail station was a really nice concept.
- Concern was expressed about the somewhat vacant area that was not in the actual triangle, but across the street on 21st Ave, behind the high school. It was very utilitarian and improving that area was important. The City had to consider what already existed.
- Having a Plaza was a good idea and the proposed location was very good, but it could be tweaked a bit.
- The small square building to the left of the plaza could be fine if it was done well.
- Concerns were expressed about nebulous space and the nebulous use of the proposed Water Resources Center across from the plaza. It seemed there would be spaces that did not really have much purpose.
 - **Mr. Asher** clarified the illustrations of the spaces might not be used at all for final design. Walker Macy designs outdoor space, which was really what staff wanted to accomplish here. The shapes of the Plaza and buildings, and even the buildings' uses were not significant at this time. At this point, it was important to establish whether the bone structure was right.
 - This plan helped nail down how Main St and the Plaza interacted, the Plaza's location and size, what was happening to Lake Rd, the relationship between the platforms, and especially circulation which was the framework from which other projects could stem. Such projects were years off and each would have its own design process.
 - He envisioned the little box building being done in conjunction with the restoration of the creek and becoming an interpretative center. People would be drawn down to that wonderful public space as they came down to the south end of downtown. The building would look out over everything, and would have a relationship both with the downtown and the natural area, which made this part of town so rich.
 - It was really early to be talking about uses, and probably a bit early to be discussing building forms themselves. Community uses and public buildings did not tend to pay the highest rents and were harder to get done. Many more and different forces would be weighing in on those processes.
- **Chair Klein** said that the City had hired CES, the Cadillac of designers, and spent a lot of money to bring them in to provide this design. CES had people interested in doing a land trust and creating that business model that the City needed to make this project happen.

That was the investment the City made. The City needed someone who could bring this project to fruition, instead of just developing a concept.

- When things fell out with CES, he supported bringing in Walker Macy because he worried that CES would not come through. He believed Walker Macy would pick up that ball and find people to make this into a land trust, so affordable working/living spaces would be available.
- He was disappointed that now the City had a bunch of drawings that could have been done by any one of the City's planners. University of Oregon students created a concept plan for the City's water treatment facility that had great ideas and did not cost anything. The City had spent hundreds of thousands of dollars and received a run-of-the-mill product.
- The City used money that could have otherwise been spent in the city on investments for livability. This was just a development for development's sake, and went right back into doing exactly what they said they would not do.
- Walker Macy said it would really be up to the person who ends up owning the property. The City did not own any property there except for the triangle where the light rail station was being built. The one thing that the City had any control over was the station, but they were talking about designing places that the City does not own.
- The City had spent an extra couple hundred thousand dollars for this updated version, but still had no means of implementing anything. Urban renewal, floating a bond, and different options were discussed, but there was not anything concrete behind any of those efforts. CES had promised a funding mechanism to get the project done that was outside the normal means, something different.
- Both the Downtown Land Use Framework Plan and South Downtown Concept Plan were, at this point, aspirations because the City did not own the property.
- **Commissioner Churchill** added that CES had offered a creative solution. He agreed with Chair Klein that property rights were driving the South Downtown project. It was not like they were doing a taking and modifying property rights.
 - He understood that this Plan was how the City envisioned this space could be. Plenty of opportunities exist for that vision to be challenged, modified, softened, or weakened because the pressure would always be on the mighty dollar in development. But the City had to strive for and attempt to create a great space. Creating a central gathering place and encouraging individuality in development should be the top priorities.
 - Perhaps this was how Walker Macy interpreted CES's Pattern Language manual.
 - He agreed the City did not get the outside-the-box creative development model that they could have from CES, but it was not too late. The money was not necessarily wasted. Maybe this was a wake-up call to realize that they needed to go back and find a compromise between property rights and some creative gesture in the design.
- About \$240,000 total had been spent over the last 4 years on the South Downtown Plan; \$160,000 with CES and \$80,000 for Walker Macy.
- **Chair Klein** asserted that the City needed to stop spending money on and stop planning this project. They should figure out how to acquire the land and then move forward. Find a developer that wanted to spend the \$49 million to build this concept.
 - **Ms. Mangle** explained that this was how planning happens. The City's planners had worked very hard through several iterations of the Plan. While it contained a lot of gems, much of the Pattern Language did not make any sense. As the Planning Director, she was trying to figure out how the Code would need to be amended to achieve the concepts of the South Downtown Plan. The priority was keeping and magnifying the gems in the Pattern Language, and bringing it to a place where they could talk to others in the community about the Concept, and identify key features, like how people would

walk from Main St to the light rail station. This was one step forward in a way that was important for the community to understand. Private property owners were asking questions and wanted to get involved and were thinking about what they would do. The community is fortunate to have some property owners who were community minded. There was a lot that would need to be done, but significantly short of buying up all the property.

- This project was also important because it was where the light rail station would be located. It was important to understand connections to the station in order to plan for the future. This was a bold departure from almost any station area planning she had ever seen, and left them with many more tools than just whole block redevelopment and the formulas used at many other stations.
- The 10% federal funding loss on light rail could potentially result in a huge loss in quality for the platform and station as light rail passed through Milwaukie. Could that loss be offset through other means, perhaps looking at the Downtown Plan differently or using a phased approach?
 - **Ms. Mangle** noted staff was aware that instead of 2 platforms, there would now be one center platform. It was a big change, but was very site specific. No other changes were expected along the line, except maybe a little less bike parking and art. The single, center platform did not change the conversation about all the different elements along the line. However, it was important that they connected that center platform to the triangle site. Staff had some ideas about that, assuming the City wanted to do development on the site and wanted to move forward with planning the whole area.
 - **Mr. Asher** believed the best thing the City could be doing was just what it was doing. More people had shown interest in checking out and investing in Milwaukie since these drawings were put out to the public than he had seen in years. It was not just because of this project; light rail made people interested in Milwaukie. They would ask where the station was and what the City was planning to do. This type of planning was galvanizing.
 - The key thing staff always talked about was getting people down there, not wiping out buildings. They would find ways to do so, by using the existing buildings, food carts, art shows, etc. The worst thing the City could do was give up because light rail would be down there. People were going to want to build or invest down there.
 - This was the community's plan, including what went into the Pattern Language, and the current material presented, which was a refinement of that plan. It was a very different and difficult process because it does change. Making progress in any planning process involved having to let go of things. At the start, everything was possible.
 - The current Zoning Code and Downtown Plan were entirely inappropriate for this area, given what everybody said in this process.
 - The City did have means. It was not about finding \$48 million to buy up all of those properties and form a land trust; it was an aged process. There were a lot of things that the City could and should be doing to get to where the community wanted to go.
 - City Council and the citizens demanded something they could understand, look at, and discuss. They would not get everything they wanted, but they had to continue trying to implement as much of this Plan as possible; it was a step forward for Milwaukie.
 - **Commissioner Batey** recalled that Mr. Asher and staff did a framework plan for a triangular-shaped plaza that was totally different from this Plan. When the City determined what would happen with the 2 grey areas on the east side of Main St, they would find out whether they could keep the spirit of the patterns. If 2 big buildings were built as big as the illustrated grey areas, they would have lost the vision; but she did not think they were there

yet; it was too early to throw in the towel; \$80,000 was not an outrageous amount of money for this work.

- This was inspiration and there was a next step. As a community they had to continue that inspiration, grow and nurture it, and seek out unique ways to approach the Pattern Language. It was going to be a compromise. They were going to lose things, but they would also get new, better things.
 - The Commission needed to get City Council fired up about South Downtown and the City needed to look for possibilities, see what they could do with that land trust concept. They needed to create interest to start drawing people down there so people wanted to be there and recognize that it was an important place.
- **Chair Klein** recalled a promise long ago that for every \$1 spent in downtown, \$2 would go back out into the community. He was waiting for the \$500,000 to be turned back to the NDAs. He was not saying this was a bad plan or that the City should not move forward with it. The Commission just needed to be critical of the Plan. This thing needed to be beaten up.
 - Milwaukie was a bedroom community. Nobody worked in Milwaukie and nobody came to Milwaukie. People generally did not come to hang out in downtown Milwaukie. If they made Milwaukie a place where people wanted come, the neighborhoods could be fixed.
 - Less than 10% of the population was within walking distance of this site; more than 90% of Milwaukie's population would not come down to this area. If they made the City livable, these things would come, but right now they were not making the city livable.
 - The City did not need to dump all its money where less than 10% of the population spends their time. There was nothing there, and people could not get down there. The livability issue was not there, so they were losing residents living out in the surrounding areas because they did not have access to the downtown. The City was ignoring the economic interests located north of Hwy 224, where 75% to 80% of the population lived. The City was not doing anything for them.
- There was a strong fixation with downtown and trying to fix it. Other parts of the city should also be nurtured more fairly and at an appropriate scale. Maybe focus on pedestrian access across Hwy 224 and the train tracks. The Union Pacific mainline was both a barrier physically for pedestrian traffic and an auditory barrier from downtown. The City needed to look at links that pulled everything together and reinvest in other neighborhoods. Today, \$240,000 could go a long way.

Chair Klein read several emails he sent to the City, with additional comments as follows:

- "February 1, 2010: Alex, hey is there any news on Logus Phase II?" No response.
- "March 30, 2010: Alex, is there any movement on having Phase II transition into shovel ready?" No response.
- "June 11, 2010: Alex, where are we on Phase II? I believe I know the answer, but I still need to ask. Where are we on the design phase of Phase II to make this thing shovel ready? What I understand is projects that are shovel ready are more likely to find funding (stimulus money)."
- June 21, 2010: "Hey" and forwarded February 1 email.
- Received from Alex: "I believe you do know the answer but I understand you still need to ask. I'm not sure what to tell you beyond that, Jeff. I think that you're right about the design being the key step in advancing a project. However, given the scarcity of our resources our practice has not been to do design until we actually have a grant funding secured. Is this wise? Well, I'm sure we're leaving money on the table, but on the other hand we're probably pushing our staff capacity with the number of projects we do have."
- If the City was designing something before grant money or a funding mechanism was in place, how come it was not good for another?

Mr. Asher countered that was a completely unfair characterization. There were 5 projects or programs right now that had only to do and everything to do with the kinds of issues that Chair Klein was talking about.

Commissioner Churchill was especially pleased with the Monroe St bike boulevard, which was starting to achieve some of the connections and things Chair Klein wanted to achieve. There seemed to be a lot of gravity around downtown. Going back and fixing nodes in the neighborhoods would be a better-balanced approach.

- He also appreciated the efforts on the Quiet Zone Project. Hopefully, the UP mainline would be both a safe and a quiet crossing point.
 - **Mr. Asher** confirmed that both the light rail and Tillamook train lines were involved in the Quiet Zone Project.
 - He appreciated everyone's work and wished more resources were available. They were doing great things, and it was important to be open, honest, and forthright about everything and to hang in there and keep going.

Mr. Asher reviewed the next steps for the South Downtown Concept Plan as follows:

- The South Downtown Plan was presented to City Council last week. Council wanted a plan that the community could agree on; however, they would not be ready to adopt it until the new City Manager and new Councilors were in place. The Plan needed to be discussed in the context of all the City's priorities because of the expenses required to continue planning and then investing in the public realm and in the property the City owns. It would probably be into 2011 before a more formal step was made.
- Meanwhile, he and Ms. Mangle continued to talk to TriMet about what was intended for the area and what the City would give their design team when final design for light rail started in January 2011.
- Some developer interests were showing up. Staff was talking to property owners about whether they wanted to do something with the grey areas illustrated on the renderings and how the City could help guide that.
- Staff was looking at the City planning work programs to see if any regulatory items should be adjusted.
- The food carts, art projects, adding a second farmers' market, and other guerrilla marketing ideas had been discussed already as staff was trying to be creative and see how they could keep the Plan moving along. The energy was going to increase and if they had a clear vision of what they wanted, he believed they could get there.

