## **ORDINANCE NO. 14-1015**

AN ORDINANCE ADOPTING A MIXED USE MULTI MODAL AREA AS IDENTIFIED IN OAR 660-012-0060 FOR THE AREA ON EITHER SIDE OF MAIN STREET, SOUTH FROM 11TH STREET, THROUGH DOWNTOWN AND INTO THE PROPOSED WILLAMETTE FALLS DOWNTOWN DISTRICT.

WHEREAS, until recently, policies implementing our transportation system have placed high importance on movement of automobiles through transportation system performance provisions in the State Transportation Planning rule (TPR) that are implemented almost entirely through state and local volume-to-capacity ratios or level-of-service (LOS) standards; and

WHEREAS, by adopting an MMA designation Oregon City understands it is adopting a different set of values that places importance on multimodal travel and a compact, mixed-use pattern of development; and

WHEREAS, Oregon City understand that in return for the additional flexibility in development that the MMA designation provides, there is a trade-off in the amount of automobile congestion and longer travel times that may result and while congestion impacts considered through mobility performance measures will not be part of the approval criteria for future plan or land use regulation amendments in MMA areas, transportation facility providers have a responsibility for addressing safety and operation of all their facilities; and

**WHEREAS**, Oregon City wants to strengthen and promote development in their existing downtown and provide for additional development and visitors to a newly designated open space along the Willamette River overlooking Willamette Falls; and

**WHEREAS**, without the freedom offered by an MMA, Oregon City is concerned that the old system of mitigating for significant impacts would require major, expensive, impractical upgrades to create more automobile capacity for user who are often just passing through the city onto some other destination; and

**WHEREAS**, the MMA is centered on Main Street, south from 11th street, through downtown and into the proposed through the Willamette Falls Downtown District including a dense development of retail, office, and civic uses, with allowances for higher-density residential, craft industrial, and recreational attractions; and

WHEREAS, Oregon City has used the Model Development Code that was jointly developed by the Oregon Department of Transportation and Department of Land Conservation and Development as a reference to create zoning in the existing Mixed Use Downtown District and for the newly created Willamette Falls Downtown District; and

**WHEREAS**, approving the MMA is in compliance with the Goal and Policies of the Oregon City Comprehensive Plan and is in compliance with all applicable city requirements.

## NOW, THEREFORE, OREGON CITY ORDAINS AS FOLLOWS:

**Section 1**. The request for a Mixed Use Multi Modal area as identified in OAR 660-012-0060. The MMA includes the blocks on either side of Main Street, south from 11th street, through downtown and into the proposed Willamette Falls Downtown District.

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Effective Date: December 5, 2014

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**Section 2.** The Commission adopts the Map and findings that are attached to the Ordinance as Attachment A, and incorporated herein to support the City's approval to amend the Comprehensive Plan to create a new MMA for the area identified in Section 1.

Read for the first time at a regular meeting of the City Commission held on the 15th day of October 2014, the City Commission finally enacted the foregoing ordinance this 5th day of November 2014 and this ordinance will take effect 30 days after enactment.

DOUG NEELEY, Mayor

Attested to this 5th day of November 2014:

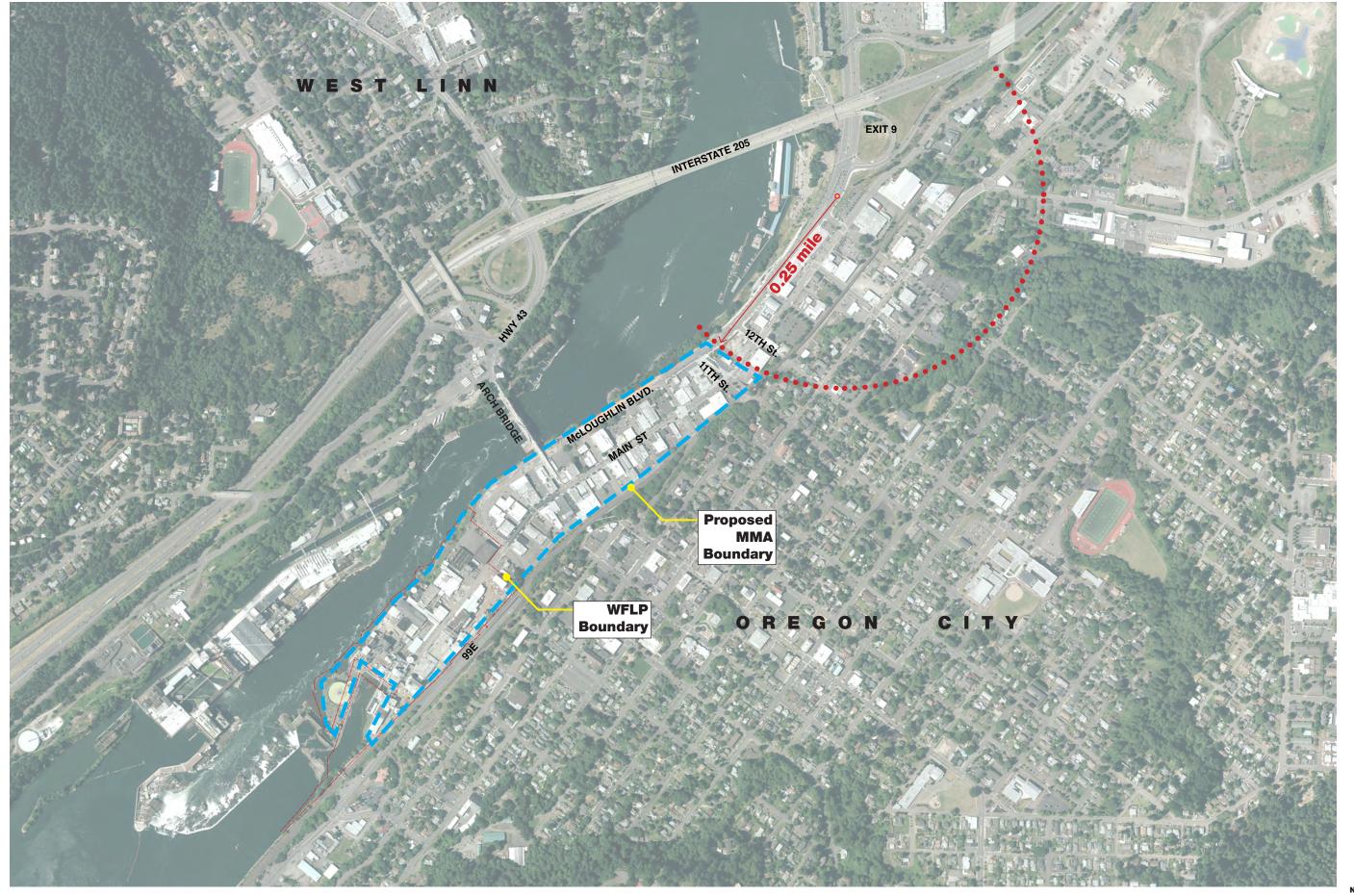
Nancy Ide, City Regorder

Approved as to legal sufficiency:

City Attorney

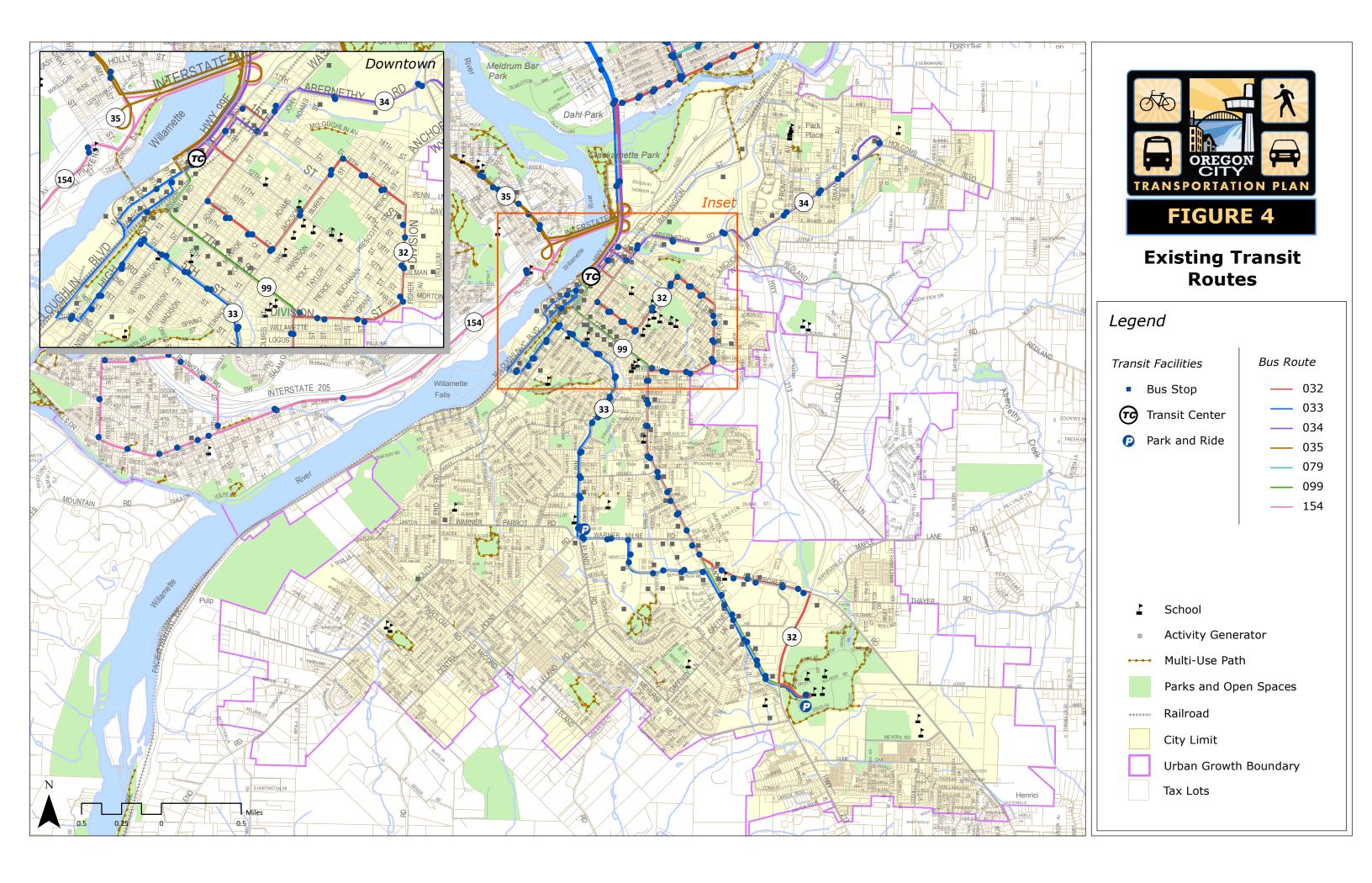
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