

**CITY OF MILWAUKIE  
CITY COUNCIL MEETING  
JANUARY 22, 2002**

**Call to Order**

The 1878<sup>th</sup> meeting of the Milwaukie City Council was called to order by Mayor Bernard at 6:00 p.m. in the City Hall Council Chambers. The following Councilors were present:

Mary King	Jeff Marshall
Larry Lancaster	Brian Newman

## Staff present:

Mike Swanson, City Manager	Alice Rouyer, Interim Community Development Director
Gary Firestone, City Attorney	Roosevelt Carter, Program Development Coordinator
Steve Smith, Finance Director	

**PLEDGE OF ALLEGIANCE****PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS****Comprehensive Annual Financial Report**

**Smith** and Auditor **Chuck Swank**, Grove, Mueller & Swank, P.C., reviewed Milwaukie's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2001. Swank briefly described the various sections of the report and noted this was an unqualified opinion. The 2000 - 2001 report was submitted to the Government Finance Officers Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting which if awarded will be the 12<sup>th</sup> consecutive year. Council recognized Smith for the progress he and his department have made in the past 12 months.

The group discussed implementation of GASB 34 requirements which include accounting for infrastructure. **Swank** noted Milwaukie has good fixed asset information, and GASB does not require a change in structure. **Swanson** added the new Management Information System software should assist the finance department in compiling information for the auditor.

**Councilor Newman** noted general government capital projects has decreased about \$1 million. **Smith** explained there were fewer major acquisitions, and the City did not receive many grants.

**Councilor Newman** referred to CAFR page 76 and asked what fund was credited with utility tax payments. **Smith** said these payments go into the general fund.

**Councilor Newman** asked how Milwaukie compares fiscally to other cities of its size. **Swank** replied cities usually try to have a 10% cash carryover in the general fund, and Milwaukie is about at that standard. **Swanson** added Milwaukie will have the challenge of enhancing the fund balance over the next 6 months. The City is challenged in terms of evaluation and does not have a significant annual increase.

### **Damascus Concept Planning Study Results**

**Rouyer** introduced Clackamas County Planner **Maggie Dickerson** who reported the Damascus Concept Planning Study results. The project was funded by a Transportation and Growth Management Program (TGM) grant and completed June 2001.

The 4,300 acre study area was formerly the urban reserve area. The purpose of the study is to determine if that area could meet the County Commissioners' goals of enhancing employment, providing a balanced community, and protecting fish resources. Test scenarios were developed for each of these goals and analyzed for employment and residential capacity and impacts to transportation, natural resource, and public facilities. **Dickerson** reviewed the details of each and said the study showed the area could meet the County's goals.

**Dickerson** discussed the transportation system needed to support such development including constructing the Sunrise Corridor; however, funding these projects is a major issue. Essential next steps will be to make decisions regarding governance, concurrent infrastructure, and job production. Several parallel studies are underway including the Pleasant Valley Concept Plan by Metro, Gresham, Portland, Happy Valley, Clackamas and Multnomah Counties.

**Councilor Marshall** asked if the study considered the necessary infrastructure to support employment development.

**Dickerson** responded major arterial roads were considered, but other infrastructure is not an issue.

**Councilor King** had concerns about making 172<sup>nd</sup> Avenue a major truck route.

**Dickerson** said the truck route would only be between Gresham and the Sunrise Corridor.

**Councilor Newman** respects the complexity of creating a complete community. He understands from County Commissioners that Damascus cannot be urbanized without the Sunrise Corridor. He sees some timing difficulties between urban growth boundary decisions and resolution of transportation issues.

**Dickerson** said timing of transportation improvements is a major issue, and this project will certainly test the concurrency policy.

**Councilor Newman** asked how much of the Sunrise Corridor traffic is projected to be local and how much regional.

**Dickerson** did not believe the model provided that information and will take that question back to the County.

**Councilor Newman** asked the estimated cost of the transportation component.

**Dickerson** responded the Sunrise Corridor phase 1 will be about \$162 million.

**Councilor King** sees this as an opportunity to create a transit structure.

**Councilor Newman** clarified his questions related to transportation are not intended to be obstructionist, but no one has provided answers on funding. It will also be important to know what improvements would be needed on I-205 and Hwy 224 as a result of the Sunrise Corridor.

### **Electrical Energy Assessment**

**Carter** reported on the recent assessment of the City's electrical energy usage to determine if there were any methods to implement that could reduce costs. City Hall, Ledding Library, and Public Safety Building usages are reasonable based on the ages of the buildings and the types of daily activities going on within them. Usage in the Johnson Creek Facility is higher than expected due in part to the unit heaters in the shops area. A more efficient heating source would offset energy use in that area of the building. The water pumping system operates efficiently; however, public works may want to purchase new, more efficient motors instead of refurbishing old ones as they fail. Shutting off some of the street lights would not save money because of the costs associated with PGE's turning them off. The City does not qualify for PGE's dispatchable standby generation tariff. Fleet and facilities staff is evaluating radiant heat panels for the shops area and will make a budget request if warranted.

**Carter** reported the total cost of the study was \$5,140. The expense was shared by fleet and facilities, streets, and the water departments.

**Mayor Bernard** suggested fleet look into a waste oil burner, training groups to turn off all the lights after their night meetings, and installing sensors to the lighting system.

**Councilor King** suggested plastic curtains on the shops doors to prevent heat loss.

### **Consent Agenda**

**It was moved by Councilor Newman and seconded by Councilor Marshall to approve the January 7 & 8, 2002, City Council minutes. Motion passed unanimously.**

## **AUDIENCE PARTICIPATION**

**Sharon Van Horn** read a portion of a letter the Mayor sent on behalf of the Council thanking her for being part of the Neighborhood Grant Program. She understood she was appointed to the Centennial Committee but finds that Councilor Marshall is making an effort to keep her from serving on the Committee. This situation is unfair, and she suggested perhaps the Council should be recalled. She noted several private conversations she has had related to the Festival Daze Committee which are rumored to have been public arguments.

**Lisa Haberlock**, Athens Hair Co., and **Wayne Schumacher**, Optometrists Association, discussed property located on King Road east of 44<sup>th</sup> Avenue. Haberlock was granted a non-conforming use in 1998 for her business, and she now wishes to move it west to the building across the parking lot. She does not believe she should have to apply for a non-conforming use to do this. Schumacher believes the R-3 zoning is very subjective, and he has problems leasing the building because of zoning restrictions.

**Firestone** said the City Council cannot act outside the land use process, but it could ask staff to review the Zoning Ordinance. Haberlock and Schumacher may file an application with the Planning Department and may appeal a staff decision they believe is incorrect. The 1998 non-conforming use approval was made on that one property and does not apply to another.

**Swanson** added the process is not easy and includes a \$3,000 application fee.

**Schumacher** said the code seems to be extremely subjective with one individual making the decision. These restrictions seem contrary to the City's desire to retain businesses.

**PUBLIC HEARING** -- None scheduled.

## **OTHER BUSINESS**

### **Annexation of Unsewered Area near 55<sup>th</sup> Avenue, Stanley Avenue, and Johnson Creek Boulevard**

**Swanson** said this relates to a study begun several years ago but was postponed due to staff shortages. Staff is seeking Council input on reinvigorating the program.

**Carter** pointed out the subject area on the map which is part of dual interest area A. He asked if there was further direction to staff on data gathering related to costs of annexation and property owner interest in the affected area. Some of the industrial property owners have shown positive interest, but residential is yet to be determined.

**Councilor Marshall** is concerned about doing piecemeal projects without an overall annexation plan. He also wants to know how much revenue would be gained.

**Swanson** suggested contracting with Ken Martin to develop an annexation plan once the Portland State urban services report is finalized.

**Councilor Lancaster** commented the City needs to serve the community responsibly as well as economically. Although this is a small area, it could serve as a model project for the overall plan.

### **North Main Street Redevelopment Update**

**Carter** presented an update on the old Safeway site renamed the North Main Street Redevelopment Project. The sale has closed, and the property is now publicly-owned. He announced the workshop on January 28, 6:00 p.m. at City Hall where participants will have the opportunity to provide direct input to the market study.

### **Other Items and Announcements**

**Mayor Bernard** announced the January 26 Riverfront Cleanup and the February 2 Johnson Creek and Willamette River cleanup and planting project.

**Councilor Newman** requested that anyone interested in housing a Milwaukie High exchange student contact him or the school office.

**Councilor Marshall** suggested submitting the Neighborhood Grant Program for the Oregon Downtown Development Association's (ODDA) Founders of the Northwest Award. He also noted the ODDA conference was the same time as the Oregon Housing Conference.

**Councilor King** asked for an update on the Johnson Creek Boulevard project. **Swanson** said Portland staff made some commitments they were not able to keep, and Milwaukie stressed the importance of following through on commitments.

**Councilor King** had an opportunity to lobby in Washington, D.C. during her recent visit. She left a small memento from Milwaukie at the World Trade Center site.

**Mayor Bernard** announced the City Council would meet in executive session pursuant to ORS 192.660 to discuss real property and potential litigation.

**It was moved by Councilor Newman and seconded by Councilor Marshall to adjourn the meeting. Motion passed unanimously.**

**Mayor Bernard** adjourned the meeting at 8:00 p.m.

*Pat DuVal*

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Pat DuVal, Recorder



TO: Mayor and City Council  
FROM: Mike Swanson, City Manager  
DATE: January 11, 2002  
RE: FYI Memo

## COUNCIL WORK SESSION

The work session regularly scheduled for the third Monday of the month is not being held this month as it falls on the Dr. Martin Luther King Holiday.

## COUNCIL REGULAR SESSION JANUARY 22, 2002

The regular session commences at 6:00 P.M. The agenda for the regular session is as follows:

- (1) Comprehensive Annual Financial Report:** This is the annual audit required by State law together with their management letter noting any issues in internal controls. A short presentation will be made by the partner in charge, Chuck Swank. It is important to note the first comment in the management letter regarding the "Overall Condition of Books and Records." Steve Smith was hired by the last Finance Director to fill the Senior Accountant position vacated by the death of the predecessor in April 2000. Steve came to work in January 2001, and the Finance Director left at almost the same time. We were over six months behind in monthly reports, and we were faced with preparing the budget. Today we are current in our reports (even though they leave much to be desired—but the new MIS system will correct that problem), and we have a clean audit.
- (2) Damascus Concept Planning Study Results—Presentation by Clackamas County:** In 1999 Clackamas County received a State grant to conduct a concept planning study for future growth in the Damascus area. An executive summary is attached. Staff has received a number of inquiries

about the results, and County staff person Maggie Dickerson will make a short presentation and answer questions. (Maggie is a City resident who has served on the Transit Oriented Development Committee.)