Commissioner Churchill:

- Hoped staff and Councilor Loomis would take forward the Commission's concern about this latest plan. He would hate to have the Plan shelved, and no progress made over the next year. He hoped that this and the previous plan could be blended together. The graphic representation might not represent the golden nuggets buried in the CES Pattern Language. He worried that people would look back a year and half from now and miss the real creativity that was in the base plan, because people look to graphics as a final word.
 - **Mr. Asher** replied that staff was counting on the Group of Nine who understood what was in the Pattern Language to help them develop, articulate, and hold true to its principles.
- Said that would have a lot to do with how the station and the platform worked out.
 - **Mr. Asher** explained that the central platform was one of the cuts, but it could come back. While the light rail budget funding sources were fixed, the uses could change

because many costs were unknown. He reviewed the configuration of the proposed light rail tracks and platform, adding the City could consider designing a light rail waiting area to accommodate the change.

The Commission continued to Item 7.0 Planning Department Other Business/Updates.

6.2 Summary: Natural Resources Overlay Briefing #7
Staff Person: Brett Kelter

This agenda item was addressed after 3.0 Information Items.

Ms. Mangle introduced that Mr. Kelter would present three items to the Commission for discussion. She asked the Commission to keep in mind the broader perspective of this project: expanding the City's protection in the Natural Resource Overlay areas but in the spirit of Metro's Title 13 policy. This meant the Commission needed to figure out how to incentivize people to stay out of those areas instead of just requiring them to stay out. Staff would present and discuss some incentives for the Commission's consideration.

Brett Kelter, Associate Planner, presented the staff report, highlighting staff's recommendations for the three key discussion items and addressing clarifying questions from the Commission as follows:

- Adjustments and Allowances – 6.2 Page 5 Attachment 1 in the packet was an excerpt from the Draft Code Section 19.322.16, which he briefly reviewed. In the spirit of Metro's model Code, staff wanted to build in some flexibility to allow people to use a few adjustments without having to bump their application to a higher level of review.
 - He clarified that setbacks, not height, were the only base zone standard staff was currently asking that applicants be allowed to adjust outright.
 - Averaging would be considered part of the base zone in cases where averaging could be used for a front yard setback.
 - Staff would start by applying the existing rules and then the proposed 10% adjustment. This adjustment would not apply to Conditional Uses or Community Service Uses, which have special setbacks, and because the average would be similar to a base zoning standard.
 - 19.322.16(B) Adjustments to Lot Design Standards would only apply when a lot was being created, such as a partition or replat, allowing an adjustment of up to 10% for lot area, lot width, or lot depth, as well as reducing the required public street frontage up to 10%.
 - Striking 19.322.16(B)(3) regarding compound lot lines was recommended. If the City was going to require people to put a resource in a separate tract, those lines would often be jagged if they followed the wetland area or the edge of a creek. The current Land Division Code stated that tracts or parcels created especially for natural resources were not subject to compound lot line standards, since they would follow a natural boundary. The City would still want parcels to be fairly rectilinear where the parcels touch each other.
- Clustered Development – Onsite density transfer, 19.322.16(B)(4), would generally apply to specific situations in the city. The density allowed onsite would be maintained, but clustering would provide options and flexibility for the Commission and applicant, and prevent such small changes from requiring a variance application.
 - This adjustment only related to Water Quality Resource (WQR) properties or properties that have a designated WQR or Habitat Conservation Area (HCA).

- Trigger Distance – The distance from a designated resource that would trigger City action to protect that resource. Staff proposed changing the 50-ft trigger distance in the staff report back to 100 ft.
 - Current Code applied only to properties that actually touch the resource, but adjacent properties could negatively impact natural resources as well. The Commission needed to think about how resources could be impacted regardless of whether the resource was on the property.
 - Secondly, trigger distances would indicate when applicants would need to show staff a plan for managing their construction in such a way that erosion control, tree protection, and other measures are addressed appropriately when a project is close enough to a designated resource.
 - Staff decided that slope was hard to administer and difficult to get into the Code in a workable manner.

Discussion by the Commission and staff regarding the 3 issues continued as follows:

Trigger Distance:

- How trigger distance would be measured in sloped areas needed to be clarified because slope could be measured along the ground or the true horizontal. How distance is measured with regard to slope was dependent on the definition of terms.
 - Presently, staff would measure the trigger distance along the ground 50 ft or 100 ft back from the edge of the resource. However, if there was a 25% slope, perhaps other measurements should be considered.
 - The issue was whether or not slope would impact a natural resource, not just how far away a project is from the resource.
- Currently, the proposed Code only addressed development activities.
 - Some exemptions already exist related to everyday landscaping as well as prohibitions on storing uncontained hazardous materials, such as herbicides and pesticides, within WQR areas. Adding a list of pesticides that should not be used within the resource areas had been proposed, referencing or linking the language to existing regulations, but not redundant.
 - The use of hazardous materials is where slope becomes an issue.
- Currently, the City requires erosion control permits for certain projects with a main threshold of 500 sq ft of disturbance. Staff wanted the Commission's input about extending that distance, which would require erosion control for projects on the exempt list, thereby increasing resource protection.
- The trigger distance would be measured from the actual activity or project to the resource, not from the property line. The determining factor was the location of the project itself within that resource area or the 100-ft trigger distance, not the property as a whole.
- Staff also sought direction about an allowing an exception for projects separated from a resource by a paved roadway. This exception would provide staff some discretionary power to make reasonable allowances about erosion concerns if a paved road would reduce those factors.
 - The exception applied to properties across the street from a resource, not properties that contained a resource. A driveway separating a project from a resource that was on the same property would not be included in this exception.
 - Bigger projects would have erosion control measures in place.
- Different levels of concern existed regarding erosion control issues. WQR areas have the highest level of protection and protecting water quality would most often be impacted by water-based erosion, not by wind blowing soil into water resources, for example.

- The Building Department requires an erosion control plan for most construction projects, so erosion control measures like fences and bales would be appropriately placed.
- Would a demolition project, perhaps involving lead-based paint, be covered by this Code? Would staff be empowered to ask further questions to see whether it qualified for further review?
- This specific part of the Code regarded a construction management plan. The trigger distance would not trigger the whole Code, but would require doing a construction management plan once the map was verified to be accurate, or corrected if needed.
 - The Code was set up to apply rules for doing things inside the resource area. The trigger distance involved determining how close an activity could be without impacting a resource, even if that activity was outside the actual resource boundary.
 - The trigger distance would help the City identify and be clear about the boundary's location, and the applicant's construction management plan to address how not to disturb the natural resource.
 - The process should be fairly easy because most of the boundary verification work would come from staff evaluating maps and information. The construction management plan was mostly an erosion control plan with a few added factors, such as tree protection.
 - The proposed Code followed best construction practices. Most contactors were familiar with erosion control measures, so this was not an unreasonable request of applicants whose projects might impact WQR areas.
 - The Code provisions were aimed not just at professionals, but at do-it-yourselfers. Hopefully, the City would be educating the average population about these practices.
- Enforcement of these regulations would be similar to other parts of the Zoning Code wherein the City might not know about violations until after the fact or as a result of complaints. The City needed to establish rules so the standard was very clear.
- Staff believed using a 100-ft instead of 50-ft trigger would be sufficient, so a slope calculation would not be used. When submitting a construction management plan, an applicant would show slope and how they would prevent damage to the resource.
 - Some errors on the maps needed to be corrected, including 2 wetland areas that did not show any water resource.
- **Commissioner Gamba** believed it was a mistake not to account for slope when setting trigger distances. When trying to control material flowing with gravity, slope could not be ignored. Everything would go into the creek if there was a big enough rainstorm.
 - **Mr. Kelper** stated that he grouped slope with other issues like ground permeability, which were too complex to administer. This revision targeted activities that were too small to require an erosion control permit. He would agree with Commissioner Gamba if a big project was involved, but in that circumstance, an erosion control permit would be required.
 - The question was whether the proposed trigger distance would capture projects under that 500 sq ft disturbance threshold and allow staff to determine, based on the distance, if a project would impact the resource
 - The Commission could identify a slope percentage or grade that would be a concern. For example, if an applicant was 100 ft away with a slope less than "x" they would not have to go through the process.
 - The trigger distance could be 100 ft unless slope was involved, and then the maximum distance could be 120 ft, whichever distance was greater. The Code should address slope, perhaps pushing the project back another 10 or 15 ft, according to the grade percentage.

- Making the process too complicated would prohibit people from pursuing projects; people needed a solid number to work with. The City was trying to simplify the process so people would not be fearful of taking on projects.
- The City was not denying projects or creating further requirements. This was an opportunity for the City to watch more closely and pay attention to land use. Applicants would have to show how they were mitigating potential issues.
- Changing the trigger from 50 ft to 100 ft would compensate for a lot of slope, and the regulation would be combined with education about erosion control best practices from the Building and Planning Departments. If signs of erosion existed, simple, inexpensive erosion control measures could be put in place.
- If the water table was going to be impacted, it would happen whether projects were 50 ft back or 150 ft back from the resource. This was about the risk of erosion on the surface.
- Staff had done a good job in capturing the highest risks; if the water table was being impacted then further investigation could be done.
- As far as the roadway exemption, complications existed given the various types of roads in the city.
 - A road did not act as a buffer or help prevent erosion. Roads are not permeable, so contaminants could easily run into the creek faster.
 - Some restrictions already exist regarding runoff and pollutants in the right-of-way; it must be dealt with on one's own property. If there was a problem, staff would want to see the construction management plan.
- A trigger enabled the City to err on the side of caution and consider erosion control measures.
 - This part of the Code triggers the applicant to take additional steps like boundary verification with staff, and a construction management plan if any part of a project fell within the trigger area.

The Commission consented to retain the 100-ft trigger distance. Providing a sample construction management plan was also suggested for applicants to see they were not that complicated.

Clustering Development:

- **Commissioner Gamba** felt clustering should absolutely be allowed, not only for WQR functions, but as a general zoning concept across the city.
- Concern was expressed about the policy implying that simple projects would be approvable, and then after applicants invested in planning and design, the project might not actually be approved.
- **Commissioner Churchill** agreed in principle and liked the idea of flexibility, but questioned how sophisticated the clustering plan would need to be; he liked that it would come before the Commission.
- Staff wanted to be clear that the Commission consented to the clustering concept before developing language about the required criteria and documentation.
 - The standards for clustering development would be considered as part of the Residential Design Standards project.
- Staff sought input now because this concept supported the goal of offering incentives as well as regulations. As the City applied new regulations to lands with natural resources, this was one way to say they were not just taking away development rights. Applicants willing to exceed Code requirements could be given a little more flexibility, which was an important part of this Code project.

Staff would work on some items and return to the Commission about clustering development.

Adjustments and Allowances

- Staff suggested deleting base zone items (b) and (c) under 19.322.16(A)(1) so that the only allowed adjustment would be reduced yard setback standards of up to 10%. Any yard setback adjustment greater than 10% would come before the Planning Director or Commission as a Type II application.
- Concerns were expressed about adding the averaging concept on top of this allowed reduction. The averaging concept was just bad and needed to be addressed
 - For now, staff could specify that this change did not apply to the averaging, just as conditional uses and community service uses were excluded from this allowance.
- Having a jagged boundary line based on a resource that might shift over time rather than on a surveyable permanent property line was a concern. If a property changed hands, the new owner would not know where the jagged line was located.
 - Some jurisdictions require fencing to be placed along the boundary, which was a concern for wildlife.
 - The City does not know about projects or modifications on private property unless a complaint is issued or an application is submitted.
- The boundary line is based on the WQR, so it could always be measured. If the water table rose by 5 ft in the next 25 years, the measurement would be taken from the bank at that time out to that distance.
 - When a lot was partitioned, that tract was created based on the resource boundary line. If an applicant wanted to do a future addition, and if the resource had shifted, the applicant would need to establish another tract on top of that one.
 - **Mr. Kelder** agreed good questions that they should look at included some Code language so that when the tract was being created, there would be able to find some way to delineate it.

The Commission agreed with the proposed reductions and deletions.

Ms. Mangle distributed her notes responding to a prior request for information about what the City was doing to eliminate pollutants in the City water.

The Commission took a brief recess and reconvened at 8:03 p.m. after which the 6.1 South Downtown Concept Plan was addressed.

7.0 Planning Department Other Business/Updates

The Commission addressed this Agenda Item following 6.1 South Downtown Concept Plan.

7.1 New City Website preview/introduction

Ms. Mangle highlighted key features of the City's new website, which should go live in a week, noting that the Planning Department page would have a many items for the Commissioners.