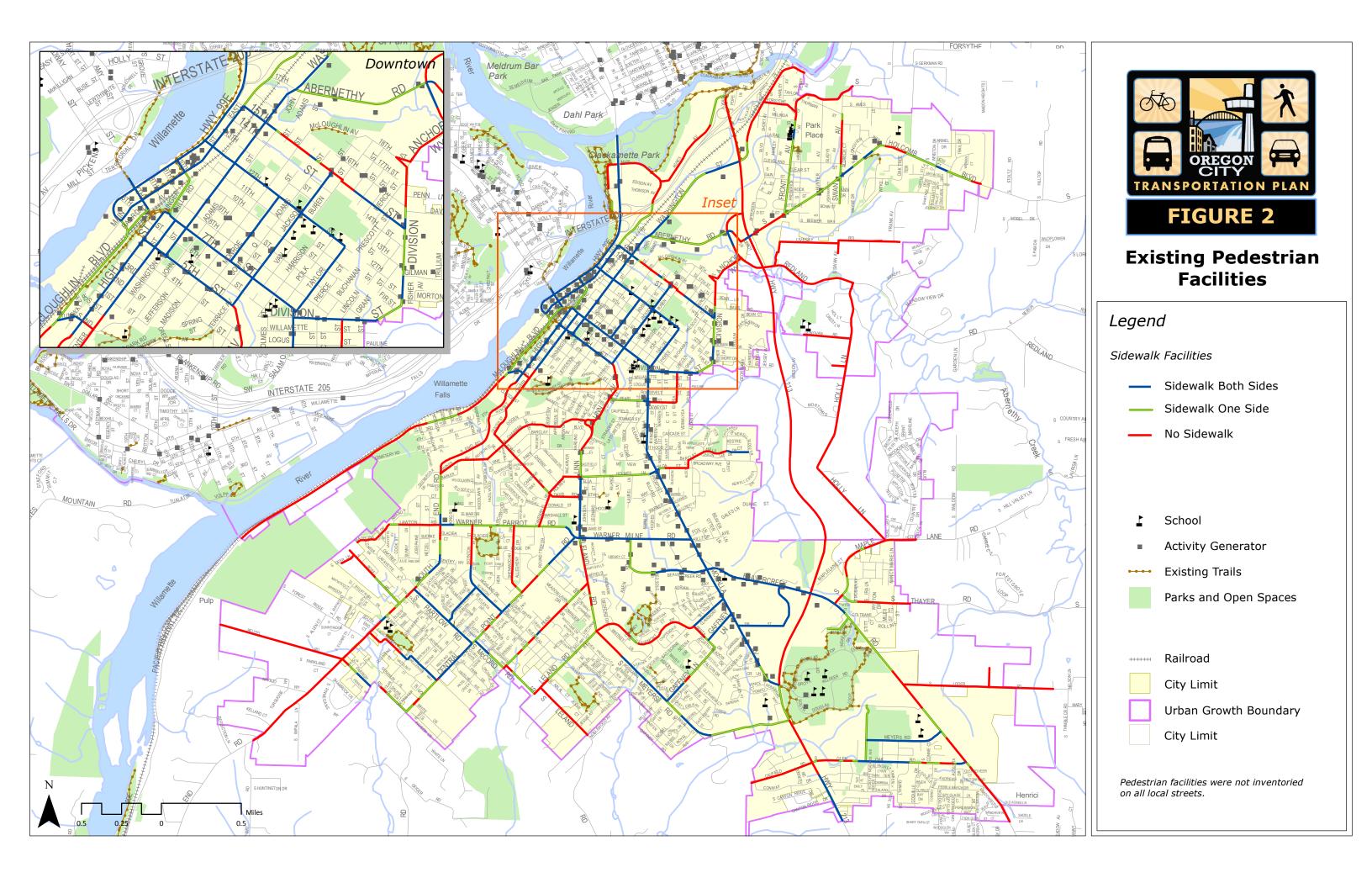
A. MMA Boundary Map and Findings