- (3) **Electrical Energy Assessment:** A contract with Will Miller Consulting of Portland was executed last October to assess the City's electrical energy usage. The study reveals that the City's energy usage is in line with expectations for the age and use of City facilities. The only recommendation for improvement is to change the heating system in the automotive repair shop at the Johnson Creek facility.

## FYI ISSUES

- (1) The City will host a North Main Redevelopment (a.k.a. Safeway) Project Workshop at City Hall on Monday, January 28, 2002 at 6:00 P.M. The purpose of the workshop is to allow citizen and business input into the marketing aspects of the project. The purpose of the workshop is to clarify project goals, to explore complementary and competitive issues associated with the site redevelopment that have the potential to impact downtown Milwaukie, and to evaluate mixed uses such as housing, retail, and office.
- (2) I am meeting with the NDA Chairs at 7:00 P.M. on January 16, 2002. The purpose of the meeting is for us to exchange information and ideas on a wide array of issues. In addition, Metro and Tri Met staff will be in attendance to discuss the recent imbroglio with the downtown Portland letter and the fallout.
- (3) The South Corridor Policy Group will be meeting to discuss the future of the SDEIS on January 28, 2002 at 3:00 P.M. The last recommendation from staff that I have seen recommends proceeding with the South Corridor SDEIS as originally proposed while Metro and Tri Met work with Portland and its downtown contingent to develop funding and a scope for a study of downtown issues. (I am also meeting with a representative of the downtown interests on Monday, January 14, 2002 so that we can better communicate and hopefully avoid explosions like that caused by the APP letter.)
- (4) I am hopeful that we will have the work product from the staff's goal setting retreat by the time of the above regular meeting. We reviewed the Council goals and produced an expanded statement. I believe that it will provide a good point from which we can conduct a Council retreat. We need to set a date either at the January 23 meeting or at the next scheduled work session.
- (5) JoAnn and I took Congressman Blumenauer's local staff person, Tom Marcroft, on a tour of the Riverfront this week. Our intention was to acquaint him with the asset and to ask him to consider opportunities for funding. We also mentioned the Post Office lease expiration and the need to keep the facility in downtown Milwaukie.

- (6) Management Information System (MIS) Software Project Update. The evaluation group finished reviewing the requests for proposals and selected 5 software vendors to advance to phase 2 evaluation. On-site vendor demonstrations are scheduled from January 30 through February 14. Staff will forward a schedule of events to the Council in case anyone is interested in looking at new software options.
- (7) The City of Milwaukie received the *Award for Excellence In Financial Reporting* for budget year 1999 - 2000.
- (8) The City of Milwaukie will host the monthly Clackamas Cities meeting on Thursday, March 28. Please mark your calendars.

**DuVal, Pat**

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**From:** Swanson, Mike  
**Sent:** Friday, January 11, 2002 3:39 PM  
**To:** DuVal, Pat  
**Subject:** FW: re-schedule LNIB January 17th meeting

**Council -- Information only; no action required.**

-----Original Message-----

**From:** Cynthia Sturgis [SMTP:cynthias@lincc.lib.or.us]  
**Sent:** Friday, January 11, 2002 2:50 PM  
**To:** Mike Swanson (E-mail)  
**Subject:** FW: re-schedule LNIB January 17th meeting

Mike,  
The LNIB meeting has been changed to Thur. January 31 at 1:30. Both Commissioner Jordan and Jon Mantay will meet with the group. See Joanna's email below for further info.  
Cynthia

-----Original Message-----

**From:** Joanna Rood [SMTP:joannar@lincc.lib.or.us]  
**Sent:** Friday, January 11, 2002 2:31 PM  
**To:** PLC; Cynthia Sturgis; Doris Grolbert; Beth McKinnon; Cathy Nicolas; Randy Collver; Roger McClurg; Sue Newlands; Pam Williams; Steve Turner; Joanna Rood; Steve Rhodes; Scott Lazenby; Judith Ervin; Bob Kincaid; Eileen Dale; Bill Brandon; Brian Nakamura; Beth Saul; Mary Norman; Randy Ealy  
**Subject:** re-schedule LNIB January 17th meeting

Hello All

I've just had a lunch meeting with Commissioner Jordan and I would like to propose a revision to our upcoming meeting schedules.

I'd like to replace the LNIB meeting on the 17th with an emergency PLC meeting at which we could review the Library Network programs for possible reductions in 02-03. On Wednesday the County asked all departments to prepare program cut packages equal to a 16.7% reduction as a "first round" toward resolving a possible revenue crunch in 02-03 and I need PLC detailed input to prioritize these. I have also been asked to examine this year's budget for any possible savings and I will suggest some possibilities to PLC on the 17th.

Commissioner Jordan committed that that he and our new CEO Jon Mantay would meet with the LNIB on THURSDAY January 31st at 1:30 at Library Network. Jon will be out of town from the 12th through the 21st and so could not attend LNIB on the 17th. If LNIB is delayed until the 31st, we would have time to create a recommendation from the PLC on the Network budget, and Commissioner Jordan would have met with the 4Cs committee (on January 17th in the evening) and he could update us on possibilities for future library funding (library district or levy).

On the 31st Jon Mantay will brief you on the county's expected budget process over the next few months. I know all of you are anxious for information so that you can prepare your own library budgets. Mike Jordan also suggested that he would welcome any input from LNIB concerning overall direction/strategies for county-wide library services that could help the Board of County Commissioners in their upcoming budget process.

Please let me know if this re-scheduling presents any problems. The emergency PLC meeting could be rescheduled slightly in case Library Directors have conflicts, but the LNIB meeting has been logged into Mike and Jon's busy schedule and is set.

In summary: Emergency PLC Thursday Jan 17th at 2:00 at NT  
LNIB meeting Thursday January 31st at 1:30 at NT

Thanks,  
Joanna

**CITY OF MILWAUKIE  
CITY COUNCIL AGENDA  
JANUARY 22, 2002**

**MILWAUKIE CITY HALL**  
10722 SE Main Street

**1878<sup>TH</sup> MEETING**

**REGULAR SESSION - 6:00 p.m.**

**I. CALL TO ORDER**  
**Pledge of Allegiance**

**II. PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS**

- A. Comprehensive Annual Financial Report (Smith)**
- B. Damascus Concept Planning Study Results -- Presentation by Clackamas County (Rouyer)**
- C. Electrical Energy Assessment (Carter)**

**III. CONSENT AGENDA** *(These items are considered to be routine, and therefore, will not be allotted Council discussion time on the agenda. The items may be passed by the Council in one blanket motion. Any Council member may remove an item from the "Consent" portion of the agenda for discussion or questions by requesting such action prior to consideration of that portion of the agenda.)*

**City Council Minutes of January 7 & 8, 2002**

**IV. AUDIENCE PARTICIPATION** *(The Mayor will call for statements from citizens regarding issues relating to the City. It is the intention that this portion of the agenda shall be limited to items of City business which are properly the object of Council consideration. Persons wishing to speak shall be allowed to do so only after registering on the comment card provided. The Council may limit the time allowed for presentation.)*

**V. PUBLIC HEARING** *(Public Comment will be allowed on items appearing on this portion of the agenda following a brief staff report presenting the item and action requested. The Mayor may limit testimony.)*

**None scheduled**

**VI. OTHER BUSINESS** *(These items will be presented individually by staff or other appropriate individuals. A synopsis of each item together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item.)*

- A. Annexation of Unsewered Area near 55<sup>th</sup> Avenue, Stanley Avenue, and Johnson Creek Boulevard (Carter)**
- B. North Main Street Redevelopment Update (Carter)**

**VII. INFORMATION**

**Riverfront Board Minutes, November 7, 2001**

**VIII. ADJOURNMENT**

**EXECUTIVE SESSION** -- *At the end of the regular meeting, the Council may hold an Executive Session under the authority of Oregon Revised Statutes 192.660 as needed.*

*For assistance/service per the Americans with Disabilities Act (ADA), dial TDD 786-7555.*

***The Council requests that all pagers and cell phones be either set on silent mode or turned off during the meeting.***



II. B. 1

**TO: Mayor and City Council**

**THRU: Mike Swanson, City Manager**

**FROM: Alice Rouyer, Interim Community Development Director** *AR*

**DATE: January 11, 2002 for the January 22, 2002 meeting**

**RE: Damascus Concept Planning Study**

**Action Requested**

Information only. Clackamas County Planning staff will present a summary of the Damascus Concept Planning Study completed in June 2001.

**Background**

In 1999, Clackamas County received a state grant to complete a concept planning study for future growth in the Damascus area. An executive summary study is attached. Last summer, at least two Council members inquired about the study. Staff has asked County planner Maggie Dickerson to present the information to Council and respond to any questions.

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## Executive Summary

# DAMASCUS CONCEPT PLANNING STUDY



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JUNE 30, 2001

**T**he Damascus Concept Planning Study examines an area of approximately 4,300 acres -- about 6.5 square miles -- located southeast of the Portland metropolitan area Urban Growth Boundary (UGB) in unincorporated Clackamas County. Existing land uses are primarily rural-residential, agricultural, and forestry, with a small commercial center at the intersection of Foster Road and Highway 212. An estimated 5,000 residents lived in the Study area in 2000.

The Damascus Study area has been “on the radar screen” as an area that could be included within the Portland UGB for several years. Metro will consider areas for UGB expansion in the fall of 2002.

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### PURPOSE

The Study was designed to answer some key questions.

If the Study area were to be urbanized:

- Could it meet Clackamas County’s goals to provide for more jobs, a balanced community, and protection of fish resources?
- Could it meet the region and state’s goals of providing housing, natural resources protection, services and jobs close to residential areas, and a functional transportation system?
- Could it be served by transportation, water, sanitary sewer, and storm water services?

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### HOW THE STUDY WAS DEVELOPED

The Damascus Concept Planning Study is a technical analysis of the potential for the Damascus area to be developed as an urban area. The Study calculates the population and job “holding capacities,” and identifies transportation and public facility requirements and natural resources impacts for three test scenarios.

Staff and consultants conducted the Study between November 2000 and June 2001, with input and review by economic development experts and representatives of agencies, service providers, and community organizations. The existing conditions analysis included current ownership and development patterns, land values, vacant lands, natural resources and hazards, transportation and other public facilities. Background research also included technical studies of employment site needs, state and regional goals and requirements, land use prototypes, obstacles to development and public facilities availability.

This Study is not proposing amendments to the Urban Growth Boundary, to the Comprehensive Plan or to current plan or zoning designations.

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## ■ Test Scenarios

Three land use test scenarios were developed to meet the goals identified above. An arterial and collector road network to support land uses and pedestrian, bike, transit and auto trips was laid out for each Scenario. Each was then analyzed for employment and residential “holding capacity,” and transportation, natural resources and public facilities impacts.