- The new "Submitted Applications" link would show all the applications staff were currently reviewing; all Type II and Type III applications. Even items that were not ready to come to the Commission would be posted there.
 - Some supporting documents would be available to access as well. Such documents would be limited at first, because staff seldom receives submittal information electronically, but basic information would be posted and whatever staff could quickly scan in.
- The site included a map, although the City did not have a very good online mapping system yet. Right now, the maps would all be PDFs, which staff believed they could keep updated.
 - RSS feeds and Twitter would also be available so people could keep updated about what was going on in the City. No capability existed for Facebook at this time.

- Each department would maintain its own part of the website. Alicia Stoutenburg would be the Planning Department webmaster. Information Coordinator Grady Wheeler would be the webmaster for the entire site and would maintain the home page.
- An NDA resources page could be found under “Development Review” for the LUC chairs and would hopefully provide some training.
 - She confirmed that the entire application is sent to NDA LUC members. The applicant was asked to provide 20 copies of their application, sometimes of everything. Once things got online it would be better because more people would have access to information.

Chair Klein said he recently read an article about cities that were changing to iPads so that their Councils did not receive paper packets. The City was spending hundreds of thousands of dollars a year on copying services. A number of Commissioners have laptops and with WiFi network cables at City Hall, the Commission could go paperless.

- **Ms Mangle** commented that the Design and Landmarks Committee (DLC) had gone paperless. She noted applications came directly from applicants and would not be scanned in; perhaps the City would require electronic submittal in the future.
- The fact that some of the submitted plans were full-sized plans was also an issue.
- The website would help the NDAs in accessing application information. Staff sends LUC members what is sent to the Commission. Not everything could be sent, but more could be made available online, allowing more access to information for more people.

7.2 Pond House Deck modifications

Ms. Mangle read an email from Paul Shirey, City Operations Director and Applicant for the Pond House project approved by the Commission, as follows:

“Shortly after PC approval, facility staff began work on the deck and soon discovered that the dimensions of stairway posts and railing were such that a minimum width for the stairs themselves, 36 in, could not be met. There would only be 28 in available for the stair treads. As a result, we decided that it made sense not to build the stairs and to leave the south end open for emergency egress from the deck. This location is not immediately adjacent to the edge of the resource, as it would have been on the north end. Also, because of the grading, no stairs are needed for the egress to the south. It allows an at-grade exit from the deck to the landscaped yard area and then to the front edge sidewalk very quickly.”

- She noted that construction had paused, so the south end was just open. On the south end the pond curves away from the deck, so the area where people would walk in an emergency was not next to the creek.
- The Applicant had asked if the project still met approval since this was a change from what was approved. Because the result of the change was somewhat less in terms of impacts and activities than what was approved by the Commission, she believed the project still met approval. However, she just wanted to run it by the Commissioners for their input.

The Commission agreed with Ms. Mangle’s decision.

8.0 Planning Commission Discussion Items

Commissioner Churchill asked for more information about the 50% and 60% federal funding associated with light rail and when the funds would come in. It would be great for the Commission to be updated on items like the platform change. There seemed to be more going on behind the scenes that would be helpful for the Commission to understand. He wanted to understand what items were on the menu so the City’s portion did not get lost.

- **Ms. Mangle** said staff was planning a Downtown Light Rail workshop in November. Currently, she was pulling together all the visual materials about what was being planned, and the choices the City would be able to make. The City would not have control over some features. She would update the Commission when a final workshop schedule was set.
- There was no relationship between the federal funding change and what Milwaukie expected from the project. The City still cared about all the things that had been discussed with TriMet about the quality of design and would still hold their feet to the fire on those issues. Whole pieces of the project, like the pedestrian bridge, were not being cut, but parking garages were smaller, for example.
- The funding assumptions changed only about 6 weeks ago. She agreed to follow up with the facts and would send information to the Commissioners via email to discuss at the next meeting.

Commissioner Batey:

- Inquired whether somebody else was planning to annex on Harmony Rd behind the apartments. Some construction was occurring behind there and she hoped it was not in violation of the agreements the City had with the County.
 - **Ms. Mangle** clarified that half the apartments were in Milwaukie and half were on County land. She would check into the matter.
- Asked if staff was planning to cancel the second meeting in November, which was the Tuesday before Thanksgiving. She would not be able to attend.
 - **Ms. Mangle** replied she did not know yet, and asked the Commissioners to let her know if they would be unable to attend that meeting.

Commissioner Churchill stated that he would likely be gone as well.

Chair Klein stated that a neighbor in his Llewellyn neighborhood contacted him about the fiberglass business located on Johnson Creek Blvd on the south side by the bike path. They claimed that the fumes coming from that business were excessive. The NDA co-chair also noticed that the fumes were very excessive. The business was going through some sort of permitting process and the neighbors planned to go and raise awareness about this because the fumes were so bad.

- **Ms. Mangle** said that she biked by that business every day and had noticed a lot of different strange smells in that corridor. She asked that Chair Klein follow up with her.

Chair Klein thanked Councilor Loomis for attending.

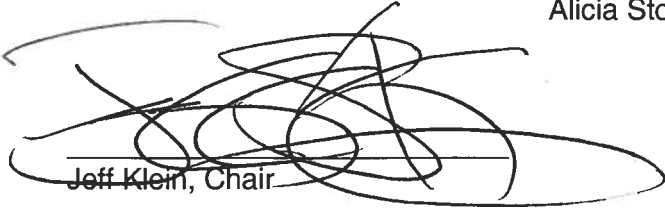
9.0 Forecast for Future Meetings:

- | | |
|------------------|---|
| October 12, 2010 | 1. Public Hearing: AP-10-01 Appeal of Director's Determination re: LED signs in Downtown |
| | 2. Worksession: Land Use and Development Review Process Tune-Up briefing #5: Review Conditional Uses, Amendments, and Development Review draft chapters |
| | 3. Worksession: Comp Plan – Thinking About, and Planning For, the Future |
| October 26, 2010 | 1. TBD |

Meeting adjourned at 8:53 p.m.

Respectfully submitted,

Paula Pinyerd, ABC Transcription Services, Inc. for
Alicia Stoutenburg, Administrative Specialist II



Jeff Klein, Chair



AGENDA

MILWAUKIE PLANNING COMMISSION Tuesday September 28, 2010, 6:30 PM

MILWAUKIE CITY HALL
10722 SE MAIN STREET

- 1.0 Call to Order - Procedural Matters**
- 2.0 Planning Commission Minutes** – Motion Needed
- 3.0 Information Items**
- 4.0 Audience Participation** – This is an opportunity for the public to comment on any item not on the agenda
- 5.0 Public Hearings** – Public hearings will follow the procedure listed on reverse
- 6.0 Worksession Items**
 - 6.1 Summary: South Downtown Concept Plan briefing (45 minutes)
Staff Person: Kenny Asher, Katie Mangle
 - 6.2 Summary: Natural Resources Overlay briefing #7 (45 minutes)
Staff Person: Brett Kolver
- 7.0 Planning Department Other Business/Updates**
 - 7.1 New City Website preview/ introduction
 - 7.2 Pond House Deck modifications
- 8.0 Planning Commission Discussion Items** – This is an opportunity for comment or discussion for items not on the agenda.
- 9.0 Forecast for Future Meetings:**
 - October 12, 2010
 - 1. Public Hearing: AP-10-01 Appeal of Director's Determination re: LED signs in Downtown
 - 2. Worksession: Land Use and Development Review Process Tune-Up briefing #5: Review Conditional Uses, Amendments, and Development Review draft chapters
 - 3. Worksession: Comp Plan – Thinking About, and Planning For, the Future
 - October 26, 2010
 - 1. TBD

Milwaukie Planning Commission Statement

The Planning Commission serves as an advisory body to, and a resource for, the City Council in land use matters. In this capacity, the mission of the Planning Commission is to articulate the Community's values and commitment to socially and environmentally responsible uses of its resources as reflected in the Comprehensive Plan

1. **PROCEDURAL MATTERS.** If you wish to speak at this meeting, please fill out a yellow card and give to planning staff. Please turn off all personal communication devices during meeting. For background information on agenda items, call the Planning Department at 503-786-7600 or email planning@ci.milwaukie.or.us. Thank You.
2. **PLANNING COMMISSION MINUTES.** Approved PC Minutes can be found on the City website at www.cityofmilwaukie.org
3. **CITY COUNCIL MINUTES** City Council Minutes can be found on the City website at www.cityofmilwaukie.org
4. **FORECAST FOR FUTURE MEETING.** These items are tentatively scheduled, but may be rescheduled prior to the meeting date. Please contact staff with any questions you may have.
5. **TME LIMIT POLICY.** The Commission intends to end each meeting by 10:00pm. The Planning Commission will pause discussion of agenda items at 9:45pm to discuss whether to continue the agenda item to a future date or finish the agenda item.

Public Hearing Procedure

Those who wish to testify should come to the front podium, state his or her name and address for the record, and remain at the podium until the Chairperson has asked if there are any questions from the Commissioners.

1. **STAFF REPORT.** Each hearing starts with a brief review of the staff report by staff. The report lists the criteria for the land use action being considered, as well as a recommended decision with reasons for that recommendation.
2. **CORRESPONDENCE.** Staff will report any verbal or written correspondence that has been received since the Commission was presented with its meeting packet.
3. **APPLICANT'S PRESENTATION.**
4. **PUBLIC TESTIMONY IN SUPPORT.** Testimony from those in favor of the application.
5. **NEUTRAL PUBLIC TESTIMONY.** Comments or questions from interested persons who are neither in favor of nor opposed to the application.
6. **PUBLIC TESTIMONY IN OPPOSITION.** Testimony from those in opposition to the application.
7. **QUESTIONS FROM COMMISSIONERS.** The commission will have the opportunity to ask for clarification from staff, the applicant, or those who have already testified.
8. **REBUTTAL TESTIMONY FROM APPLICANT.** After all public testimony, the commission will take rebuttal testimony from the applicant.
9. **CLOSING OF PUBLIC HEARING.** The Chairperson will close the public portion of the hearing. The Commission will then enter into deliberation. From this point in the hearing the Commission will not receive any additional testimony from the audience, but may ask questions of anyone who has testified.
10. **COMMISSION DISCUSSION AND ACTION.** It is the Commission's intention to make a decision this evening on each issue on the agenda. Planning Commission decisions may be appealed to the City Council. If you wish to appeal a decision, please contact the Planning Department for information on the procedures and fees involved.
11. **MEETING CONTINUANCE.** Prior to the close of the first public hearing, *any person* may request an opportunity to present additional information at another time. If there is such a request, the Planning Commission will either continue the public hearing to a date certain, or leave the record open for at least seven days for additional written evidence, argument, or testimony. The Planning Commission may ask the applicant to consider granting an extension of the 120-day time period for making a decision if a delay in making a decision could impact the ability of the City to take final action on the application, including resolution of all local appeals.

The City of Milwaukie will make reasonable accommodation for people with disabilities. Please notify us no less than five (5) business days prior to the meeting.

Milwaukie Planning Commission:

Jeff Klein, Chair
Nick Harris, Vice Chair
Lisa Batey
Teresa Bresaw
Scott Churchill
Chris Wilson
Mark Gamba

Planning Department Staff:

Katie Mangle, Planning Director
Susan Shanks, Senior Planner
Brett Kelder, Associate Planner
Ryan Marquardt, Associate Planner
Li Alligood, Assistant Planner
Alicia Stoutenburg, Administrative Specialist II
Paula Pinyerd, Hearings Reporter



MILWAUKIE

Dogwood City of the West

To: Planning Commission

From: Katie Mangle, Planning Director *KM*

Date: September 20, 2010, for September 28, 2010, Worksession

Subject: South Downtown Concept Planning

ACTION REQUESTED

None. This is a briefing for discussion only.

BACKGROUND INFORMATION

A. History of Prior Actions and Discussions

- **January 2008:** Worksession briefing on the South Downtown concept.
- **2006-2010:** City Council has held numerous worksessions and made several actions on the South Downtown project.