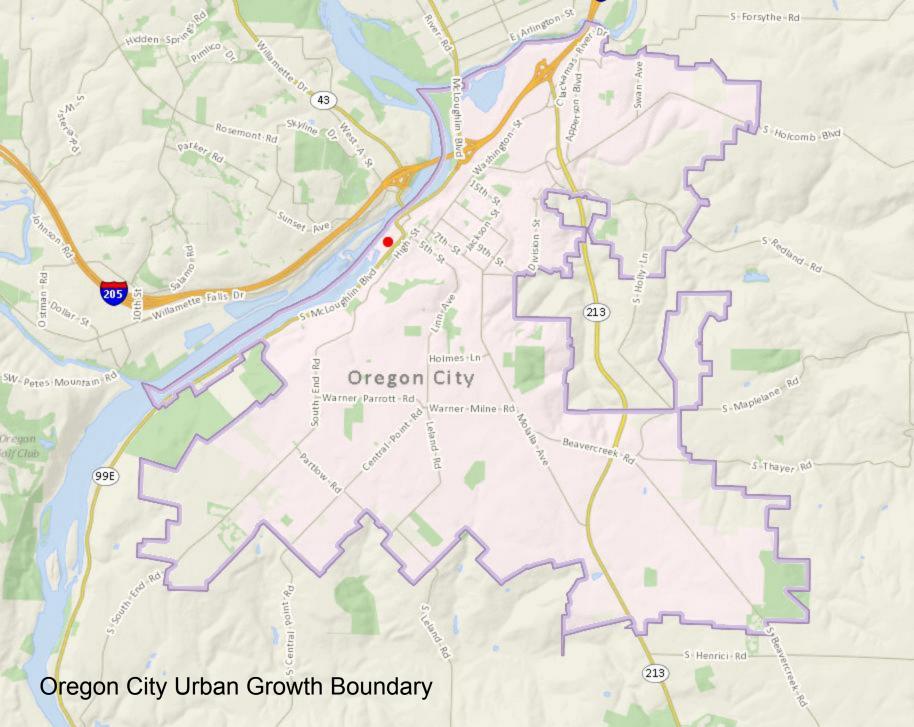












**Response**: In the event that a future development proposal under the master plan cannot show that it is exempt, it would be "allowed under prescribed conditions" and subject to all the standards of this chapter. Because future development actions in the plan are subject to detailed development plan approval under a Type III process, the NROD review would occur concurrent with this process.

## Multi-Modal Mixed Use Area (OAR 660-012-0060)

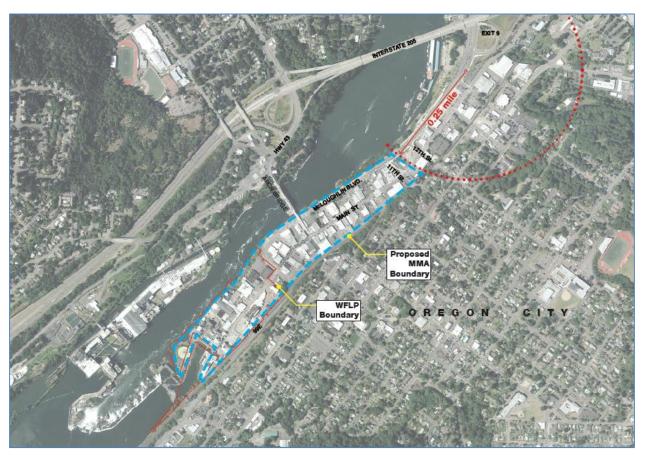


Figure 28. Proposed MMA boudary.

When a city proposes changes to its Comprehensive Plan, state law requires transportation impacts of that change to be analyzed. The Transportation Planning Rule ("TPR"), OAR 660-012-0060, outlines the analysis. The purpose of the TPR is to maintain a balance between allowed land uses and the transportation system necessary to support them. The rule assesses whether changes create a "significant impact" on the system. If so, mitigation must be proposed that brings the conditions back to the same level (or better) than the no-build condition.

However, as of 2012, new TPR regulations allow more leeway for projects that are located in areas designated as "Mixed-use Multi-modal Areas" ("MMA"). Cities can rezone areas for more intensive use without the impact analysis that would typically be required if that area is within an MMA. Specifically, Section 10 of the rule now authorizes a local government to amend local land use provisions without applying the TPR performance standards, if the amendment meets two specified requirements:

- 1. The amendment must be a map or text amendment affecting only land entirely within a multimodal mixed-use area (MMA); and
- 2. The amendment must be consistent with the definition of an MMA and consistent with the function of the MMA as described in the findings designating the MMA.

Because it offers flexibility for future development, this application requests the creation of a new MMA that encompasses the existing downtown area of Oregon City and the newly rezoned Willamette Falls Downtown District. The city anticipates demand for more mixed-use development in the new Willamette Falls district and the existing downtown, which is already zoned mixed-use.

A key requirement for an MMA is that it be more than ¼ mile from freeway on ramps. The proposed boundary's north edge is at 12<sup>th</sup> Street, which is farther than ¼ mile from the nearest I-205 ramp. In fact, there are two freeway interchanges near the downtown – one over the river in West Linn, and one north of downtown on Highway 99E – but both are more than ¼ of a mile distance by road from the proposed MMA boundary. At this time, these freeway interchanges have enough transportation capacity, but with additional development, there could be some traffic capacity issues at some intersections in the area. Oregon City wants to strengthen their downtown and provide for additional development and visitors to a newly designated open space along the Willamette River overlooking Willamette Falls. Without the freedom offered by an MMA, Oregon City is concerned that the old system of mitigating for significant impacts would require major, expensive, impractical upgrades to create more automobile capacity. These upgrades could be more than Oregon City can afford, especially because the area's unique topography (cliffsides, riverfront, basalt rock) would drive up infrastructure costs.