The test scenarios will be useful to future Concept Plan development processes, if the area is brought into the UGB. None of the three scenarios is intended to be a land use plan proposal.

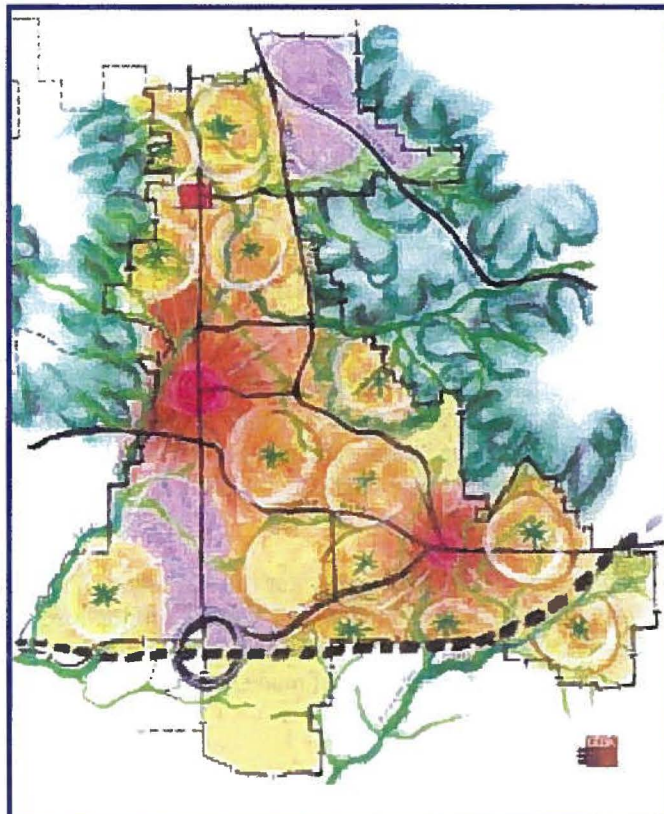
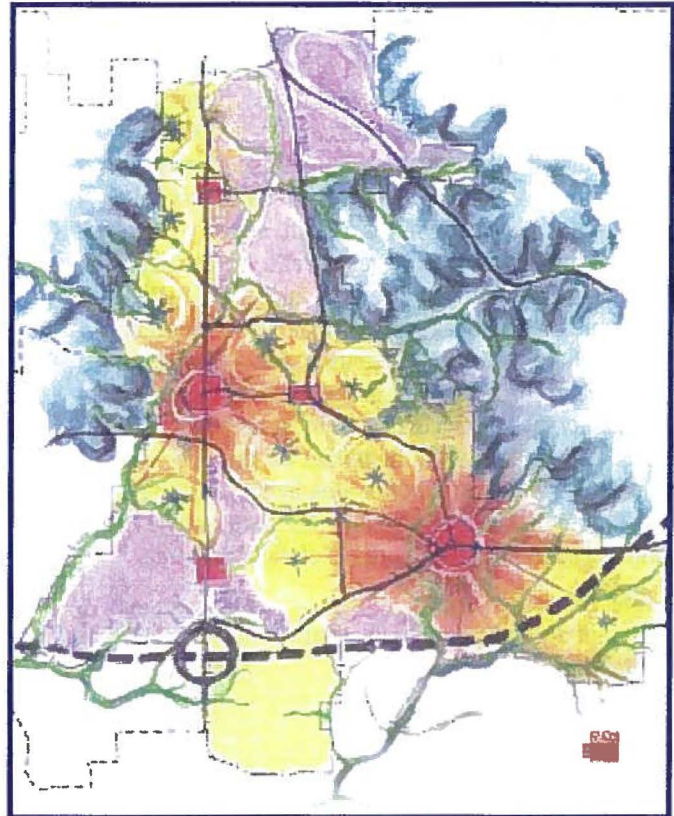
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*This project is partially funded by a grant from the Transportation and Growth Management (TGM) Program, a joint program of the Oregon Department of Transportation and the Oregon Department of Land Conservation and Development. This TGM grant is financed, in part, by the federal Transportation Equity Act of the 21<sup>st</sup> Century (TEA-21), local government, and the State of Oregon funds.*

**SCENARIO 1, EMPLOYMENT CENTERS**

Scenario 1 emphasizes maximizing the amount of land for employment, especially industrial and industrial-office employment, thus meeting county employment goals in a manner that is consistent with target industry requirements. Neighborhoods and mixed-use centers are also identified in strategic locations. There is a large Town Center at the intersection of Hwy. 212 and Foster Road and a small Town Center slightly north of Sunnyside Road on 172nd Ave. Existing subdivisions are designated for low-density residential use. The road network includes east-west collector roads and a north-south arterial road parallel to and between 172nd Ave. and Foster Road.

Total Buildable Land	2,650 Acres
Percent of Study Area Urbanized	100%
Total Employment Land	1,300 Acres
Total Jobs	18,000
Total Dwelling Units	7,700
Estimated Population	19,000



**SCENARIO 2, NEIGHBORHOODS**

Scenario 2 emphasizes providing locations for housing and mixed-use (retail, office and residential) centers, with a smaller area designated for employment than in Test Scenario 1. Test Scenario 2 attempts to optimize inter-connected neighborhoods. The large Town Center is located on 172nd Ave. in Scenario 2. The road network to support these land uses is similar to Scenario 1. It improves connectivity and is intended to meet standards for urban development.

Total Buildable Land	2,700 Acres
Percent of Study Area Urbanized	98%
Total Employment	550 Acres
Total Jobs	10,500
Total Dwelling Units	10,500
Estimated Population	26,000

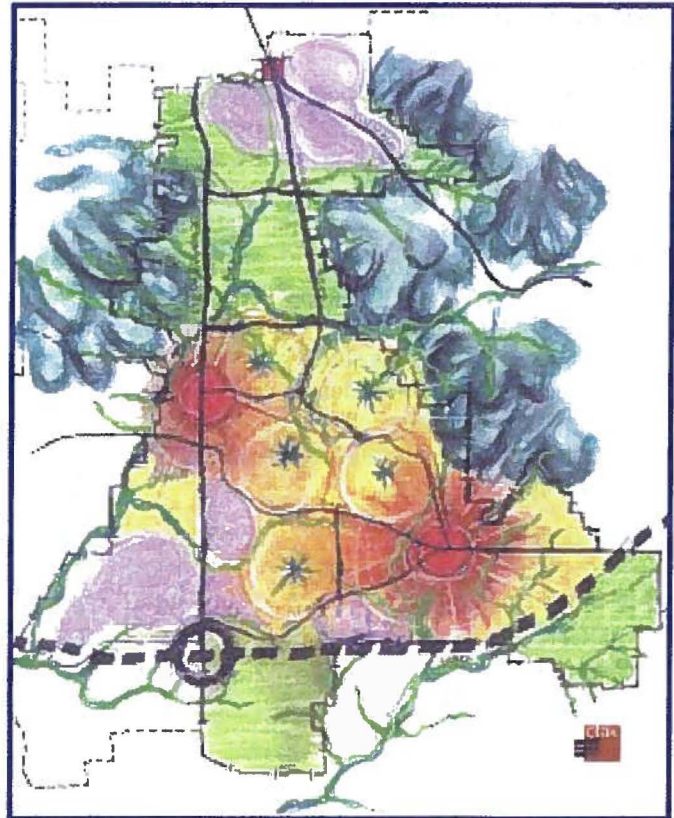
**MAP LEGEND**

Town Center, Mixed Use Retail	Industrial
Town Center, Mixed Use Housing	Industrial-Office
Convenience Retail	Rural
Neighborhood	Butte
Low Density Residential	

**SCENARIO 3, RURAL BUFFER**

Scenario 3 includes a rural separation between the northern and southern portions of the Study area to reduce impact on the headwaters of Rock Creek. Additionally, the area south of the Sunrise Corridor is assumed to remain rural on this Scenario, using the proposed new highway as a “hard edge” between urban and rural development. In the area that would be urbanized, there are places for both employment and housing. Two small Town Centers accommodate retail and office uses, and an employment area in the southwest corner provides the opportunity for jobs accessible to local neighborhoods. The road network identified for this Scenario supports the rural buffer area by limiting new roads in the buffer area, although the road network is intensified in the urban portions of the Study area.

Total Buildable Land	2,650 Acres
Percent of Study Area Urbanized	64%
Total Employment	800 Acres
Total Jobs	12,000
Total Dwelling Units	5,500
Estimated Population	14,000



**■ What We Have Learned**

The Study answered key questions about the area’s potential for meeting the County, state and region’s goals and whether urban services could be provided.

The area can be planned to meet the County’s goals of providing more jobs, creating balanced communities and protecting fish resources.

- The Study area has up to 1,300 acres of land -- 40-60% of the County’s identified need for employment land -- in two general locations with the characteristics needed for the employment uses targeted by the Study. These areas accommodate up to about 12,600 jobs.
- The Study area has the potential to be developed as a balanced community. It can accommodate up to 10,400 housing units with a range of housing types. It offers locations for higher intensity, inter-connected neighborhoods. The ratio of jobs-to-dwelling-unit ranges from 1 job per dwelling unit (Test Scenario 2) to 1.5 jobs per dwelling unit (Test Scenario 1).
- A range of natural resources protection regulations, “green development” practices, and storm drainage treatment and detention technologies could result in substantial protection of fish resources.

It is possible to meet the region and state’s goals of providing housing, natural resource protection, services and jobs close to residential areas, and a functional transportation system. In order to achieve these goals, appropriate residential densities, natural resource protection regulations, and land assembly strategies need to be applied. To achieve a functional transportation system, elements such as transit, bikeway and pedestrian facilities are essential.

Transportation, water, sanitary sewer, and storm water services can be provided for the Study area. In order to do so, governance issues, capital improvement plan revisions and adequate financing programs will need to be addressed.

Financing is a major constraint for transportation. The biggest concern is paying for the Sunrise Corridor. Also mechanisms are not currently in place to adequately fund the collector and arterial road system or “fish friendly” bridges.