B. Project Background

Situated at the southern end of Main Street, overlooking the Willamette River, with adjacencies to future parks, development, transit, and natural areas – Milwaukie's South Downtown area is at the same time sorely underdeveloped and full of uniqueness and potential.

During 2007, the City developed a concept plan that ties together a number of ongoing planning projects into a cohesive vision. Called the South Downtown Concept Plan, the Plan features a new public plaza for the Milwaukie Farmers Market and other civic events, the restoration of Kellogg Creek, a pedestrian undercrossing of McLoughlin Boulevard (State Highway 99E), pedestrian connections to Milwaukie High School, Robert Kronberg Park, Riverfront Park, mixed use development, and a proposed light rail station at Lake Road.

During 2008 and 2009, the City helped create, under the leadership of Christopher Alexander and his firm the Center for Environmental Structure, a Pattern Language for the South Downtown. The Pattern Language describes a framework for new development in the South Downtown that enhances the natural features of the land and holds true to the communities' vision for a new downtown neighborhood. The Pattern Language describes a new public plaza, adjacent development, and a unique vision for construction, maintenance and tenancy.

The past six months have been focused on completing a phase of the project that would bring the South Downtown concept into sharper focus. Walker Macy, the current project consultant, led this phase and is nearing completion of its contract.

Although redevelopment does not appear imminent on any of the South Downtown parcels, light rail planning will be entering final design in January 2011 and the City is best served by having an adopted plan for the light rail station area before light rail design progresses too much farther. The South Downtown planning progress will also help advance the community's desire for a station building on the triangle site, and will accelerate zoning code revisions that will ensure that new development occurs in keeping with the community's vision.

The objective of the current phase of the project (Phase 4) is to decide on the arrangement of the public spaces in the South Downtown.

C. Phase 4 Milestones

Expanded Steering Committee

Phase 4 saw the expansion of the project Steering Committee from 9 people to 25 (see Attachment 1 for a list of members). The selection process for the expanded Steering Committee was for stakeholders to volunteer, and/or to suggest the names of anyone who might have an interest in participating. Staff contacted those whose names were provided. Everyone who volunteered was appointed to the new Steering Committee, including seven of the Group of Nine who were previously deeply engaged with the planning process. Also of significance was the addition of the South Downtown property owners – all of whom became active participants during this phase.

The Steering Committee met three times in full, with one extra meeting held in June for a dozen or so Committee members who were interested in delving more deeply into critical design decisions.¹

Development Advisors Report

In June, prior to the refinement of the Concept Plan, a Development Advisory Panel met with the Walker Macy team and City staff to discuss feasibility issues related to the future development of the South Downtown. The panel consisted of a real estate economist, a professional planning and project management consultant, and a public/private development specialist. The panel prepared a report for the City (and the design team), which is appended to this report as Attachment 2.

Some of the report findings include:

- Early investments in the South Downtown could be modest, yet effective (e.g. storefront improvements, plantings, painting, etc).
- Structured parking would not be essential until late in the life of the area's redevelopment, and should not consume the Cash Spot site.
- The potential market is office and residential (retail will be more difficult) and developers will either need to attract higher rents or find rent subsidies
- Phasing should be employed for sequential use of the land
- The Farmers Market should plan to move to the South Downtown, as should a new City Hall and/or library if such a facility were planned.
- The City should set up a development agency or community development corporation to facilitate implementation.

Refined Concept Plan

The Walker Macy team undertook several exercises on the way to a refined concept plan. The team did a detailed survey of the South Downtown area, noting conditions that prior consultants

¹ Meeting notes from all four meetings are available for review on the City's website at cityofmilwaukie.org.

had not studied to any great extent, such as floodplain elevations and railroad setback requirements. The team did interviews with about half a dozen project stakeholders, summarized the input, reviewed and commented on prior South Downtown studies, conducted a conference call and meeting with the Development Advisors, met with TriMet and Ankrom Moisan architects (who are working on the Triangle Site and light rail station building), studied the fabric of downtown Milwaukie and shared images from similar downtowns, and then drew up three concept plans for the Steering Committee to review and react to.

The concept plan versions each attempted to solidify the circulation pattern in the South Downtown. Put another way, the concepts set out to define the position and general use of the *public spaces* (i.e. streets, plaza, parks) while suggesting *private development* that would do the job of reinforcing the quality of the public spaces. To be clear: the objective of Phase 4 is to decide on the arrangement of the public spaces in the South Downtown.

As in prior schemes, all three versions of the concept plan featured a plaza in the South Downtown, although the Walker Macy team felt that the plaza should be located at the intersection of the existing Adams and Main Streets. This spot was seen as the center of the area, given its proximity to the north end of the light rail platforms on 21st, and its view over McLoughlin to the Willamette River. The three concepts considered alternatives for how Main Street could interact with the plaza. The concepts also played with different plaza shapes, options for connecting to Dogwood Park west of Main, and slightly different routes from the plaza to Riverfront Park across McLoughlin. All three included a pedestrian over crossing at McLoughlin, as this concept was unanimously applauded by Steering Committee members.

Using feedback from the Steering Committee and the staff, the Walker Macy team compiled the best and strongest ideas from the three concepts into a single refined concept plan, which staff is proposing Council adopt as the guiding vision for future South Downtown planning. That Refined Concept, with supporting drawings, is included in this report as Attachment 3. The important features of the plan are:

- An egg-shaped plaza at Main Street and Adams with views to the Willamette, a water feature and terraced seating on the west, retail spaces to the east, and Main Street running through the center.
- Except during events, Main Street remains open through the plaza, but traffic is calmed through the area with a slight grade change, bollards, and pavement treatment. During events, and potentially at other scheduled times, the plaza and a portion of Main Street are closed to vehicular traffic.
- The Farmers Market is one such event, and the plaza and adjacent streetscapes are designed to accommodate at least 100 Farmers Market stalls.
- A jewel-box pavilion sits in the southwest corner of plaza, looking out over Kellogg Creek. This is a small, architecturally distinctive building with an important use – possibly a Nature Center that introduces the public to the Kellogg-for-Coho Restoration Area.
- The section of Lake Road between Main Street and 21st is opened to two-way traffic and reconfigured at the east end to allow safer and more convenient turns for cars and bikes.²

² Walker-Macy is currently at work on a design for this segment of Lake Road, which will be a green street, with bike, stormwater and pedestrian-friendly features. The design will be provided to the light rail Final Design Team in January, for incorporation into the Portland-to-Milwaukie Light Rail project.

- The planned undercrossing of McLoughlin at Kellogg Creek (see Kellogg-for-Coho Initiative) is supplemented by an overcrossing of the highway at Washington. This bridge is at approximately the same elevation as the plaza, allowing for people to move from the plaza directly to the riverfront area without climbing any stairs. The at-grade intersection of Washington and McLoughlin is also envisioned to receive additional pedestrian-friendly improvements.
- The principal connection between the plaza and the light rail station is along Adams Street, newly designed as a pedestrian way. (This portion of Adams will be closed due to light rail construction). Near 21st, a crescent shaped sidewalk reinforces the shape of the plaza, while neatly solving the challenge of crossing three rail tracks on foot or bike at a less-than-90 degree angle
- The entire area is designed to be safe and comfortable for visitors, businesses and residents, with special focus paid to the relationship between the South Downtown area and Milwaukie High School and its students.
- Dogwood Park is expanded and integrated to the north and east with the plaza improvements and Main Street streetscape features, and to the south and west with the newly established Kellogg Creek Nature Area
- Four development sites are established:
 1. the Bernard Block
 2. the Shipley Block
 3. and the Triangle Site
 4. the Cash Spot Site:

A set of “L” shaped buildings are anticipated on the Cash Spot and Triangle sites, given their physical constraints. The City of Milwaukie has ownership interests on both of these sites, and is actively working with another design team on the Triangle Site project, which is intended to support light rail related activities. The other two sites are entirely privately owned, and will redevelop according to designs that have not yet been made. However, City staff is working with the property owners to see if redevelopment can be guided along the lines suggested in the South Downtown planning project. Of particular importance are the ground floor-facing frontages on Main Street and on the plaza.

These ideas, generally on display in the attached set of Walker Macy drawings, constitute a tremendous leap forward in the design, community comprehension, and public acceptance of the South Downtown plan. Yet, staff would note that each idea now requires additional study, design development and technical analysis. Taken together, the ideas form a very compelling area plan. However, they are still in concept form, and as such, are subject to modification as projects develop and designs are tested in greater detail.

Farmers Market Open House

With the consensus of the Steering Committee and a set of clear and compelling drawings, staff held an Open House at the Milwaukie Farmers Market on the morning of September 12. Comment cards were collected, however the Open House was not seeking design advice on the Refined Concept. Rather, staff was interested in soliciting opinions about the scheme, and educating more people about the exciting vision that was emerging for the South Downtown.

D. Next Steps

When Council approved the Walker Macy contract in April 2010, staff projected Phase 4 would last five to six months. The action that is being sought from Council in October places the project right on schedule, and introduces a necessary discussion of implementation, implications and required next steps.

Should council adopt the Refined Concept Plan, it would be a milestone for the project, and a signal to the local, regional and business communities that Milwaukie is embracing the development potential of its south downtown. Yet, adoption of the Plan would really be just a start; it wouldn't, of its own, accomplish anything contemplated in the Plan.

A first-run estimate of the total costs for building the public spaces included in the plan are \$42,780,437 (see Attachment 4). Some of these costs are related to the light rail project and the Kellogg-for-Coho Initiative, both of which are likely to have multiple funding partners. Other costs, for sidewalks and street improvements, are typically borne by private development. However that model has not proven successful in downtown Milwaukie because projects become too expensive and therefore infeasible. Were new development to occur on all four development sites, the value of that development would likely range between \$30 and \$50 million. Yet as noted by the Development Advisors, this level of investment does not appear imminent given Milwaukie's current land value, rent structure, vacancy rates, and public funding availability.

What then should the city do if it wants to implement the South Downtown Concept Plan?

The Community Development and Planning Departments are the lead departments in shaping and realizing long-range plans for Milwaukie. The Directors of these Departments have been collaborating and seeking the advice of industry professionals on a strategy for incrementally realizing the South Downtown vision. The City has tools like the zoning code which it can seek to amend, and can create tools that other cities use to help guide development.

Staff has provided the following list to for Council consideration. Staff encourages the Council to review this set of activities and bring questions or comments to the work session. What follows is a proposed work program to increase the likelihood that the City will realize, over time, the South Downtown vision that the community participants have roundly endorsed.

Community Development Department-led Activities

- Work closely the three private property owners in the South Downtown on redevelopment plans for their properties. Support individual property owners in development efforts, and coordinate these efforts so they can collectively achieve the South Downtown vision.
- Continue predevelopment planning for the Triangle Site, in anticipation of that site's availability and redevelopment after light rail construction.
- Utilize the upcoming urban renewal planning process to study site development potential in the South Downtown. Advocate for the adoption of urban renewal as a means for funding portions of the South Downtown Plan.
- Either with the formation of an urban renewal district or without, establish a redevelopment agency that will assume ongoing responsibility for coordinating development efforts in the South Downtown, raising capital for projects, interfacing

between private parties, citizens, city staff and city council, and bringing new resources to all who are working to implement the South Downtown plan.

- Provide TriMet with all South Downtown-related drawings and direct TriMet to incorporate, wherever possible, into the light rail project design.
- Seek to leverage existing regional flexible transportation funds on a streetscape enhancement project in the South Downtown.
- Continue to work on the Kellogg-for-Coho-Initiative as a catalyst for South Downtown redevelopment.
- Advance the design work on the Refined Concept Plan, to study the plaza and other public spaces in more detail, and/or to study the manner in which new buildings will fit into, and support, the Concept Plan.
- Recruit potential tenants, builders, designers and new champions to the effort.

Planning Department-led Activities

- Review the zoning code to identify areas of inconsistency with the new South Downtown refined concept plan, and coordinate with the Community Development Department, property owners, Planning Commission and City Council on code updates to facilitate the realization of the new vision.
- Study related transportation requirements and plans that must be reconciled to achieve the new vision, including streetscape plans, transportation plans (e.g. connectivity) and traffic studies.
- Utilize the Downtown Code Refresh project in 2011 to update and improve development standards that would apply to all of downtown, including the South Downtown.
- Work to update Milwaukie's Downtown Design Guidelines to better motivate realization of the design character identified in the South Downtown planning process.
- Recommend amendments of the Downtown Plan and Comprehensive Plan to the Planning Commission and City Council if and when necessary.
- Support property owners with regulatory requirements on development proposals or ideas.
- Ensure that planning and permitting for the light rail project takes into account, and is bolstered by, the community consensus that has emerged around the South Downtown concept.