Oregon City has used the Model Development Code that was jointly developed by the Oregon Department of Transportation and Department of Land Conservation and Development as a reference to create zoning in the existing Mixed Use Downtown District and for the newly created Willamette Falls Downtown District. The existing Municipal Code has been updated and refined over the last nine years to better meet the intent of a multi-modal Regional Center.

The Willamette Falls Downtown (WFD) district is designed to apply within the historic Willamette Falls downtown area, between McLoughlin Boulevard and the Willamette River. This area was formerly an industrial site occupied by the Blue Heron Paper Mill. A mix of open space, retail, high-density residential, office and light industrial uses are encouraged in this district, with retail and service uses on the ground floor and office and residential uses on the upper floors. Allowed uses in the District will encourage pedestrian and transit activity. This district includes a Downtown Design overlay for the historic downtown area. The design standards for this sub-district require a continuous storefront façade featuring streetscape amenities to enhance the active and attractive pedestrian environment.

The existing mixed-use downtown (MUD) district applies within the traditional downtown core along Main Street and includes the "north-end" area, generally between 5th Street and Abernethy Street, and some of the area bordering McLoughlin Boulevard. Land uses are characterized by high-volume establishments constructed at the human scale such as retail, service, office, multi-family residential, lodging or similar as defined by the community development director. A mix of high-density residential, office and retail uses are encouraged in this district, with retail and service uses on the ground floor and office and residential uses on the upper floors. The emphasis is on those uses that encourage pedestrian and transit use. This district includes a Downtown Design District overlay for the historic downtown area. Retail and service uses on the ground floor and office and residential uses on the upper floors are encouraged in this district. The design standards for this sub-district require a continuous storefront façade featuring streetscape amenities to enhance the active and attractive pedestrian environment.

## **OAR 660-012-0060 Findings**

(10)(b)(A) Requires the MMA to be an area "With a boundary adopted by a local government as provided in subsection (d) or (e) of this section and that has been acknowledged."

**Response:** Figure 28 shows the proposed boundary around the MMA area. The proposed area includes all of downtown Oregon City, including the existing downtown and the new Willamette Falls Downtown District. The boundary follows 11<sup>th</sup> Street to the north, Railroad Avenue and 99E to the east, the lagoon to the south, and the Willamette River to the west. Through the adoption and acknowledgement of this proposed MMA boundary in the Oregon City Comprehensive Plan, this requirement can be met.

(10)(b)(B) Requires MMAs to be located "Entirely within an urban growth boundary."

**Response:** Downtown Oregon City is entirely within the city's urban growth boundary. The UGB is shown below in purple. The Willamette Falls Downtown District is identified with a red dot. The MMA area includes the Willamette Falls Downtown District and the existing downtown, just north of the district, both of which are within Oregon City's UGB.

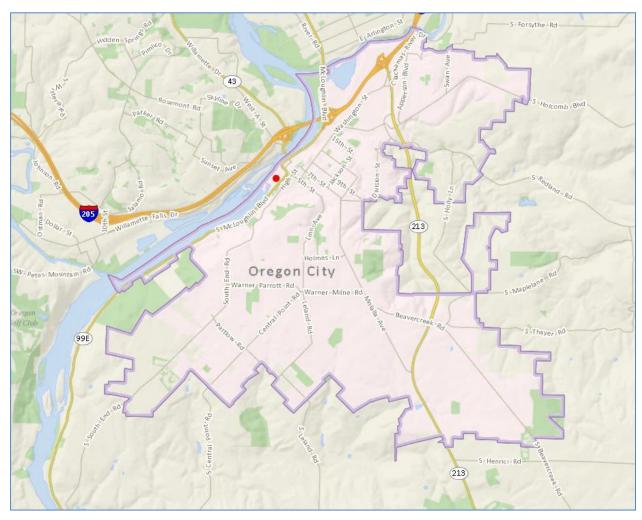


Figure 29. Oregon City urban growth boundary.