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## ■ What Needs to Be Done? ■

### CONSTRUCT A TRANSPORTATION SYSTEM FUNCTIONING AT AN ACCEPTABLE LEVEL OF SERVICE INCLUDING:

- Highway 212 widened to five lanes and signalized
- Unit 1 of the Sunrise Corridor constructed
- Commitments in place that allow right of way to be preserved for Unit 2 of the Sunrise Corridor
- A commitment to construct Unit 2 of the Sunrise Corridor within 20 years
- Sunnyside Road widened and improved to Highway 212
- 172nd Ave. widened to five lanes and extended to Highway 212
- Foster Road widened and improved to urban standards
- A connection from 172nd Ave. to 190th Ave.
- Sidewalks and bikeways constructed on all arterial and collector roads
- Sidewalks constructed on most local streets
- Expanded transit service along Foster Road and Sunnyside Road
- Trails constructed according to Metro's Greenspaces Plan and possibly adjacent to streams
- A complete collector and local street network
- Implementing Transportation Demand Management techniques such as carpools, staggered work hours, or bus passes for employees

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### PROTECT NATURAL RESOURCES WITH DEVELOPMENT DECISIONS, REGULATIONS AND PROGRAMS THAT:

- Protect water quality, temperature and recharge capacity in Rock and Richardson Creeks
- Limit development on steep slopes and landslide areas
- Maintain or enhance wildlife habitat
- Retain and treat water on site and in regional facilities
- Control storm drainage from roads using "Green Street" designs

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### THE CLACKAMAS COUNTY COMMISSIONERS HAVE STATED POSITIONS ON THE FOLLOWING ISSUES ABOUT THE DAMASCUS AREA:

- **GOVERNANCE** – Before urbanization can take place, a decision must be made about governance for the area. Clackamas County's position is that governance for this area should be provided by a city, either through annexation to an existing city or incorporation of a new city.
- **CONCURRENCY** – Most significant public facilities can be provided for this area. However, transportation infrastructure could be significantly deficient because of limited funding. Providing concurrent infrastructure will pose a significant challenge.
- **JOB PRODUCTION** – Sites suitable for industrial development will be under pressure to develop with residential uses, because residential land is absorbed more quickly than industrial land. It is incumbent on local governments to maintain planned industrial sites for future industrial development.

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## ■ Essential Next Steps ■

Even if Metro decides that all or a part of the Damascus area should be included within the Urban Growth Boundary, urbanization is not expected to occur for some time. Before the area can become urbanized, at a minimum the following actions, decisions, or products are required:

- Extensive public involvement
- Decisions about the city and service providers for the area, and plans for annexation, including sub-area annexation plans
- Concept Plan
- Coordination with plans for nearby areas, such as Pleasant Valley, Happy Valley, and Clackamas County
- Comprehensive Plan and zoning text and map amendments
- State and Regional Transportation Plans
- Transportation, water, sewer and storm drainage Capital Improvement Programs (CIPs) and financing plans



II. B. 1

**TO:** Mayor and City Council

**THRU:** Mike Swanson, City Manager

**FROM:** Alice Rouyer, Interim Community Development Director *AR*

**DATE:** January 11, 2002 for the January 22, 2002 meeting

**RE:** Damascus Concept Planning Study

**Action Requested**

Information only. Clackamas County Planning staff will present a summary of the Damascus Concept Planning Study completed in June 2001.

**Background**

In 1999, Clackamas County received a state grant to complete a concept planning study for future growth in the Damascus area. An executive summary study is attached. Last summer, at least two Council members inquired about the study. Staff has asked County planner Maggie Dickerson to present the information to Council and respond to any questions.

**Executive  
Summary**

**DAMASCUS CONCEPT PLANNING STUDY**



**JUNE 30, 2001**

**T**he Damascus Concept Planning Study examines an area of approximately 4,300 acres -- about 6.5 square miles -- located southeast of the Portland metropolitan area Urban Growth Boundary (UGB) in unincorporated Clackamas County. Existing land uses are primarily rural-residential, agricultural, and forestry, with a small commercial center at the intersection of Foster Road and Highway 212. An estimated 5,000 residents lived in the Study area in 2000.

The Damascus Study area has been "on the radar screen" as an area that could be included within the Portland UGB for several years. Metro will consider areas for UGB expansion in the fall of 2002.

**PURPOSE**

The Study was designed to answer some key questions.

If the Study area were to be urbanized:

- Could it meet Clackamas County's goals to provide for more jobs, a balanced community, and protection of fish resources?
- Could it meet the region and state's goals of providing housing, natural resources protection, services and jobs close to residential areas, and a functional transportation system?
- Could it be served by transportation, water, sanitary sewer, and storm water services?

**HOW THE STUDY WAS DEVELOPED**

The Damascus Concept Planning Study is a technical analysis of the potential for the Damascus area to be developed as an urban area. The Study calculates the population and job "holding capacities," and identifies transportation and public facility requirements and natural resources impacts for three test scenarios.

Staff and consultants conducted the Study between November 2000 and June 2001, with input and review by economic development experts and representatives of agencies, service providers, and community organizations. The existing conditions analysis included current ownership and development patterns, land values, vacant lands, natural resources and hazards, transportation and other public facilities. Background research also included technical studies of employment site needs, state and regional goals and requirements, land use prototypes, obstacles to development and public facilities availability.

This Study is not proposing amendments to the Urban Growth Boundary, to the Comprehensive Plan or to current plan or zoning designations.

**■ Test Scenarios**

Three land use test scenarios were developed to meet the goals identified above. An arterial and collector road network to support land uses and pedestrian, bike, transit and auto trips was laid out for each Scenario. Each was then analyzed for employment and residential "holding capacity," and transportation, natural resources and public facilities impacts.

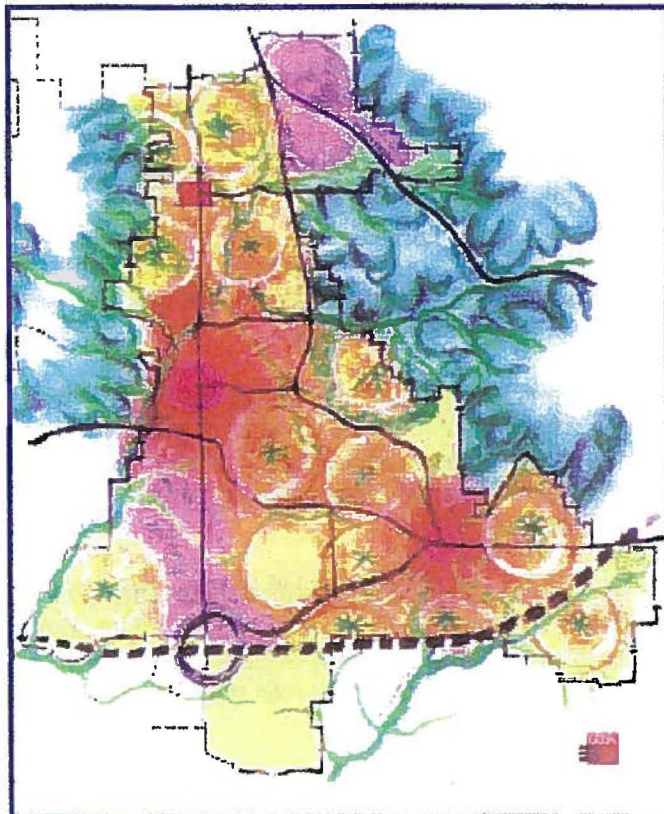
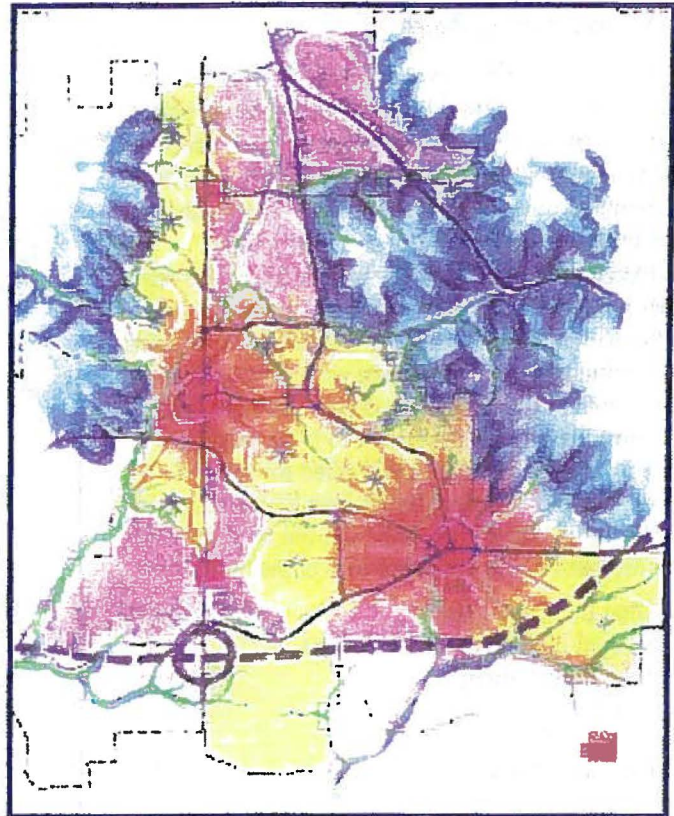
The test scenarios will be useful to future Concept Plan development processes, if the area is brought into the UGB. None of the three scenarios is intended to be a land use plan proposal.

*This project is partially funded by a grant from the Transportation and Growth Management (TGM) Program, a joint program of the Oregon Department of Transportation and the Oregon Department of Land Conservation and Development. This TGM grant is financed, in part, by the federal Transportation Equity Act of the 21<sup>st</sup> Century (TEA-21), local government, and the State of Oregon funds.*

**SCENARIO 1, EMPLOYMENT CENTERS**

Scenario 1 emphasizes maximizing the amount of land for employment, especially industrial and industrial-office employment, thus meeting county employment goals in a manner that is consistent with target industry requirements. Neighborhoods and mixed-use centers are also identified in strategic locations. There is a large Town Center at the intersection of Hwy. 212 and Foster Road and a small Town Center slightly north of Sunnyside Road on 172nd Ave. Existing subdivisions are designated for low-density residential use. The road network includes east-west collector roads and a north-south arterial road parallel to and between 172nd Ave. and Foster Road.

Total Buildable Land	2,650 Acres
Percent of Study Area Urbanized	100%
Total Employment Land	1,300 Acres
Total Jobs	18,000
Total Dwelling Units	7,700
Estimated Population	19,000



**SCENARIO 2, NEIGHBORHOODS**

Scenario 2 emphasizes providing locations for housing and mixed-use (retail, office and residential) centers, with a smaller area designated for employment than in Test Scenario 1. Test Scenario 2 attempts to optimize inter-connected neighborhoods. The large Town Center is located on 172nd Ave. in Scenario 2. The road network to support these land uses is similar to Scenario 1. It improves connectivity and is intended to meet standards for urban development.