All of the items listed represent a commitment on the part of the City to achieve the South Downtown Plan. The commitment must come in the form of adequate staffing and budget to accomplish these tasks, leadership and marketing as to the importance of the project, ongoing communication with citizens, possible partners and the media about the priority of accomplishing the South Downtown. The light rail project is expected to begin construction next year. The choices that Milwaukie makes over the next 2-3 years will determine whether the South Downtown vision will be built, or whether it will be another good Milwaukie plan with limited implementation value.

Attachments

1. Advisory Committee roster
2. Development Advisory Panel Report dated June 28, 2010
3. Refined Concept and supporting drawings
4. Cost Estimate for building public spaces

ATTACHMENT 1

South Downtown Steering Committee
6/1/2010

	First Name	Last Name	Affiliation
1	David	Aschenbrenner*	Hector Campbell/CMI
2	Lisa	Batey	Island Station/PC
3	Carrie Rose	Berekely	Lewelling
4	Jim	Bernard	Property Owner/CMI
5	Farid	Bolouri	Property Owner
6	Ray	Bryan	Historic Milwaukie
7	Carlotta	Collette*	Ardenwald
8	Crites	Rosemary	Oak Grove citizen/ realtor
9	Mark	Gamba*	Historic Milwaukie
10	Dave	Green	Riverfront Board
11	Neil	Hankerson	Downtown Property Owner
12	Kim	Keehner	Main St. Business/MSM
13	Beth	Kelland	Linwood
14	Joe	Krumm	Milwaukie High School
15	Joe	Loomis	Milwaukie City Council
16	Matt	Menely	Bicyclist/Waldorf Parent
17	Mike	Miller*	Lake Road/CMI
18	Arlene	Miller	Lake Road
19	Christie	Schaeffer	Parks Board
20	Cynthia	Schuster	Main Street Milwaukie (MSM)
21	Eric	Shawn	NCUWC
22	Dion	Shepard*	Historic Milwaukie
23	Joan	Shiple	Property Owner
25	Sarah	Smith*	Hector Campbell
24	Patty	Wisner	DLC
25	Ed	Zumwalt	Historic Milwaukie

*Group of Nine participant

RECOMMENDATIONS

To

The City of Milwaukie, Oregon

For

The South Downtown Project

June 28, 2010

Development Advisors Panel:

**Jerry Johnson
Johnson Reid LLC**

**Michael Mehaffy
Structura Naturalis Inc.**

**Marilee Utter
Citiventure Associates LLC**

June 28, 2010

Kenny Asher
Development Director
City of Milwaukie
10722 SE Main Street
Milwaukie, Oregon 97222

Dear Kenny,

RE: South Downtown Project: Development Advisors Recommendations

Thank you again for inviting us to review and make recommendations for your exciting project. Following is a report summarizing our recommendations.

If we can be of further assistance, please do not hesitate to let us know.

Sincerely,



Jerry Johnson
Johnson Reid LLC



Michael Mehaffy
Structura Naturalis Inc



Marilee Utter
Citiventure Associates LLC

Background

The City of Milwaukie is planning a major redevelopment project for its South Downtown area, adjacent to a station on the new light rail line that is expected to open in 2015. The City has engaged consultants to develop a pattern language and other planning documents for the site, and to carry the plan forward into implementation. As part of this process, the City invited a board of development advisors to tour the site, meet with stakeholders, meet with the City staff and consultants, review the materials to date, and engage in a discussion of implementation.



*Top: Aerial of the city in relation to Portland, with South Downtown site located at right of bridge.
Bottom left: team tour on June 10, 2010. Bottom right: team meeting with city staff and consultants from Walker Macy landscape architects*

Recommendations of the advisors:

General

1. The “organic” and small-increment approach of the pattern language is indeed compatible with the economic opportunities we see presently in Milwaukie, and in the current market in general (more on this below). It is also well-suited to keeping and enhancing the small-town qualities that residents say they value.
2. We believe it will be critical to continue to identify and work closely with local businesses and cultural assets, to develop proposals for their increasing role in evolving projects. This approach has been aptly termed “economic gardening.”
3. We believe the South Downtown project should be seen as integral to a larger strategy for all of downtown; and in particular, to seek new businesses over time, and to enhance existing businesses, using a suite of tools such as storefront improvements, streetscape remodels, planting, etc. These can be funded with revolving loan funds, grants, and other public financing and funding mechanisms. Even modest initial investments can help to catalyze a significant revitalization over time.
4. Regarding parking, we recommend starting with on-street and tuck-under parking, and secondarily, unobtrusive surface parking lots.
5. Short of a major external funding source, we do not see the economic feasibility of structured parking until relatively late in the project. But we do recommend that a place be designated in your plan, centrally located, covered by liner buildings, and perhaps used as surface parking in the interim. We would caution against the present concept of the important gateway at Washington and McLaughlin presenting a parking garage as the front door to downtown.

Current economics

6. In general, the commercial market in this area is highly limited by the relatively small number of residences in the catchment area. Most of the market we see is for office and residential. Opportunities for commercial are more encouraging for destination retail, outlet stores for manufacturing businesses (e.g. Dark Horse), small family businesses with low overhead (e.g. “shop houses,” live/works), Milwaukie commercial overall is quite over-built and the market is doubtful even for the time period of the light rail opening (e.g. 2015). Typical rents at present are in

- the range of \$12 triple net (i.e. renter pays taxes, insurance and maintenance costs). This is not likely to be sufficient to support even the most modest new construction project. Therefore, developers will have to attract higher rents, or find rent subsidies.
7. There may be more promising and short term opportunity for incubators of small businesses, particularly those that play on existing resources – e.g. creative businesses, small manufacturing, Internet businesses, etc. Some existing buildings may be the most affordable and should be promoted to full advantage with incentives.
 8. Phasing will be critical. Because the current downturn is expected to be protracted for commercial especially, phasing strategies should be employed for successional use of land, e.g. surface parking or temporary uses that can be developed later. Structured parking can also be considered for a later phase if economically feasible. But given the vision of the community for less intensive development, the limited market for commercial and the likelihood that required parking ratios will come down with the coming of light rail and other trends, we believe a centralized structured parking facility may not be warranted.

Potential catalysts

9. If the Farmers' Market can be moved to this area, that would be a major asset for the project, and a strong complement to the vision expressed in the pattern language. (See e.g. the CES project in Fresno, California.)
10. There was some discussion of moving City Hall and/or the library. These could be very significant catalysts and anchors for a strong South Downtown development.
11. The station building should be thought through carefully. It will provide the opportunity for additional station-related activities, but will need to be planned to have better connection to the other side of the development. A joint facility with City Hall would be ideal. At the same time, station amenities would be very beneficial (coffee, newspapers, Bike rental/storage, possibly drop-off daycare, etc).
12. Dark Horse and other distinctive local businesses might be persuaded to have at least an outlet facility in the new area, so that it begins to have a distinctive local character and cultural interest.
13. We believe the waste treatment plant modification must be prioritized. In addition to the area liability posed by its current condition, a new plant offers promising opportunities for synergies from waste heat recovery and district energy, as well as adding area for open space and/or development.

Discussion of patterns and proposed adjustments

14. The proposal for an “outer tier” of shops could still be implemented in the context of the Farmers’ Market, and associated small local vendors that are both temporary and permanent. This facility might begin as an inexpensive trellis-like structure, and gradually become more substantial over time. (Again, see the CES project in Fresno for reference.)
15. There may also be opportunities for live/works or “shop houses,” notably along the front edge of the project along Washington Street, and possibly at the light rail station.
16. The proposal for pedestrianization of the plaza area can be implemented through an incremental approach that allows cars into a “shared space” in a controlled way, varying at different times. Cars can be entirely removed at certain times, but we recommend that this be kept adjustable as conditions require. We believe this will be important to assure that businesses do not fail for lack of pedestrian density. (We also understand and support the desire to maintain mixed-mode connectivity in the area.)
17. The proposal for a pedestrian bridge across McLaughlin should be phased for a later stage, after study of the operation of at-grade crossings and a path along the new creek, under the proposed new vehicular bridge on McLaughlin. Overhead bridges are expensive and in many cases they have failed to get the expected use.
18. The connection from Lake Road to the south is a significant source of traffic for the downtown retail and should be accommodated carefully.

Urban design

19. We understand the consultants’ suggestion that the plaza can be smaller, and might shift to the north to afford better views. In any case, we believe a close connection must be made to the light rail station – perhaps by re-aligning a diagonal pedestrian connection in the present area of SE Adams.
20. We suggest that the plaza and the buildings around it can be smaller grain and perhaps more irregular, more like what is shown in the armature drawing, to give greater charm and distinctiveness.
21. We recommend a strategy of creating a new code for the coordination of acts of building by separate owners. This code might function as a guide for laying out spaces, i.e. as a “generative” code or a similar set of design guidelines for new construction. Work is proceeding in this and related areas, and we recommend that the City investigate this opportunity further.

Architectural character

22. We believe that the spirit of craftsmanship and individuality called for in the pattern language is feasible, but given economic limitations, will need to be interpreted in a simple and inexpensive way.
23. We believe the character of the existing blocks establishes an appealing precedent, using small buildings massed together. But as noted earlier, the needed economies of scale usually achieved by a single large owner will have to be secured by the City itself and the agencies it establishes, in the form of lower-cost utilities, infrastructure, group purchases, etc.
24. Regarding common structures like arcades, a code can specify how such a structure would continue across separate buildings and owners.
25. We recognize the concerns of the consultants regarding arcades in a relatively dark northern climate. But rather than expensive glass, simple pergolas, trellises or awnings might also be sufficient.

Implementation mechanisms

26. We recommend that the City look at ways of setting up a development entity – perhaps a community development corporation or redevelopment agency. As noted, this will be essential for implementation, for coordination, and to achieve economies of scale that would otherwise be provided by larger owner/developers.
27. We recommend the City look carefully at innovative incentives such as a community land trust, shared equity programs, incentives (e.g. vouchers?), tax-exempt financing, low interest loans, etc. for small-scale developers, local residents and owners to become engaged.
28. A public investment by the City will likely be required at some level to realize the type of development the Steering Committee seeks. Determining the amount, source, timing, purpose and management of such an investment will be key in moving forward.
29. In any case, the scale of development should remain modest for the most part. Parcelization into smaller lots, appropriate coding, and use of community land trust funds can be helpful, particularly on publicly-owned land. At the same time, the City and its partners should also be mindful of opportunities for property owners that have larger pieces of land, so as to encourage a mix of scales of development.
30. We recommend that the City' new development entity consider establishing (or facilitating) a "master builder guild" to provide resources for owners and builders.
31. We recommend that resources be provided to support and enhance the design and building skills of owners, to become consistent with the