(10)(b)(C) Requires MMAs to have "adopted plans and development regulations that allow the uses listed in paragraphs (8)(b)(A) through (C) of this rule and that require new development to be consistent with the characteristics listed in paragraphs (8)(b)(D) through (H) of this rule."

**Response:** The proposed language for a Willamette Falls Downtown District is included with this application and contained in Section 1 of this application. The zoning district regulations address allowed and prohibited uses, minimum FAR, height, and other development standards. A set of plan policies and design guidelines is also anticipated to be approved with the master plan and will apply to development on the site. These

plans will constitute "adopted plans and development regulations" as described in this standard. The existing downtown, which is also part of the proposed MMA, is within the city's Mixed Use Downtown District (OCMC 17.34). The MUD chapter regulates new development consistent with the uses and characteristics identified. In total, the proposed WFDD and the existing MUD satisfy the requirements of this rule.

(8)(b)(A) Requires MMAs to allow "A concentration of a variety of land uses in a well-defined area, including the following:"

**Response:** The MMA is centered on Main Street, south from 11<sup>th</sup> street, through downtown and into the proposed through the Willamette Falls Downtown District. This area includes a variety of retail, office, and civic uses, with allowances for higher-density residential, craft industrial, and recreational attractions. The downtown, due to geography and the historic development of the area, is well-defined with denser development than in other areas of Oregon City.

(8)(b)(A)(i) Requires MMAs to allow "Medium to high density residential development (12 or more units per acre)."

**Response:** Multifamily residential development is allowed in the proposed MMA, both in both in the existing MUD and proposed WFDD. Within the stated limits on height, there is no restriction on the density of residential units. Ultimately, the number of units on a site and the overall residential density will be is dictated by proposed development, but the zone encourages higher densities by incorporating a minimum FAR, expansive height limits, and reduced parking requirements.

(8)(b)(A)(ii) Requires MMAs to allow "Offices or office buildings."

**Response:** Office uses are allowed in the proposed MMA, both in the existing MUD (17.34) and the proposed Willamette Falls Downtown District.

(8)(b)(A)(iii) Requires MMAs to allow "Retail stores and services."

**Response:** Retail and service uses are allowed in the proposed MMA, both in the existing MUD (17.34) and the proposed Willamette Falls Downtown District.

(8)(b)(A)(vi) Requires MMAs to allow "Restaurants"

**Response:** Restaurants are allowed in the proposed MMA, both in the existing MUD (17.34) and the proposed Willamette Falls Downtown District.

(8)(b)(A)(v) Requires MMAs to allow "Public open space or private open space which is available for public use, such as a park or plaza."

**Response:** Public and private open spaces for public use are allowed in the proposed MMA, both in the existing MUD (17.34) and the proposed Willamette Falls Downtown District. The new Willamette Falls District master plan designates more than five acres of land for open-space and waterfront uses.

(8)(b)(B) Requires MMAs to "Generally include civic or cultural uses."

**Response:** Civic and cultural uses are allowed in the proposed MMA, both in the existing MUD (17.34) and the proposed Willamette Falls Downtown District.

(8)(b)(C) Requires MMAs to allow "A core commercial area where multi-story buildings are permitted."

**Response:** The proposed MMA is centered on the existing Main Street core commercial areas, on which there are existing multi-story buildings in a historic downtown center, which includes the Main Street core commercial area. There are existing multi-story buildings on Main Street, both north and south of McLoughlin Boulevard. Building height limits in the existing downtown vary, but go up to 75 feet. The new Willamette Falls district allows buildings up to 80 feet.

(8)(b)(D) Requires MMAs to have development standards where "buildings and building entrances oriented to streets."