Total Buildable Land	2,700 Acres
Percent of Study Area Urbanized	98%
Total Employment	550 Acres
Total Jobs	10,500
Total Dwelling Units	10,500
Estimated Population	26,000

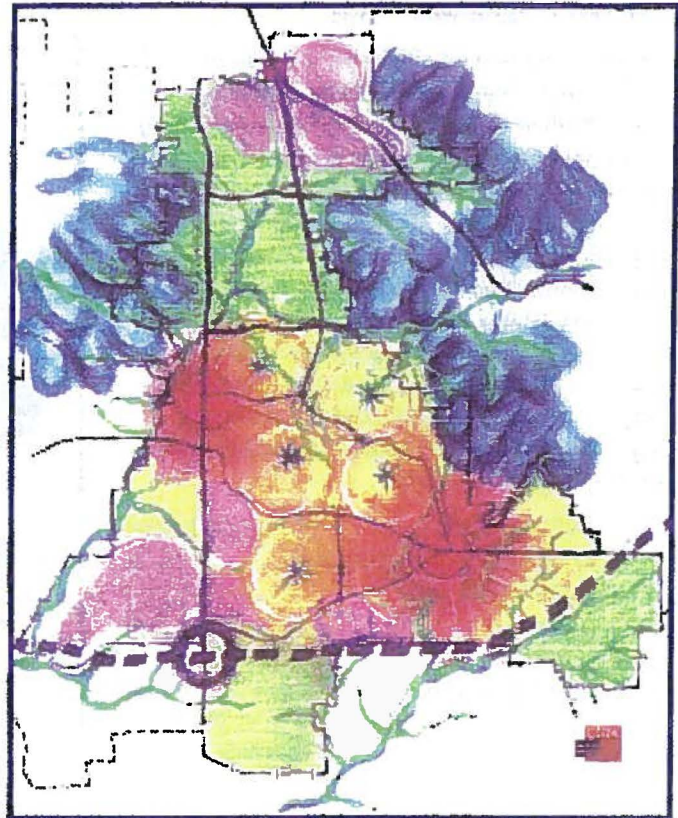
**MAP LEGEND**

Town Center, Mixed Use Retail	Industrial
Town Center, Mixed Use Housing	Industrial-Office
Convenience Retail	Rural
Neighborhood	Butte
Low Density Residential	

**SCENARIO 3, RURAL BUFFER**

Scenario 3 includes a rural separation between the northern and southern portions of the Study area to reduce impact on the headwaters of Rock Creek. Additionally, the area south of the Sunrise Corridor is assumed to remain rural on this Scenario, using the proposed new highway as a “hard edge” between urban and rural development. In the area that would be urbanized, there are places for both employment and housing. Two small Town Centers accommodate retail and office uses, and an employment area in the southwest corner provides the opportunity for jobs accessible to local neighborhoods. The road network identified for this Scenario supports the rural buffer area by limiting new roads in the buffer area, although the road network is intensified in the urban portions of the Study area.

Total Buildable Land	2,650 Acres
Percent of Study Area Urbanized	64%
Total Employment	800 Acres
Total Jobs	12,000
Total Dwelling Units	5,500
Estimated Population	14,000



**■ What We Have Learned**

The Study answered key questions about the area’s potential for meeting the County, state and region’s goals and whether urban services could be provided.

The area can be planned to meet the County’s goals of providing more jobs, creating balanced communities and protecting fish resources.

- The Study area has up to 1,300 acres of land -- 40-60% of the County’s identified need for employment land -- in two general locations with the characteristics needed for the employment uses targeted by the Study. These areas accommodate up to about 12,600 jobs.
- The Study area has the potential to be developed as a balanced community. It can accommodate up to 10,400 housing units with a range of housing types. It offers locations for higher intensity, inter-connected neighborhoods. The ratio of jobs-to-dwelling-unit ranges from 1 job per dwelling unit (Test Scenario 2) to 1.5 jobs per dwelling unit (Test Scenario 1).
- A range of natural resources protection regulations, “green development” practices, and storm drainage treatment and detention technologies could result in substantial protection of fish resources.

It is possible to meet the region and state’s goals of providing housing, natural resource protection, services and jobs close to residential areas, and a functional transportation system. In order to achieve these goals, appropriate residential densities, natural resource protection regulations, and land assembly strategies need to be applied. To achieve a functional transportation system, elements such as transit, bikeway and pedestrian facilities are essential.

Transportation, water, sanitary sewer, and storm water services can be provided for the Study area. In order to do so, governance issues, capital improvement plan revisions and adequate financing programs will need to be addressed.

Financing is a major constraint for transportation. The biggest concern is paying for the Sunrise Corridor. Also mechanisms are not currently in place to adequately fund the collector and arterial road system or “fish friendly” bridges.

## ■ What Needs to Be Done? ■

### CONSTRUCT A TRANSPORTATION SYSTEM FUNCTIONING AT AN ACCEPTABLE LEVEL OF SERVICE INCLUDING:

- Highway 212 widened to five lanes and signalized
- Unit 1 of the Sunrise Corridor constructed
- Commitments in place that allow right of way to be preserved for Unit 2 of the Sunrise Corridor
- A commitment to construct Unit 2 of the Sunrise Corridor within 20 years
- Sunnyside Road widened and improved to Highway 212
- 172nd Ave. widened to five lanes and extended to Highway 212
- Foster Road widened and improved to urban standards
- A connection from 172nd Ave. to 190th Ave.
- Sidewalks and bikeways constructed on all arterial and collector roads
- Sidewalks constructed on most local streets
- Expanded transit service along Foster Road and Sunnyside Road
- Trails constructed according to Metro's Greenspaces Plan and possibly adjacent to streams
- A complete collector and local street network
- Implementing Transportation Demand Management techniques such as carpools, staggered work hours, or bus passes for employees

### PROTECT NATURAL RESOURCES WITH DEVELOPMENT DECISIONS, REGULATIONS AND PROGRAMS THAT:

- Protect water quality, temperature and recharge capacity in Rock and Richardson Creeks
- Limit development on steep slopes and landslide areas
- Maintain or enhance wildlife habitat
- Retain and treat water on site and in regional facilities
- Control storm drainage from roads using "Green Street" designs

### THE CLACKAMAS COUNTY COMMISSIONERS HAVE STATED POSITIONS ON THE FOLLOWING ISSUES ABOUT THE DAMASCUS AREA:

- **GOVERNANCE** – Before urbanization can take place, a decision must be made about governance for the area. Clackamas County's position is that governance for this area should be provided by a city, either through annexation to an existing city or incorporation of a new city.
- **CONCURRENCY** – Most significant public facilities can be provided for this area. However, transportation infrastructure could be significantly deficient because of limited funding. Providing concurrent infrastructure will pose a significant challenge.
- **JOB PRODUCTION** – Sites suitable for industrial development will be under pressure to develop with residential uses, because residential land is absorbed more quickly than industrial land. It is incumbent on local governments to maintain planned industrial sites for future industrial development.

## ■ Essential Next Steps ■

Even if Metro decides that all or a part of the Damascus area should be included within the Urban Growth Boundary, urbanization is not expected to occur for some time. Before the area can become urbanized, at a minimum the following actions, decisions, or products are required:

- Extensive public involvement
- Decisions about the city and service providers for the area, and plans for annexation, including sub-area annexation plans
- Concept Plan
- Coordination with plans for nearby areas, such as Pleasant Valley, Happy Valley, and Clackamas County
- Comprehensive Plan and zoning text and map amendments
- State and Regional Transportation Plans
- Transportation, water, sewer and storm drainage Capital Improvement Programs (CIPs) and financing plans



**To: Mayor and City Council**

**Through: Mike Swanson, City Manager**  
**Alice Rouyer, Interim Community Development Director**

**From: Roosevelt Carter, Program Development Coordinator**

**Subject: Electrical Energy Assessment**

**Date: January 22, 2002**

### **Action Requested**

Information only.

### **Background**

In the face of last year's energy crisis, efforts were undertaken to assure efficiency at all the City's facilities and operations. Since the broad level of energy analysis was beyond the expertise of staff, Will Miller Consulting was retained to assess the City's electrical energy use through a "request for proposal" (RFP) process last October. The consultant analyzed electrical energy use in City Hall, the Ledding Library, the Public Safety Building, and the Johnson Creek facility. Additionally, Will Miller Consulting investigated opportunities for energy savings in the City's well water pumping system, street lighting, and standby generators. In general, Will Miller's findings are that "it is clear that the City . . . [staff] . . . has been very aware of energy issues in their decision making over the years." (See attached "Electrical Energy Assessment Phase Two Report".)

The consulting firm assessed City facilities' electrical energy use by analyzing their utility bills in a computer simulation tool. The analysis process reveals how energy is used within the facility to help diagnose reasons for excessive consumption or poorly functioning components.

Will Miller found that electrical energy use for City Hall, the Library, and the Public Safety Building are reasonable and in-line with expectations considering the age and use of each facility. Overall energy usage in the Johnson Creek facility is higher per

## II. C. 2

Council Staff Report -- Electrical Energy Assessment

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square foot than expected due in part to use of "unit" heaters in the automotive shop area. A more efficient heating source would offset energy use in this area.

The City's water pumping system is operating efficiently. The only associated recommendations are that pumps should be carefully evaluated for minimal and optimal needs at the time of replacement and that smaller, lower horsepower motors should be replaced with new, premium efficiency motors. Generally, new motors using later technology will be more energy efficient than older technology refurbished ones.

There appear to be no opportunities for greater energy efficiency in the City's street lighting system. Reports from PGE indicate that most of their lighting fixtures within Milwaukie have been replaced with high-pressure sodium lamps. Problems related to perceived safety concerns and charges for turning lights on again seem to preclude the option of shutting off some lights as a viable energy saving measure.

While the City's emergency standby generator capacity exceeds 1-mW in the aggregate, the City does not qualify for PGE's "dispatchable standby generation" tariff since a 1-mW generator is required as a minimum. This tariff provides for PGE's purchase of excess capacity from these generators under certain conditions.

Other potential opportunities for cost savings that were investigated include:

- ◆ replacing electric space heaters with radiant heat panels; and
- ◆ day-light dimming retrofits of existing lighting in the library and the shop area of the Johnson Creek Building.

Neither of the above two measures proved cost effective over the long term and were thus not recommended. The Fleet and Facilities staff are investigating acquisition and installation costs of a radiant heating system in the automotive shop area of the Johnson Creek facility. Staff will determine the reasonableness of total costs and include in a subsequent budget request if warranted.

### **Concurrence**

- ◆ Engineering Dept.
- ◆ Fleet & Facilities Dept.
- ◆ Streets Dept.
- ◆ Water Dept.

### **Fiscal Impact**

The total cost of the study was \$5,140.00 spread equally between the Fleet & Facilities, Streets, and Water Departments.

Acquisition and installation costs of a radiant heating system will be included in a subsequent budget request if warranted.