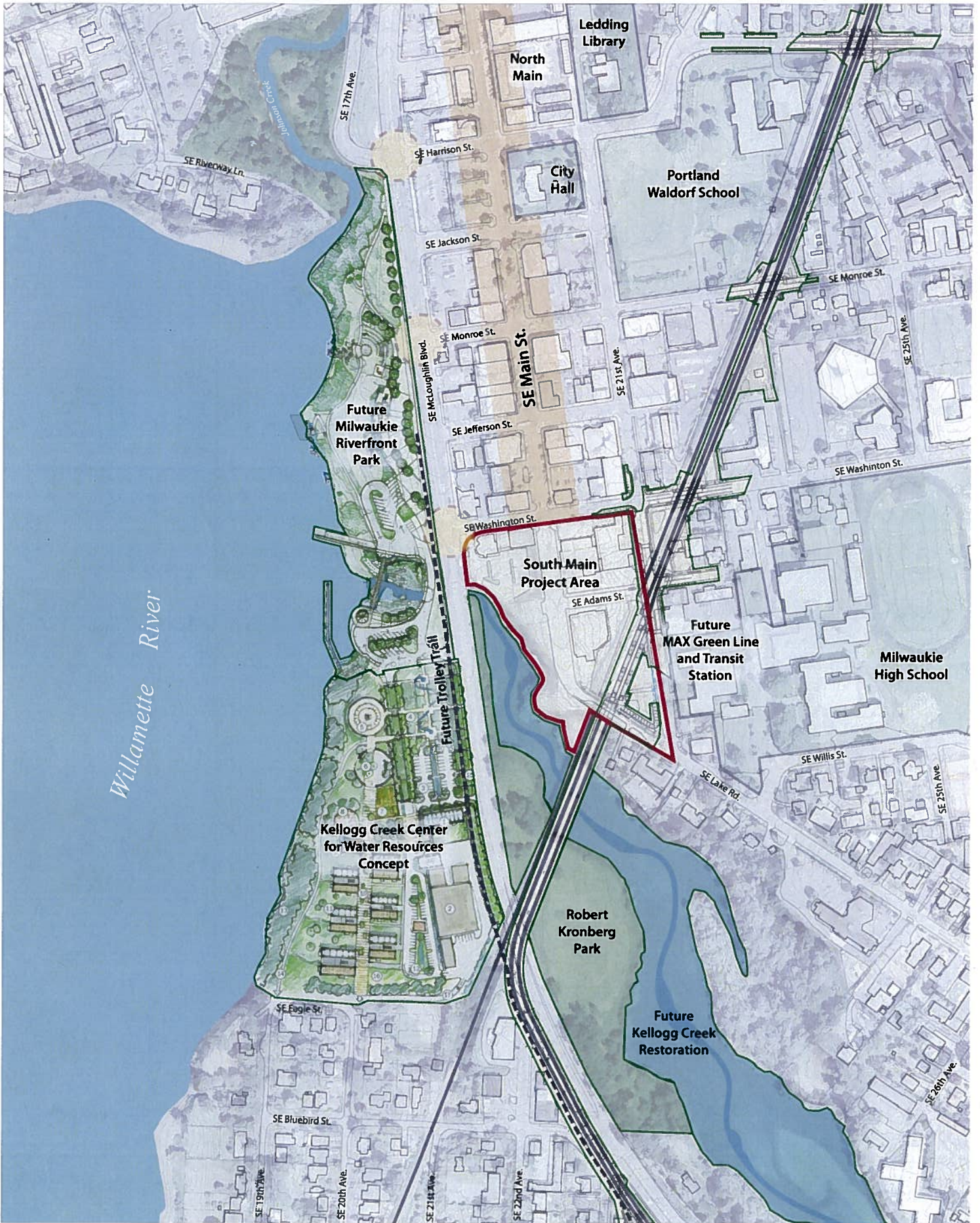
community's vision of craftsmanship and individuality. These might include pattern languages, pattern books, builder guides, sample plans, etc. These could be offered in a "resource center" format, in conjunction with the "master builder guild."

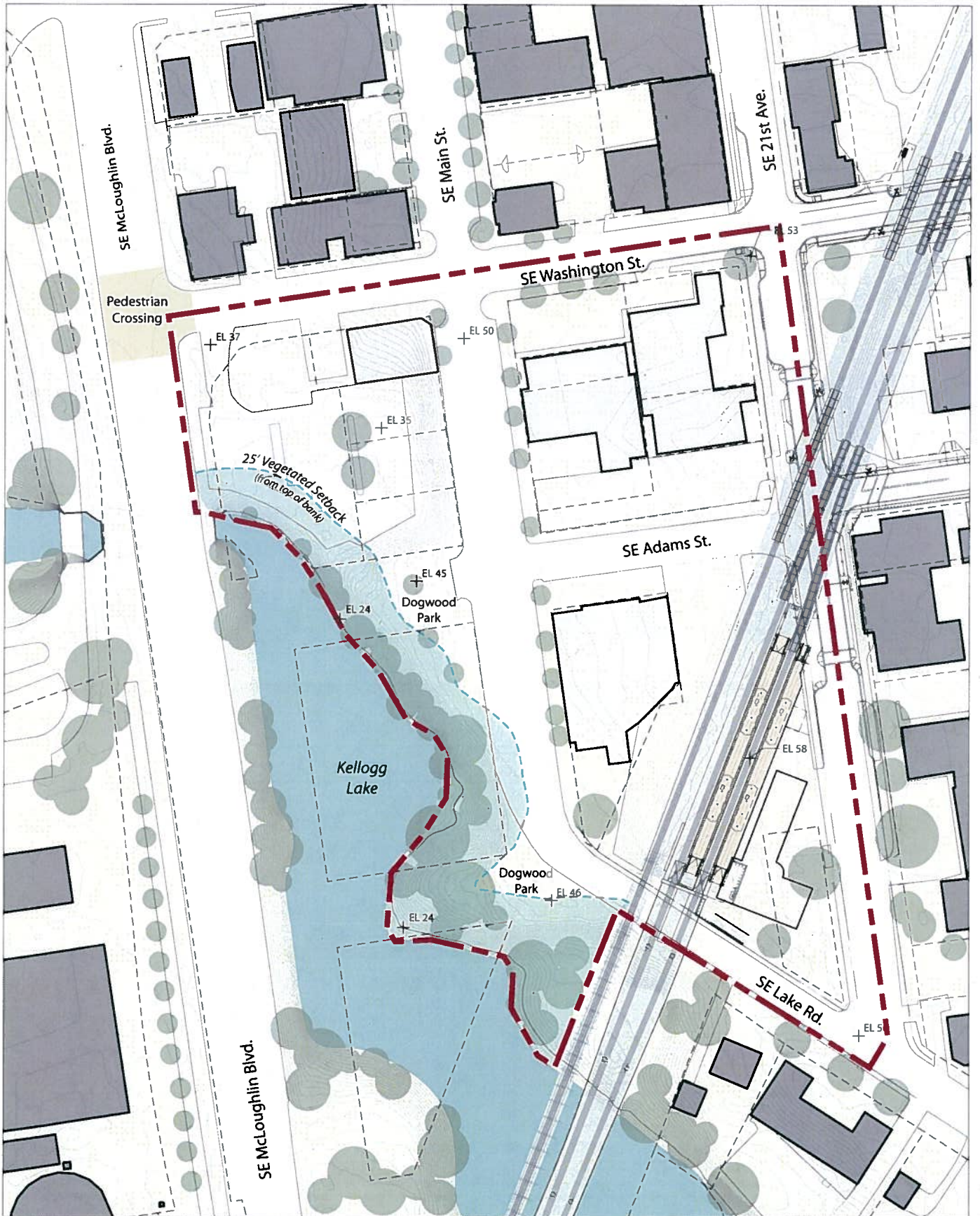
32. An ombudsman to help discuss financing options and public-private partnerships would also be helpful to user-owners without previous experience in development.