**Response:** Any new development in the existing MUD zone must go through site plan and design review (17.62), which requires that all new buildings oriented to streets. OCMC 17.62.055(D)(1) through (3) requires "the front most architecturally significant facade shall be oriented toward the street and shall be accessed from a public sidewalk," and "primary building entrances shall be clearly defined and recessed or framed by a sheltering element." OCMC 17.62.050.A.2 also requires parking areas to be located behind buildings, below buildings, or on one or both sides of buildings.

New development in the proposed WFDD zone is subject to a detailed development review, the second step of a master planned development. This review requires compliance with the same standard in 17.62 for buildings to face streets and deemphasize parking, per 17.65.060(B)(3).

(8)(b)(E) Requires MMAs to have "street connections and crossings that make the center safe and conveniently accessible from adjacent areas."

**Response:** The proposed MMA is located within an historic downtown grid of streets that is either existing or will be re-established on the Willamette Falls property. Accessibility for the existing downtown will not change, and with development of the

Willamette Falls area, this adjacent area will re-create a connected downtown street grid, resulting in a safer and greater public access. Existing streets in the downtown area of the MMA have sidewalks on both sides of the street; this condition will be a requirement of development in the new Willamette Falls District. There are crosswalks throughout the MMA and strong pedestrian connections planned from the historic downtown across 99E.

(8)(b)(F) Requires MMAs to have "a network of streets and, where appropriate, accessways and major driveways that make it attractive and highly convenient for people to walk between uses within the center or neighborhood, including streets and major driveways within the center with wide sidewalks and other features, including pedestrian-oriented street crossings, street trees, pedestrian-scale lighting and onstreet parking."

**Response:** The proposed MMA is a series of blocks within a street grid. The proposed MMA is approximately 15 blocks long and two blocks wide. Approximately 90 percent of streets have sidewalks on both sides of the street. Most intersections within the existing downtown are marked, and crossing distances are short. Downtown has a strong, pedestrian oriented streetscape. A map of the proposed MMA showing the local street network is included as an exhibit.

(8)(b)(G) Requires MMAs to have "one or more transit stops (in urban areas with fixed route transit service)."

**Response:** TriMet serves the proposed MMA with its Line 33 and Line 99 bus service, with multiple stops within the district. The Oregon City Transit Center is within the proposed MMA, 11<sup>th</sup> Street and Main Street. Oregon City's TSP (2013 update) identifies downtown as a regional transit hub.

(8)(b)(H) Requires regulations within MMAs to "limit or do not allow low-intensity or land extensive uses, such as most industrial uses, automobile sales and services, and drive-through services."

**Response:** Industrial uses are not permitted in the MUD zone district, and only light industrial or craft industrial uses such as brewpubs or apparel studios are allowed in the WFDD zone. These uses are size-limited. Automotive sales, service, rental and repair are only as a conditional use, as are drive-through uses.

(10)(b)(D) requires MMAs to have "land use regulations that do not require the provision of offstreet parking, or regulations that require lower levels of off-street parking than required in other areas and allow flexibility to meet the parking requirements (e.g. count on-street parking, allow long-term leases, allow shared parking)." **Response:** The off-street parking requirement in both the MUD and proposed WFDD zones are unique in Oregon City in that they allow reduction from the city's existing standard by up to 50 percent. Likewise, there is flexibility within both districts for shared parking between uses, and for sharing parking between the two zoned areas. On street parking in both zones may count toward the minimum standard when it is on the street face abutting the proposed land use. A change in use of an existing building within the MUD zone is exempt from constructing additional parking. In this respect the MMA area requires lower levels of off-street parking than required in other areas.

- (10)(b)(E) Requires the MMA to be "located in one or more of the categories below:
- (i) At least one-quarter mile from any ramp terminal intersection of existing or planned interchanges;
- (ii) Within the area of an adopted Interchange Area Management Plan (IAMP) and consistent with the IAMP; or
- (iii) Within one-quarter mile of a ramp terminal intersection of an existing or planned interchange if the mainline facility provider has provided written concurrence with the MMA designation as provided in subsection (c) of this section."

**Response:** The proposed MMA is more than ¼ mile from any ramp terminal intersection of the existing I-205 interchange. Subsection (i) is satisfied and this requirement is met.