Work Load Impacts

- ◆ Project management time of a Program Development Coordinator.
- ◆ Meeting and coordination time of various staff in the Engineering and Operations Departments.

A copy of the "Electrical Energy Assessment Phase Two Report" is available on request.

**MILWAUKIE CITY COUNCIL  
WORK SESSION  
JANUARY 7, 2002**

The work session came to order at 5:30 p.m. in the City Hall Conference Room.

City Council present: Mayor Bernard and Councilors Lancaster, Marshall, and Newman.

Staff present: City Manager Swanson, Interim Planning Director Gessner, Associate Planner Kent, IST Manager Gartner, Neighborhood Services Manager Gregory, and Program Specialist Herrigel.

**Information Sharing**

1. **Mayor Bernard** discussed the location and possible topics for the March Clackamas Cities meeting which Milwaukie is hosting. **Swanson** suggested a panel discussion on library funding.
2. Council discussed planning a fall trip to Milwaukie's Sister City, Iwaki, Japan.
3. The group discussed the growing popularity of small towns and the potential for marketing Milwaukie on cable access and the Internet.
4. **Swanson** provided a draft letter from Mayor Bernard to Metro South Corridor Policy Group Chair Rod Monroe transmitting the Milwaukie neighborhood leaderships' comments on the project. Swanson also sent a letter to Metro staff urging some positive results on the South Corridor project and citing the need to put City staff time in on other important projects such as decommissioning the Kellogg Wastewater Treatment Plant.
5. **Swanson** provided a list of projects compiled at that December TMAC retreat and asked for Council input. Milwaukie submitted a total of 5 projects for federal funding: Lake Road/Oatfield Road and Logus Road in the regional highway category and Railroad Avenue, Milwaukie Main Street, and Harmony Road in the TCSP category. The group agreed Lake Road and Railroad Avenue were the most important projects in their respective categories. **Councilor Marshall** suggested adding McLoughlin Boulevard to the bridge category.

**Board and Commission Interviews**

The City Council interviewed Julie Smith, Kathleen Rose, and Jim Newman for positions on the Centennial Committee and Scott Griffith and Roman Moreno for positions on the Cable Access Studio Ad Hoc Committee.

### **North Clackamas Parks District Report**

North Clackamas Parks and Recreation District (NCPRD) Director **Mike Henley** provided an update on the District's master plan process. The needs assessment findings are being used to project the types of programs and facilities needed to serve the population between now and 2021. These may be developed by the District as well as other recreation service providers. Henley reviewed the various assessment methods which included community and staff workshops; organized sports providers and random household surveys; website and newsletter surveys; and comparisons with other communities.

**Councilor Marshall** believed small neighborhood parks should carry more weight than large, multi-use parks. As density increases, lots are becoming smaller, so there is a real need for accessible neighborhood parks for children to explore. Although regional parks seem desirable, large parcels are hard to find.

**Henley** discussed the proposed standards and goals and noted the importance of a realistic, deliverable plan. Survey respondents indicated some willingness to pay increased taxes depending on the proposed facilities and programs. The priorities from this survey seem to mirror what was included in the last money measure campaign. Although the funding strategy is not yet clear, there may be ballot measures for capital projects as well as paying off existing bonds to free up money for operations. Milwaukie is represented on the Parks District Citizen Advisory Committee by Mayor Bernard, Molly Hanthorn, Mart Hughes, and Mitch Wall.

**Councilor Lancaster** asked if the public workshops were well attended, and **Henley** responded they were not. The workshops were just one of several input gathering strategies.

**Councilor Marshall** asked if the Board of County Commissioners had made any movement toward allowing the District to be a self-governing body, and **Henley** replied there were no steps in that direction.

**Councilor Marshall** asked how the proposed standard of acres per 1000 population for neighborhood and community parks was established. **Henley** said it was based on mathematical projections and the consultant's professional experience of what makes sense for this community.

**Councilor Marshall** noted the current downward trend in attendance at the aquatic center and asked why the projection showed the need for more square feet of pool space. **Henley** explained this is a 20-year needs projection. While aquatic park general attendance is down, special programs are doing very well. He added, the District is not solely responsible for meeting the deficiencies.

**Swanson** commented the Board of County Commissioners decides whether or not a Parks District measure goes on the ballot. The Board is putting a fairly

substantial law enforcement measure on the May ballot which, he added, may be of questionable benefit to cities. Three very popular services, law enforcement, parks, and libraries, are in need of funding, and failure of the law enforcement levy could seriously reduce funding of the other two.

**Henley** said there will also be a major facilities measure to develop Red Soils. Board Chair Jordan has publicly stated he will not reduce law enforcement services. The Parks/Library Task force is close to making a decision on its funding recommendation, but having enough money to implement the Parks District Master Plan is a serious problem.

**Swanson** noted the Master Plan element relating to the need for community and regional riverfront access. He asked Henley to remind the Board of County Commissioners that Milwaukie has an answer to that problem but for one major stumbling block -- the Kellogg Wastewater Treatment Plant. Milwaukie is willing to be part of the answer to this recognized need.

**Henley** suggested quarterly City Council/Parks District meetings.

### **Public Access Studio Ad Hoc Committee**

**Herrigel** provided a preliminary task list for the Public Access Studio Ad Hoc Committee which includes developing a program mission statement, a long-term financial plan, scheduling and use policies, and an equipment upgrade plan.

**Councilor Marshall** recommended the mission statement, financial plan, and scheduling system be addressed immediately.

**Councilor Newman** thought the Committee could be proactive in involving the access studio in community events such as the upcoming Milwaukie Centennial.

The group discussed the feasibility of airing Milwaukie public access shows in unincorporated areas which currently receive only Willamette Falls programming.

### **Computer Hardware Purchase Update**

**Swanson** reviewed the computer hardware purchase staff recommendation scheduled for Council action at its regular session. During the 2001 - 2002 budget process, the Budget Committee approved funding for management information system (MIS) software, and staff is in the midst of that procurement process. The Budget Committee also approved funds for a multi-year hardware lease arrangement to meet existing system demands as well as those added by the MIS software. Staff estimates the current hardware is at 95% capacity.

Initially, funds were budgeted for a 3-year hardware lease based on the belief that adequate funds for a purchase were not available, and IST Manager Gartner

prepared a request for proposals (RFP) to lease computer hardware. In the meantime, the annual audit came out showing a higher than anticipated administrative service fund balance. The City is now in a position to use those funds for an outright purchase.

The first recommendation before Council is to reject all proposals to lease computer hardware because the City will save money by purchasing outright from the state contract. The second recommendation is to purchase from the second lowest bid, Compaq, on the state contract. The City's existing system is Compaq and staff is trained in its support. Compaq also offers an extended warranty beyond 3 years on server hardware which is beneficial considering the tendency of servers to have a longer life span.

**Gartner** discussed the City's current computing environment and the inability to load new software on some of the older workstations. Milwaukee currently operates on a system of 6 existing Compaq servers, so there is already an investment in that service line. The existing servers, which are 4 years old, will remain in service at a reduced capacity, and the new MIS software will be loaded on the new servers. By balancing the application loads, the network will operate more efficiently. The IST staff currently utilizes Compaq's pre-failure management software to remotely monitor any potential network server problems, and, by purchasing the Compaq product, staff can continue this practice. Compaq is the industry standard for servers and has proven almost 100% reliable in the City.

**Swanson** noted Compaq meets or exceeds the RFP specifications and offers an extended warranty. The city attorney was present to answer any questions related to the public purchasing process. The auditor has approved of the use of administrative funds to purchase the computer equipment.

**Firestone** said rejecting the lease proposals is justified because the same equipment can be purchased for less, and, therefore, serves the public interest.

**Councilor Lancaster** asked if equipment would need to be replaced every 4 years and if this is a step toward system integration.

**Gartner** said workstations are replaceable about every 4 years and software will drive the need for additional server capacity. This equipment and the MIS software move toward system integration. Some old workstations will be used for training and others will replace public machines at the Ledding Library.

### **Urban Forestry Ad Hoc Committee Status Report**

**Swanson** said Interim Community Development Director Rouyer presented the City Council with a specific charge for this Committee to be completed within a specific period of time. The allotted time ends this month, but, for various

reasons, including member disagreements on regulating trees on private property, the Committee has accomplished little. Staff is seeking direction on how the Committee should proceed.

**Kent** added that the Committee agreed on public property regulations but could not come to consensus on private property issues. It has also been difficult getting attendance at the meetings, and one person resigned.

**Councilor Marshall** and **Mayor Bernard** agreed the Committee should provide any information it has and then disband.

The Urban Forestry Ad Hoc Committee will have one final meeting to prepare a report to Council.

### **Proposed Flag Lot and Other Development Standards**

**Gessner** sought Council direction on code amendment options for improving flag lot and other development standards. For background, he provided a City map highlighting those parcels with flag lot potential. He reviewed the history of flag lot development in Milwaukie and noted long term community concern. The first flag lot standards were adopted in 1979, and, since that time, required access widths and administrative variance percentages have fluctuated. He provided a graph illustrating growth periods and variance, subdivision, and partition applications.

**Gessner** summarized the options to improve flag lot design: widen access to open view, reduce physical and visual crowding, prohibit stacked flag lots, expand perimeter and buffer planting requirements, and require shared curb cuts.

**Councilor Newman** asked the required access widths for stacked flag lots.

**Gessner** said access for 1 flag lot is 20 feet and 30 feet for 2 flag lots.

The group discussed fencing and vegetative screening, and **Gessner** will work on refining that section but is concerned with blocking the street.

**Councilor Lancaster** suggested language which requires the method providing the best screening.

**Councilor Newman** pointed out it does take time for plantings to fill in and might prove difficult to enforce long term. The group discussed ongoing property owner obligations to planning regulations.

**Councilor Marshall** referred to the option of prohibiting stacked flag lots. At some point, developers need to be told to put in streets.

### III. 6

**Council agreed staff should pursue these options for improving flag lot design and development.**

**Gessner** moved on to the next issue which was improving the architectural quality of new houses. He explained cities cannot discriminate between manufactured and stick-built houses but can require certain design elements such as eaves, recessed entries, attached garages, and dormers.

**Councilor Marshall** asked if the City could require a certain percentage of brick or stonework on the façade and if it is feasible to have a pool of required architectural features from which the developer must choose.

**Firestone** said that type of requirement is defensible as long as it applies to all housing types. However, it could also be argued that a feature like brick or stonework is rare in manufactured housing. Any list of features which excludes manufactured housing creates a problem.

**Councilor Newman** understands historical districts have more flexibility in requiring certain materials, but, in other circumstances, there could be legal problems. For general requirements, many communities have adopted a cafeteria approach to incorporating architectural features as well as having universal sizing, massing, and orientation requirements.