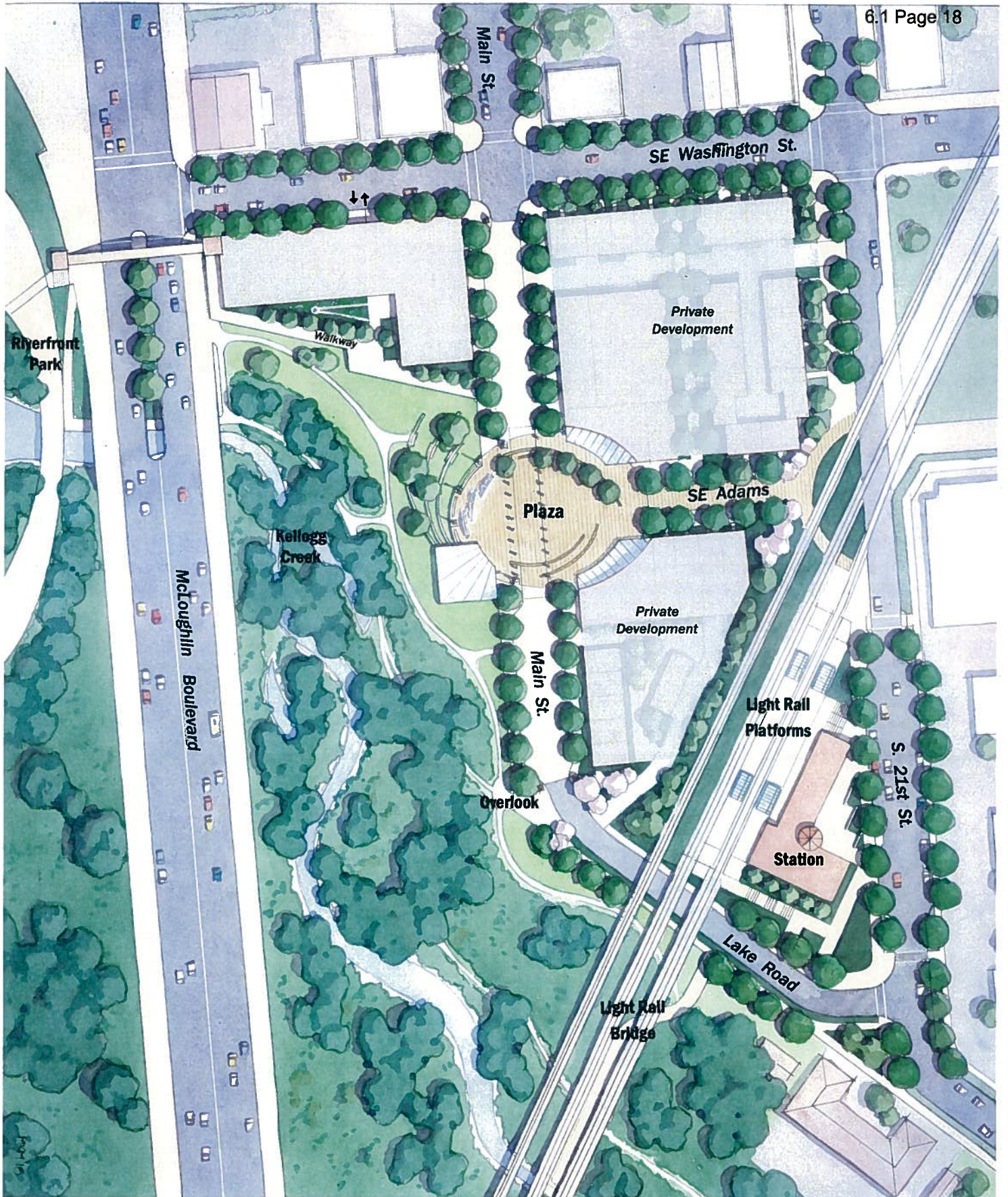


Existing downtown fabric

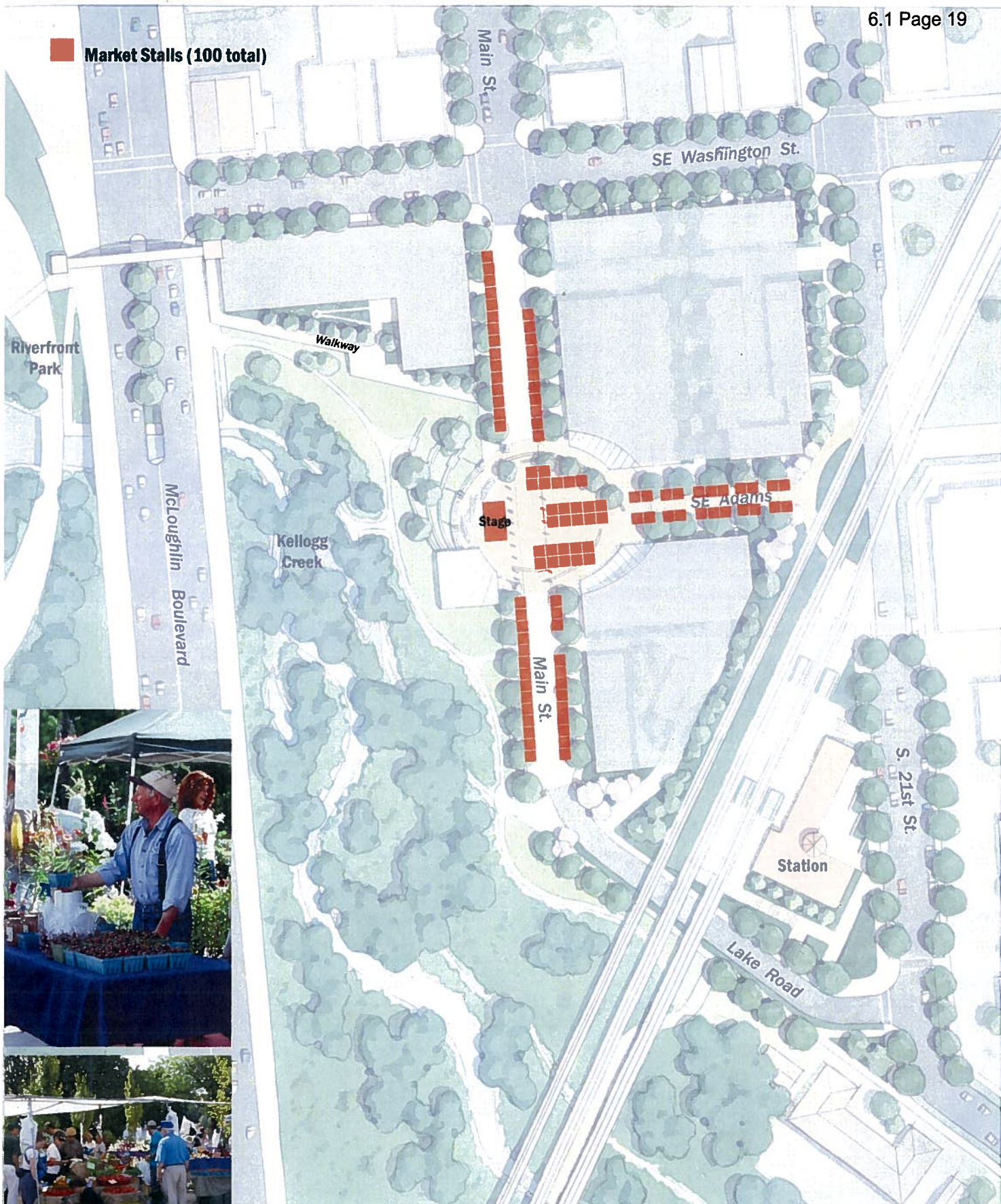


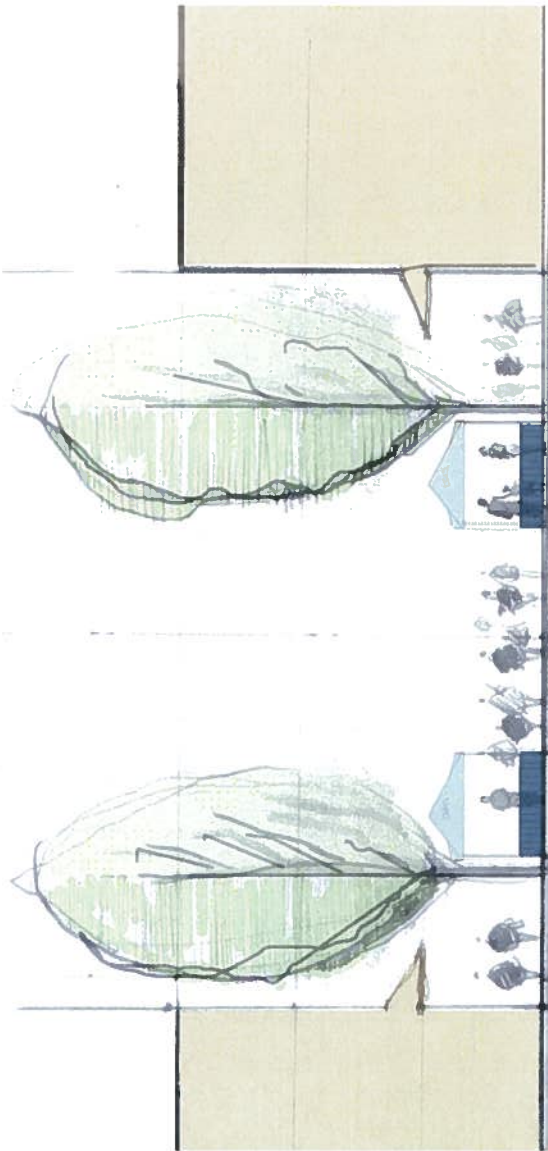






Market Stalls (100 total)

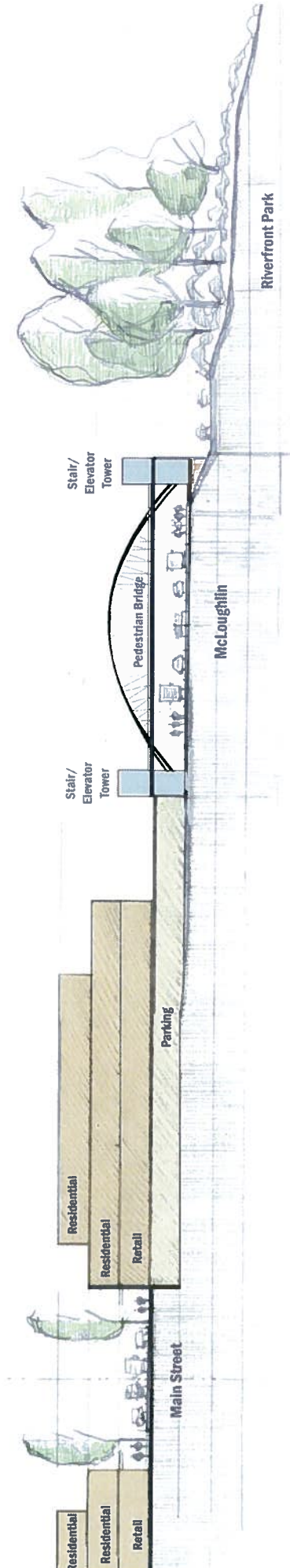




Main Street
1" = 10'



Corvallis, OR



Site Section
1" = 20'

Sections

ATTACHMENT 4

South Downtown Public Improvement Rough Cost Estimate

September 9, 2010
Prepared By:: Zach Weigel

Kellogg for Coho Initiative

Dam Removal & Bridge Construction*

Design	Expected Cost	Source of Cost Estimates
Planning Phase	\$ 343,000	FHWA Grant Agreement
Sediment Sampling	\$ 78,000	Parametrix 3/2009
NEPA Documentation	\$ 45,000	
Permit Document Prep & Fees	\$ 75,000	
Public Education & Historical Documentation	\$ 35,000	
Project Evaluation & Reporting	\$ 65,000	
PE & Final Design	\$ 1,477,928	
Design Subtotal	\$ 2,118,928	
Construction		
Mobilization	\$ 1,013,437	Army Corp Estimate 10/2005
Dewater/Drain Lake	\$ 87,500	Army Corp Estimate 10/2005
Install & remove temporary coffer dams	\$ 56,250	Army Corp Estimate 10/2005
Excavation, including dredge sediments	\$ 1,931,250	Waste Management 3/2009
Haul & Disposal	\$ 1,312,500	Army Corp Estimate 10/2005
Demolition	\$ 515,625	Army Corp Estimate 10/2005
Construct Bridge	\$ 3,229,727	Army Corp Estimate 10/2005
Storm Infrastructure	\$ 16,500	City of Milwaukie recent Bid Tabulation
Curb & Sidewalk	\$ 17,500	City of Milwaukie recent Bid Tabulation
Architectural Replica Guard Rail	\$ 17,203	Army Corp Estimate 10/2005 + 50% prem. For arch replica
Relocate sanitary sewer pipe	\$ 53,500	City of Milwaukie recent Bid Tabulation
Rapid Replacement - Mobilize Hydraulic Skid System	\$ 200,000	Slayden Construction 3/2009
Rapid Replacement - Staging Prep	\$ 750,000	Slayden Construction 3/2009
Seeding lake bed and misc work	\$ 257,750	Army Corp Estimate 10/2005
Construction Management	\$ 1,266,796	15% of Construction Costs
Construction Contingency	\$ 844,531	10% of Construction Costs
Construction Subtotal	\$ 11,570,069	

Stream Restoration	Quantity	Units	Unit Price	Total Value	Source of Cost Estimates
Planning & Design	1	LS	\$ 140,000	\$ 140,000	20% of Construction Costs
Construction	14	ACRE	\$ 50,000	\$ 700,000	Alex Campbell research on KFCI project
Construction Management	1	LS	\$ 210,000	\$ 210,000	30% of Construction Costs (Federal Funds)
Construction Contingency	1	LS	\$ 140,000	\$ 140,000	20% of Construction Costs
Stream Restoration Subtotal				\$ 1,190,000	
Kellogg for Coho Initiative Total Cost				\$ 14,878,997	

* All Dam Removal & Bridge Construction Costs were obtained from the application for ARRA funding for the Kellogg Creek Fish Passage Barrier Removal and Bridge Replacement

Public Improvements**

Design	Expected Cost	Source of Cost Estimates
PE & Final Design	\$ 1,712,130	15% of Construction Costs
Design Cost	\$ 1,712,130	

Construction	Quantity	Units	Unit Price	Total Value	
McLoughlin Blvd Ped Bridge @ Washington Street	1	LS	\$ 7,000,000	\$ 7,000,000	Milwaukie LRT Cost Estimate + Contingency for similar work in Portland
McLoughlin Blvd Ped Bridge Elevator	2	EA	\$ 1,000,000	\$ 2,000,000	Milwaukie LRT Cost Estimate + Contingency for similar work in Portland
McLoughlin Blvd Half Street Improvements (Downtown Plan)	150	LF	\$ 1,500	\$ 225,000	McLoughlin Blvd Street Improvement Cost Estimate
Washington St Half Street Improvements (Downtown Plan)	520	LF	\$ 1,100	\$ 572,000	North Main Village Cost Estimate + 20% for Inflation
Main St full street improvements (concrete roadway + Dwtm Plan Style Improvements)	420	LF	\$ 2,400	\$ 1,008,000	Assume 80' width of Improvements Jackson Street Cost Estimate
Adams St full street improvements (concrete road + Dwtm Plan Style Improvements)	120	LF	\$ 2,000	\$ 240,000	Assume 60' width of Improvements Jackson Street Cost Estimate
Plaza (Concrete, Same X-Sec as Street, Downtown Plan Style Improvements)	1	LS	\$ 1,000,000	\$ 1,000,000	Assume Plaza Ellipse 120' x 150', Fountain, Terraces, Higher Quality Finishes - Jackson Street Cost Estimate
Construction Cost				\$ 12,045,000	
Non-Light Rail Related Public Improvements Total Cost				\$ 13,757,130	

Construction	Quantity	Units	Unit Price	Total Value	
21st Avenue Half Street Improvements (Downtown Plan)	770	LF	\$ 1,100	\$ 847,000	North Main Village Cost Estimate + 20% for Inflation
Lake Road Full Street Improvements (Asphalt Road, Similar to Downtown Plan Style)	330	LF	\$ 1,800	\$ 594,000	Assume 50' width of Improvements North Main Village Cost Estimate + 20% for Inflation
Light Rail Side/Center Platform	1	LS	\$ 1,500,000	\$ 1,500,000	Milwaukie LRT Cost Estimate
Pedestrian Bridge over Kellogg Creek	1	LS	\$ 700,000	\$ 700,000	Milwaukie LRT Cost Estimate
Construction Management				\$ 5,206,560	30% of Construction Costs Jackson Street Cost Estimate (Federal Funding)
Construction Contingency				\$ 3,471,040	20% of Construction Costs
Station Building	1	LS	\$ 3,500,000	\$ 3,500,000	Ankrom Moison Architects

Misc Costs	1	LS	\$ 1,500,000	\$ 1,500,000	Includes permits, consultant fees, legal fees, etc. - Wendy Hemmen Experience
Light Rail Related Public Improvement Total Cost				\$ 17,318,600	

Light Rail Improvements

	Quantity	Units	Unit Price	Total Value	
21st Avenue Half Street Improvements (Downtown Plan)	770	LF	\$ 1,100	\$ 847,000	
Lake Road Full Street Improvements (Asphalt Road, Similar to Downtown Plan Style)	150	LF	\$ 1,800	\$ 270,000	Half of Lake Road Included in Light Rail Project
Platform	1	LS	\$ 1,200,000	\$ 1,200,000	
Construction Cost Savings				\$ 2,317,000	

PE & Final Design Savings				\$ 278,040	
Construction Management Savings				\$ 301,210	
Construction Contingency Savings				\$ 278,040	
Light Rail Public Improvement Total Cost Savings				\$ 3,174,290	

South Downtown Public Improvements Total				\$ 42,780,437	
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** All Street Improvement Costs include Street, Sidewalk, Roadway Lighting, Undergrounding Overhead Utilities, Storm Water Planters, Landscaping, Irrigation, and Street Furniture



To: Planning Commission
Through: Katie Mangle, Planning Director *KM*
From: Brett Kolver, Associate Planner
Date: September 21, 2010, for September 28, 2010, Work session
Subject: Natural Resource Overlay Briefing # 7

ACTION REQUESTED

None. This is a briefing for discussion only, a follow-up to the August 24 update on the status of the City's Natural Resources Overlay (NRO) code amendment project.