**Councilor Marshall** believes stonework is a good way to upgrade the community.

**Gessner** discussed the next issue which was eliminating covered parking. The Zoning Ordinance currently requires 2 parking spaces for each single family development 1 of which must be covered. To save money, it is a common practice for people to remodel their attached garages into a living space. This practice often results in a Zoning Ordinance violation and raises enforcement issues. Staff, as an alternative, recommends developing carport design standards.

**Councilor Marshall** was interested in the Planning Commission's comments and suggested a carport standard requiring enclosed storage.

**Gessner's** final item was restrictions to the size and location of very large accessory structures on residential lots.

**City Council directed staff to pursue accessory structure issues and review setback, height, and material requirements.**

**Other**

**Councilor Marshall** wishes to discuss the Council Presidency and Council retreat in the near future.

**Adjournment**

**Mayor Bernard** adjourned the work session at 8:35 p.m.

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Pat DuVal, Recorder

CITY OF MILWAUKIE  
CITY COUNCIL MEETING  
JANUARY 8, 2002

**Call to Order**

The 1877<sup>th</sup> meeting of the Milwaukie City Council was called to order by Mayor Bernard at 6:00 p.m. in the City Hall Council Chambers. The following Councilors were present:

Larry Lancaster  
Jeff Marshall

Brian Newman

Staff present:

Mike Swanson,  
City Manager  
Gary Firestone,  
City Attorney  
Michelle Gregory,  
Neighborhood Services  
Manager  
Alice Rouyer,  
Interim Community Dev  
Director

Esther Gartner,  
IST Manager  
Jason Wachs,  
Program Specialist  
Kelly Somers,  
Fleet/Facilities Manager

**PLEDGE OF ALLEGIANCE**

**PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS**

**Good Governance Award**

The City of Milwaukie received the 2001 *Good Governance Award* at the Annual League of Oregon Cities Conference for its neighborhood grant program. This award recognizes programs that reconnect citizens with their communities.

The Council thanked neighborhood leaders who played the critical role of identifying projects, applying for funds, and coordinating volunteer efforts. Those attending the Council meeting were Sherri Campbell, Teresa Bresaw, Art Ball, and Ed Zumwalt. **Gregory** and **Wachs** were recognized for their staff work and were given a duplicate of the League of Oregon Cities award to hang in the Office of Neighborhood Services.

**2001 Quality Team Presentation**

**Wachs** gave an overview of the Quality Team Program and its value to the City. He discussed the number of changes the City implemented based on the 2000 Quality Team's recommendations on solving downtown parking issues.

The 2001 Quality Team members reported their findings on this year's problem which was to identify funding methods to implement the riverfront plan. The funding

mechanisms included forming an urban renewal district, securing grants, and putting a bond measure before the voters.

### **Consent Agenda**

It was moved by Councilor Newman and seconded by Councilor Marshall to adopt the Consent Agenda consisting of:

- A. City Council Minutes of December 17, 2001;
- B. **Resolution 1-2002: A Resolution of the City Council of the City of Milwaukie, Oregon, Designating the *Clackamas Review* and *The Oregonian* as the papers of record for the City of Milwaukie.**
- C. **Resolution 2-2002: A Resolution of the City Council of the City of Milwaukie, Oregon, Designating the First and Third Tuesdays of Each Month as the Regular City Council Meeting Dates;**
- D. **Resolution 3-2002: A Resolution of the City Council of the City of Milwaukie, Oregon, Amending Fees for Services; Establishing a Medical Gas Permit Fee; and Classifying the Fees Imposed by This Resolution As Not Subject to Article XI, Section 11B of the Oregon Constitution;**
- E. Authorize Purchase of 10-Yard Dump Truck; and
- F. Center/Community Advisory Board Recommendation to appoint Sharon Phillips to a vacant City position.

Motion passed unanimously among the members present.

### **AUDIENCE PARTICIPATION**

None.

### **PUBLIC HEARING**

None scheduled.

### **OTHER BUSINESS**

#### **Reimbursement District Code Amendments, MMC 13.30.140(B)**

Rouyer presented the staff report in which the City Council was requested to adopt an ordinance clarifying that reimbursement fees are applied in lieu of a local improvement district (LID) and are not considered a systems development charge (SDC) and, therefore, not subject to state laws applicable to SDCs.

It was moved by Councilor Newman and seconded by Councilor Marshall to read the ordinance amending Municipal Code Section 13.30.140(B) to clarify the definition of reimbursement fees for the first time by title only. Motion passed unanimously among the members present. The ordinance was read for the first time by title only.

It was moved by Councilor Newman and seconded by Councilor Lancaster to read the ordinance amending Municipal Code Section 13.30.140(B) to clarify the definition of reimbursement fees for the second time by title only. Motion passed

unanimously among the members present. The ordinance was read for the second time by title only.

It was moved by Councilor Lancaster and seconded by Councilor Newman to adopt the ordinance amending Municipal Code Section 13.30.140(B) to clarify the definition of reimbursement fees. Motion passed unanimously among the members present.

**ORDINANCE NO. 1896:  
AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, AMENDING  
SECTION 13.30.140 B OF THE MILWAUKIE MUNICIPAL CODE IN  
ORDER TO CLARIFY THE DEFINITION OF REIMBURSEMENT FEES.**

**Centennial Planning**

**Gregory** presented the staff report on Centennial event planning. The 4-part effort includes community outreach, research, Centennial Planning Committee appointments, and issuing a request for proposals (RFP) for a consultant to help with planning and fundraising. Funding requests will go to the Budget Committee in the next cycle.

The group discussed the feasibility of procuring grants and negotiating a pay for performance plan with the fundraising consultant.

**Reject All Proposals for Computer Hardware**

**Swanson** described the two issues before Council relating to acquisition of computer hardware for the City. The first recommendation was to reject all proposals to lease computer hardware, and the second was to approve purchase of Compaq equipment from the state contract.

He discussed the Management Information System (MIS) software project and the need for accurate and easily understood reports for the Council, staff, and, most importantly, the public. To this end, the City is looking at new software and needs appropriate equipment on which to run that software.

Initially, staff issued a request for proposals (RFP) to lease workstations and servers since leasing is not an option on the state contract. Of the 6 proposals the City received, Dell and Compaq were the 2 most competitive vendors. In the interim, the audit was completed and showed sufficient money in the administrative fund to purchase the equipment outright. The purchase would result in a savings of \$17,000 - \$20,000 depending on the product selected. Council is justified in rejecting all lease proposals because the cost savings would be in the best interest of the City.

The second recommendation before Council was to approve the purchase of Compaq equipment which is the second lowest bid on the state contract. Milwaukie is currently a

Compaq shop, and IST staff is trained to work with that equipment. Additionally, Compaq offers an extended warranty on its servers that Dell does not.

**Gartner** addressed the technical aspects of computer network needs and the importance of quality, state of the art equipment. She discussed the Compaq pre-failure software that allows IST staff to remotely monitor all servers on the network. In conjunction with identifying server problems before they happen, Compaq's extended warranty allows time to replace parts that are identified as failing. New equipment means increased storage capacity, and users will have faster access to information. Compaq also spends more money on research and development than its competitors.

The group asked when the new software would be implemented, and **Swanson** reported staff is scheduling vendor demonstrations. Implementation will be after this budget cycle.

**Councilor Marshall** asked if the City purchases leading edge hardware, and **Gartner** replied it is City practice to purchase the latest equipment for the highest level of performance.

**It was moved by Mayor Bernard and seconded by Councilor Lancaster to reject all lease proposals for computer hardware. Motion passed unanimously among the members present.**

#### **Authorize the City Manager to Sign a Purchase Order for Computer Hardware**

**It was moved by Councilor Newman and seconded by Councilor Marshall to authorize the City Manager to sign a purchase order for computer hardware from the state contract. Motion passed unanimously among the members present**

**It was moved by Councilor Newman and seconded by Councilor Lancaster to purchase Compaq workstations and servers from the state contract. Motion passed unanimously among the members present.**

#### **Board and Commission Appointments**

**Mayor Bernard, with Council consensus, appointed Kathy Rose and Jim Newman to the Centennial Committee and Scott Griffith and Roman Moreno to the Cable Access Studio Ad Hoc Committee.**

#### **Other Items and Announcements**

**Swanson** announced the City Council would meet in executive session immediately following adjournment of the regular session to discuss real property, pending litigation, and consult with legal counsel pursuant to ORS 192.660.

III. 12

**ADJOURNMENT**

**It was moved by Councilor Newman and seconded by Councilor Marshall to adjourn the meeting. Motion passed unanimously among the members present.**

**Mayor Bernard adjourned the meeting at 7:00 p.m.**

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Pat DuVal, Recorder



**To:** Mayor and City Council

**Through:** Mike Swanson, City Manager  
Alice Rouyer, Interim Community Development Director

**From:** Roosevelt Carter, Program Development Coordinator

**Subject:** Annexation of Unsewered Area Near 55<sup>th</sup>, Stanley and Johnson Creek Blvd.

**Date:** January 22, 2002

**Action Requested**

Direction and authorization to proceed.

**Background**

In July 2000, staff discussed the feasibility of providing sewer services to a small area south of Johnson Creek Blvd. and east of 55<sup>th</sup> Avenue (Exhibit A) with the Council. At that time, the Council asked staff to collect more information from residents to determine who is interested and to estimate the cost of serving the area in the short and the long term. The Council also requested more aggressive dialogue with the County on annexation issues.

This item is being brought back to the Council at this time for the following reasons:

1. There are now sufficient resources to address this issue following staff turnover since the July date.
2. The Council might have new input for staff following the October work session with annexation consultant Ken Martin.
3. Staff would like to move ahead with this project prior to the outcome of the Portland State University study and development of a full annexation strategy due to the need for sewers in the area.

## VI. A. 2

Council Staff Report -- 55<sup>th</sup> Avenue Annexation  
Page -- 2

Staff suggests the following steps be followed in proceeding with the proposed annexation:

1. Discuss and get estimated costs of serving any potential annexation area with all affected City Departments, e.g., Fire, Police, Storm/Sewer, Streets, Water, etc.;
2. Meet with the County on preliminary annexation cost issues;
3. Meet with residents of the affected area to provide basic information and to determine their interest in annexation;
4. Discuss results with the Council at a regular Work Session.

Staff requests feedback on this approach. If Council feedback is positive, staff requests authorization to proceed.

### **Concurrence**

- ◆ Planning Department
- ◆ Engineering Department

### **Fiscal Impact**

- ◆ Staff time

### **Work Load Impacts**

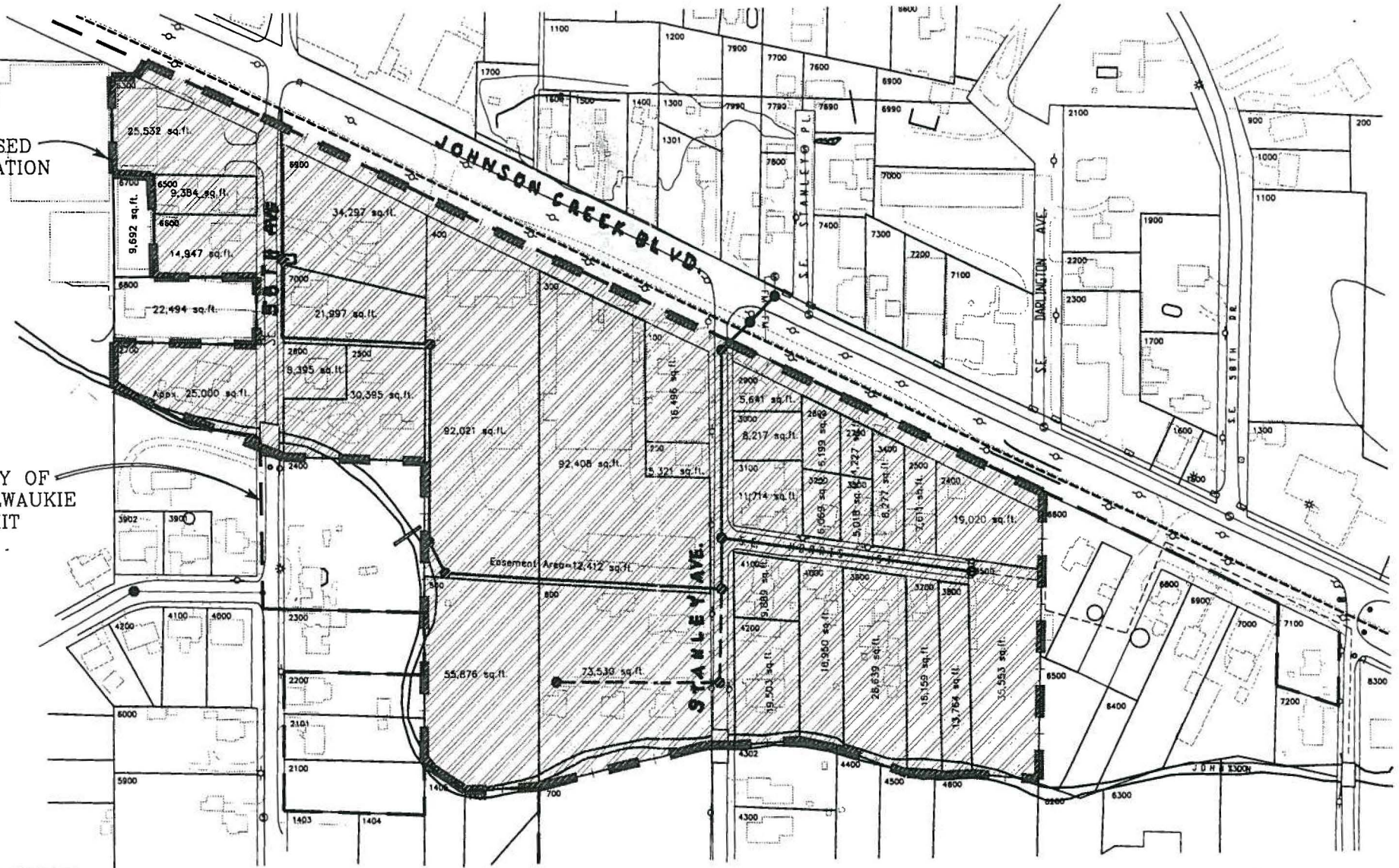
- ◆ Project related time for a project team composed of:
  - Community Development Program Coordinator
  - Engineering
  - Planning
  - Neighborhood Services
- ◆ Related meeting time and preparation of cost estimates by other City staff, e.g., Department Heads affected by potential annexations.

### **Attachments**

- ◆ Vicinity map of the "JCB / 55<sup>th</sup> Avenue Proposed Annexation Area".

PROPOSED ANNEXATION AREA

CITY OF MILWAUKIE LIMIT



NOT TO SCALE

JCB / 55th Avenue Proposed Annexation Area



VI. B. 1

**To: Mayor and City Council**

**Through: Mike Swanson, City Manager**  
**Alice Rouyer, Interim Community Development Director**

**From: Roosevelt Carter, Program Development Coordinator**

**Subject: North Main Street/Safeway Project Update**

**Date: January 22, 2002**

**Project Name Change**

Now that the purchase phase of this project is complete and behind us, we feel it is time to move beyond the old "Safeway" site designation. A more "future" oriented project title will help to capture the spirit and vision of what is to come in Milwaukie's downtown. We have recommended the project be labeled the "North Main Street Project." The "North Main Street Project" label is clear, simple links the stated policies of the Downtown and Riverfront Land Use Framework Plan to make downtown Milwaukie: a livable community where downtown residents can walk to work and shop conveniently; a thriving business center.

**Upcoming Project Workshop**

On Monday, January 28th, the City will host a North Main Street Redevelopment Project Workshop at City Hall at 6 p.m. The purpose of the workshop is to allow citizen and business input to the marketing aspects of the project, e.g., clarify the project's goals; explore complementary and competitive issues associated with the site redevelopment that have the potential to impact downtown Milwaukie; evaluate mixed uses such as housing, retail, etc., at a general level.

Our marketing consultant (Johnson Gardner and ECO Northwest will moderate). Appropriate notices have been sent to all stakeholders

## Riverfront Board Meeting Minutes

VII. 1

November 6, 2001

Members present: Martin, Loaiza, Green, Verbout, Wall  
Members absent: Stacey, Cardinalli

Visitors: S Olson, G Klein

Motion to approve minutes of October 17 meeting approved with no corrections (5-0) – a first in the Board's history.

Loaiza made note of a recent article in the Oregonian regarding a grant received by Oregon City from the Oregon Marine Board for \$340 million to build a boat dock. He noted that Lake Oswego is also getting ready to build a waterfront project. Herrigel said she would find out if Oregon City had a Riverfront Board and report back to the Board.

### Staff Updates

Herrigel updated the board on the Riverfront Cleanup and the Kellogg Creek report meeting. Michael Martin said he "might" go to the Kellogg meeting on the 14<sup>th</sup>. Mitch Wall said his wife would attend and either Wall or Martin will report to Board.

Herrigel said the Board would be asked to reapply for their Riverfront Board positions before March. The Council would appoint the positions to staggered terms. Board members passed a motion 5-0 that terms be 3 years in length but that positions be appointed for two and three years.

### Kellogg Treatment Plant Status

Dennis Lively, the City's Director of Engineering, updated the Board on the status of a study recently drafted for WES, Oak Lodge Sanitary District and Milwaukie regarding alternatives for handling sewage in Clackamas County. Lively noted that of the three options considered in the study, only one considered removing the Kellogg Treatment Plant. Following were some of the major points of Lively's presentation:

- Treatment plants do not typically wear out all at once – it is common for them to stay operational for 50 years or more.
- Milwaukie is a wholesale customer of the Kellogg plant. As such the City gets billed for necessary upgrades and maintenance costs. The City has no vote in the plant's operation.
- All three options being considered are feasible regarding siting, permitting and regulatory input. The difference among the options is the cost and who will support (politically) which option.
- To maintain adequate capacity with the Kellogg plant remaining in place – the cost would be about \$49 million. To remove Kellogg and maintain adequate capacity would cost about \$99 million.

## VII. 2

### ***Green contributed the following:***

- New capacity and closing Kellogg would not result in better water quality (current output is not contributing to any major environmental problem)
- There may be options for leaving the Kellogg plant where it is and designing parks or other facilities on top of it
- Combining flows and removing Kellogg would make flows and treatment more efficient – system-wise.
- Oak Lodge sees their expansion as making them more viable as a District.
- Once managers and Councils have decided to move forward with an option, it might take five years to design, plan and build new system. Thus, starting now, we are still 10 years away from Kellogg being moved.
- We would still need pump station either on or near the current site. Station could be innocuous.

Mitch Wall made the following motion with Verbout seconding:

***The Riverfront Board wants the Kellogg Sewage Treatment Plant removed as soon as possible. We request that City Council adopt a resolution, publicly affirming that the City of Milwaukie wants the Kellogg Sewage Treatment Plant removed as soon as possible.***

Motion passed 4-0 with Green abstaining.

### **Roles and Tasks of Riverfront Board**

The group began discussing other activities/tasks the Riverfront Board should pursue. In general, they agreed that they were not cheerleaders and fundraisers.

Loaiza did note that he thought Fireworks were a great idea.

The group expressed interest in the City setting up a structure for receiving funds for Riverfront projects. The concept would be similar to the Johnson Creek Watershed Council or Friends of Ledding Library. Wall made the following motion with Verbout seconding:

***This Board recommends that the City Council establish a mechanism to receive tax-deductible contributions for improvement of the Riverfront.***

Motion passed 5-0.

Members generally agreed that the Riverfront Board's role in any structure established by Council would be oversight only.

The group noted that they were disappointed in the design for the McLoughlin project. Verbout noted that noise was a very large concern of this Board's and that the current McLoughlin design doesn't seem to address this.

Klein proposed and members supported (no vote recorded) the following statement:

**This Board is not satisfied with the McLoughlin upgrades that were presented at the October 17, 2001 Riverfront Board meeting and feels that they were not compatible with the vision of the Riverfront Framework Plan.**

Wall then made the following motion, which was seconded by Martin:

*This Board recommends that Council direct staff to build Riverfront Board review into the (planning and) development processes for the following projects:*

- *McLoughlin Blvd.*
- *Kellogg Treatment Plant removal*
- *Boat Ramp modification*
- *Johnson Creek enhancement*
- *Kellogg Creek modification*
- *Springwater Trail extension*
- *Portland Traction line acquisition and development*

The group decided that at the next meeting they would discuss their vision for Riverfront development and what was included in that. Elk Rock Island was raised as a possible addition to the Riverfront vision. Martin will contact Jim Shallin from Portland to see if he would be the person to discuss Elk Rock Island with the Board at a future meeting.

Herrigel committed to writing up the list of motions the board had passed and distribute them to Board members by Friday 11/7/01 for their review. If necessary, the Board set a date to meet on November 28<sup>th</sup> at 6:00 to strategize before the December 3<sup>rd</sup> Council meeting.

The next formal meeting for the Board was set for December 18<sup>th</sup> at 6:30 at Stephen Loiza's home. Dinner would be potluck contributed by attending members.

Green made a motion to adjourn, seconded by Wall. Meeting adjourned at 8:40.