BACKGROUND INFORMATION

A. History of Prior Actions and Discussions

- **July, 2008:** Work session briefing on requirements of Metro's Title 13, Nature in Neighborhoods.
- **October, 2008:** Work session briefing on options for the City to comply with Title 13.
- **July 14, 2009:** First of two-part work session briefing on project approach.
- **July 28, 2009:** Second of two-part work session briefing on project approach.
- **April, 2010:** Work session briefing on project progress (including review of Draft 2 of proposed code and maps).
- **June, 2010:** Joint meeting with NRO Advisory Group to discuss significant issues.
- **August, 2010:** Work session briefing on project progress (including review of Draft 3 of proposed code and maps).

B. Project Overview

The NRO project is an effort to bring the City into full compliance with Statewide Land Use Planning Goal 5 (Natural Resources, Scenic and Historic Areas, and Open Spaces) and Metro's Title 13 (Nature in Neighborhoods). The new rules designate Habitat Conservation Areas (HCAs) for protection, including many areas contiguous to existing Water Quality Resource (WQR) areas that the City already regulates.

Staff's efforts have focused on incorporating the model HCA ordinance provided by Metro with the existing WQR rules established in Milwaukie Municipal Code (MMC) Section 19.322. Staff has also been working with the HCA map provided by Metro, making adjustments as appropriate and combining it with the existing map of WQR areas.

C. Project Goals

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. Where WQR areas overlap with 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 a version of Metro's regional inventory of HCAs, which focuses on tree canopy and significant vegetation near protected water features. This will result in a slightly larger "swath" of resource protection than is currently provided by the WQR designation alone.
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, which staff proposes to clean up. In addition, staff proposes to combine the High-, Moderate-, and Low-value HCAs and regulate them as a single category of HCA for the purposes of streamlining the new regulations.
4. **Create one Natural Resources Overlay code to blend existing WQR regulations with new regulations for HCAs outside of the WQR areas.** Metro provided a model HCA code for local jurisdictions to use in enacting the new Title 13 regulations. Staff is drawing on the Metro model code as a baseline resource but is tailoring it and blending its policies with the existing WQR regulations.

On August 24, 2010, staff provided a project update to the Planning Commission, including Draft 3 of the proposed code and the latest draft of the proposed HCA maps and map corrections. Several key issues were raised for discussion; staff is returning to the Commission with additional information.

KEY ISSUES

Two of the questions discussed at the August work session involved (1) how much flexibility the City should offer as an incentive for a property owner to avoid disturbing the resource area and (2) what is a reasonable "trigger" distance for ensuring that activities near a designated resource do not impact the resource. Staff has gathered the following information on both topics for continuing the discussion:

A. Allowances for Not Disturbing the Resource

The Metro model code for Title 13 includes several provisions that in different ways provide incentives for development activity to avoid a designated resource area or

minimize its impacts on that area. Development that produces a minimum amount of disturbance to an HCA can be evaluated through the straightforward Type I review process. That allowance includes a prescribed formula to determine what mitigation (primarily tree- and shrub-planting) is required based on the amount of tree removal or disturbance within the HCA.

The Metro model code also provides some modest incentives for development in exchange for avoiding or minimizing impacts on designated resource areas. These allowances include flexible setback and landscaping requirements, on-site density transfer, density bonuses, and off-site transfer of development rights. Staff recognizes that not all of these tools are appropriate in the Milwaukie context, so several (e.g., density bonuses and off-site transfer of development rights) have been omitted from Milwaukie's draft code document. However, one or two of these proposed tools warrant further discussion by the Commission to determine whether or not they should be available in the amended code.

1. **Adjustments to Base Zone Standards.** Normally, any deviation from the standards of the base zone (e.g., R-7, General Commercial, Manufacturing) requires a variance request and must meet the standards of MMC 19.702. However, by their nature, the WQR and HCA designations create "unusual conditions" that affect some properties and not others. The City wants to encourage development to avoid impacts to designated resource areas, so staff believes we should identify a few specific development standards that could be adjusted by right (without a variance).

Please see Attachment 1 for a modified version of draft NRO code subsection 19.322.16 Adjustments and Variances (from Code Draft 3), to see the adjustments that staff proposes to allow.

2. **On-site Density Transfer (Clustering).** One of the particular allowances proposed in draft NRO code subsection 19.322.16.B relates to the transfer of allowable density from one part of a residential site where there is a designated resource to a part of the site without any designated resource. The general concept is to provide an incentive for development to avoid the resource while retaining the same residential density that would be allowed on a property without any designated resource. The idea is not to allow any increase in the total number of dwelling units within the entire site area, although the configuration of units might be one not normally be allowed in the base zone.

Staff's proposal for the draft code is to provide this option of "clustered" development, but only when approved by the Planning Commission. This would allow the Commission to evaluate each situation, especially in cases where a particular housing type (e.g., triplex, four-plex, or other multi-family configuration) might be proposed in a zone (e.g., R-7) that would ordinarily not allow that development, even with Conditional Use review. Including this provision in the code would provide an additional alternative for residential development proposals that would not otherwise exist outside of the standard variance process.

B. Trigger Distance for Applicability of the NRO code

At the August work session, staff and the Commission discussed the question of what distance from a designated resource is appropriate to trigger the NRO standards. This issue is of special concern for properties that do not include a designated resource because they may be required to go through the boundary verification process and

prepare a construction management plan if a project work area falls within the trigger distance, even though they do not have ownership of the resource itself.

Staff proposes that the NRO standards be triggered when work is proposed within 50 ft of the boundary of a designated resource, regardless of whether or not the subject property includes the resource itself. The scale of the City's resource map is such that a larger trigger distance is not necessary for the purposes of boundary verification. The primary function of the trigger distance is to protect designated resources from construction impacts.

WQR areas include the protected water feature as well as a 50-ft vegetated buffer area, so requiring a construction management plan when non-exempt activities are proposed at a distance greater than 50 ft from a WQR area and when a standard erosion control plan would not otherwise be required seems unnecessary to adequately protect the resource. With HCAs, which can include tree canopy and vegetated cover that does not touch the ground, 50 ft also seems to be an adequate proximity to ensure that the resource is not impacted by non-exempt activities. Many activities not exempted by draft NRO code subsection 19.322.4 will likely require a standard erosion control plan, regardless of their distance from a designated resource.

Is 50 ft the correct distance at which to require that a project show the City that it will not produce negative impacts? Staff will be prepared to present the Commission with a few examples to facilitate discussion of this issue.

NEXT STEPS

Staff continues to test and refine the draft code. The City expects to receive feedback from Metro on the proposed HCA map corrections within the next few weeks. The working schedule for this project for the remainder of 2010 is as follows:

- October / November: Community Open House
- December 2010 / January 2011: PC and CC hearings

The project is heading into its final phase. If the Planning Commission identifies issues that require additional time to resolve, adoption of the local HCA regulations would be delayed and may affect Milwaukie's compliance with Title 13.

ATTACHMENTS

Attachments are provided only to the Planning Commission unless noted as being attached. All material is available for viewing upon request.

1. Excerpt from Draft 3 of the NRO code – Section 19.322.16 Adjustments and Variances (attached)

19.322.16 Adjustments and Variances

A. Adjustments to Base Zone Standards

An applicant may utilize the following adjustments to the relevant base zone standards to avoid or minimize impacts to a WQR area or HCA. No adjustment may be used to avoid the requirement to submit a construction management plan or boundary verification as required in Subsections 19.322.9 and 19.322.17, respectively.

1. Adjustments allowed by right

The following adjustments are allowed by right and may be used with any Type I, Type II, or minor quasi-judicial application:

- a. Yard setback standards may be adjusted by up to 10%.
- b. The lot coverage standard may be adjusted by up to 5%.
- c. The undisturbed WQR area and/or HCA on a property may count toward meeting minimum vegetation standards and/or other landscaping requirements, apart from those required for parking lots.

2. Additional adjustments

Requests to adjust base zone standards in a manner that exceeds the allowances listed in Subsection 19.322.16.A.1 shall be processed according to the relevant variance processes (for Type II or minor quasi-judicial review) outlined in MMC 19.700.

B. Adjustments to Lot Design Standards

When property boundaries are changed as provided in MMC Title 17 Land Division, an applicant may utilize the following adjustments to avoid or minimize impacts to a WQR area or HCA:

1. The minimum lot size standards of the base zone may be reduced by up to 10%, including lot area, lot width, and lot depth.
2. The minimum lot frontage required on a public street may be reduced by up to 10%.
3. Separate, unbuildable tracts created to contain some or all of the WQR area and/or HCA on a site are exempt from the limit on compound lot line segments established in MMC 17.28.050.C. Any lots or parcels adjacent to such tracts are also exempt from the compound lot line limit in MMC 17.28.050.C.

4. On-site density transfer ("clustering")

For residential development proposals, up to 100% of the allowed density for the entire site may be transferred to one or more individual lots or parcels on the site. The cumulative density for all lots or parcels shall not exceed the allowed density for the entire site. Regardless of the standard review process required for the specific proposed property boundary change, this particular adjustment is subject to the minor quasi-judicial review process and the general discretionary standards of Subsection 19.322.15.B.

These adjustments may not be used to avoid the requirement to submit a construction management plan or boundary verification as required in Subsections 19.322.9 and 19.322.17, respectively.

C. Adjustments to Specific HCA Standards

The structure of Section 19.322 includes some flexibility regarding disturbance of HCAs and mitigation for that disturbance.

1. Subsection 19.322.12.A establishes an allowance for HCA disturbance that is non-discretionary and subject to the Type I review process. Proposals to disturb more HCA than what is allowed by Subsection 19.322.12.A are subject to the general discretionary review standards of Subsection 19.322.15.B, which shall be evaluated through the minor quasi-judicial review process.
2. Subsection 19.322.12.C establishes mitigation requirements for HCA disturbance that are non-discretionary and subject to the Type I review process. Proposals that cannot meet the mitigation requirements of Subsection 19.322.12.C are subject to the discretionary review standards of Subsection 19.322.15.A, which shall be evaluated through the minor quasi-judicial process.

~~D. Variances~~

- ~~1. Requests to vary any applicable base zone standard beyond the adjustments allowed in Subsections 19.322.16.A and 19.322.16.B shall be subject to the process and criteria established in MMC 19.700 Variances, Exceptions, and Home Improvement Exceptions.~~
- ~~2. In particular, a variance request to avoid the unreasonable loss of economically viable use of a lot that contains a WQR area and/or HCA may be granted by the Planning Commission through the minor quasi-judicial review process. In addition to the approval criteria provided in MMC 19.700, a variance request to avoid unreasonable economical use must demonstrate that without the proposed variance, the reasonable economic use of the property would be denied. The applicant must show that no other development proposal could result in permission for an economically viable use of the property.~~
- ~~3. In granting any variance request related to Section 19.322, the Planning Commission may impose such conditions as are deemed necessary to minimize adverse impacts that may result from granting relief from provisions of Section 19.322. Examples of such conditions include, but are not limited to, maintaining a minimum width of the vegetated corridor alongside a primary protected water feature and limiting the amount of WQR area for which the adjacent vegetated corridor width can be reduced.~~