

**CITY OF MILWAUKIE
PLANNING COMMISSION
MINUTES
Milwaukie City Hall
10722 SE Main Street
TUESDAY, April 14, 2015
6:30 PM**

COMMISSIONERS PRESENT

Sine Bone, Chair
Shaun Lowcock, Vice Chair
Shannah Anderson
Greg Hemer
Gabe Storm

STAFF PRESENT

Denny Egner, Planning Director
Vera Kolias, Associate Planner

COMMISSIONERS ABSENT

Scott Barbur

1.0 Call to Order – Procedural Matters*

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

***Note:** The information presented constitutes summarized minutes only. The meeting video is available by clicking the Video link at <http://www.milwaukieoregon.gov/meetings>.*

2.0 Planning Commission Minutes

2.1 January 13, 2015

It was moved by Commissioner Hemer and seconded by Commissioner Storm to approve the January 13, 2015, Planning Commission minutes as presented. The motion passed unanimously.

3.0 Information Items

Denny Egner, Planning Director, noted City Council adopted the provisions for medical marijuana facilities which would go into effect May 1, 2015. The City had received one business registration application for a facility in the Island Station neighborhood. Recreational marijuana facilities would need to be addressed once that time came later in the year.

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

5.0 Public Hearings - None

6.0 Worksession Items

6.1 Summary: Moving Forward Milwaukie Central Milwaukie Plan and Code Amendments
Staff: Vera Kolias

Vera Kolias, Associate Planner, presented the staff report via PowerPoint. She reviewed the Central Milwaukie area, project goals, and vision. Tonight's discussion focused on follow-up

from the previous worksession on three specific areas of the proposed code amendments, which she reviewed before getting feedback from the Commission.

Land Use Review / Public Notification:

- Currently, only Type I review was required for any development in Central Milwaukie but for development of the Murphy or McFarland site and part of Providence Hospital site, which required Type III review.
- The proposed amendments would allow for Type I review for any development in Central Milwaukie that met all standards, including those specific sites; a Type II variance process would be available for revisions to the standards.
- Concerns were raised about owners and residents of abutting properties of potential development that would receive no notice of proposed development through the Type I review process.
- Two potential approaches to consider: allow for input or inform the public.
 - Option 1 would allow for input through Type II review and notice for projects greater than 25,000 sq ft or modifications equal or greater to 25% of the gross floor area. This option would increase the cost, risk, and process timeline.
 - Option 2 would have the proposal remain the same but would include notice to the Neighborhood District Associations (NDAs).
 - **Commissioner Anderson** asked about the impact for staff time and cost.
 - The cost to the applicant and the process for staff was more involved for a Type II review.

Flex Space Overlay:

- The purpose of the proposed design standards was to establish a baseline level of design for new development that met the project's goals. A Flex Space Overlay Zone was proposed for the Murphy Opportunity Site including along 32nd Ave.
- The proposed standards were organized based on their relationship to the public right-of-way. However, development on the Murphy Site might be along driveways rather than public streets, so those standards may not apply. Those standards not related to the public right-of-way included exterior building materials, roofs, and screening.
- The questions for the Commission focused on if the proposed design standards should apply or if a more practical set of standards be developed for that area, if the 32nd Ave frontage should be excluded from the overlay zone, and if the proposed boundary was correct.

Minimum Street Setback on 32nd Ave.:

- Currently there was no minimum setback along 32nd Ave and the proposal was to maintain that, with a maximum setback of 10 ft along the key commercial streets and 20 ft along other streets.
- The future cross-section would be a 60 ft right-of-way, which would allow for a comfortable pedestrian space.

Questions and Feedback from the Commission:

Public Notification:

- Notification without the opportunity for input was appropriate. Due to the size of potential development, some notice seemed reasonable; people would be interested.

- A Type II review process would be triggered for the Murphy and McFarland sites due to the Preliminary Circulation Plan for development sites over 3 acres.
- Notice to all of the NDAs would be beneficial for any development applications submitted since that area was more or less in contact with most of Central Milwaukie.
- **Peter Watts, City Attorney**, reiterated that the higher the level of review required, the greater the uncertainty for the developer. The Commission should ensure that the design standards were at a high enough level in order for a Type I review process to be sufficient.
- As long as a proposed development met all of the design standards and regulations, there should be no need for public input; the level of standards and review should be relied upon.

Flex Space Development:

The Commission invited DJ Heffernan to present his comments regarding the Flex Space Overlay Zone.

DJ Heffernan, 2525 NE Halsey St Portland, represented John Murphy, the property owner of the Murphy Site, and had submitted a letter with his concerns and comments. He presented a PowerPoint on flex buildings, which were generally designed for light industrial with flexible spaces for lease, and gave examples of flex space buildings that would not meet the proposed design standards. He reviewed his comments and key recommendations regarding the proposed standards:

- That either the overlay not be along 32nd Ave or at least pushed back about 100 ft, as he did not believe these types of buildings were appropriate there.
- There should be no requirement for public street frontage or access; a typical flex space building would not be buildable if they were required to have all frontage along a public street.
- For the proposed circulation plan to apply and function well, there needed to be an internal accessway network to the buildings.
- Other items included primary entrances should be located to suit the tenant needs.
- No requirements for eaves or screening, and rooftop equipment screening only near the edge of the buildings.
- In response to a Type II variance for design standards, he reiterated that certainty was important for development. There should be design standards developed specifically for flex space development.

The Commission and staff discussed flex space items and options.

The Transportation System Plan included a connection between C St and Llewelyn St through the Murphy site, primarily for pedestrian and bicycle access, and would require dedication for street easements.

- **Mr. Heffernan** suggested waiting for proposed development on the site before dedicated street easements. Creating those rights-of-way may limit how the property could be developed. He noted traffic patterns for industrial trucks in and out of the site.
- **Mr. Egner** asked for direction regarding the bicycling and pedestrian access through the internal accessways through the site.

Commissioner Hemer proposed that the area proposed for the Flex Space be reduced to not include the north section of the property along 32nd Ave. In recognizing the variety of

complexities with flex space and development and design standards, perhaps it would be more appropriate to not have flex space along a public street.

Commission Anderson asked how the current proposed flex space area was developed.

- **Commissioner Hemer** and **Chair Bone** verified it was at a project advisory committee meeting and explained the logic for not including the southeast corner in the flex space overlay.

Chair Bone noted it was a difficult issue to balance. On one hand, the standards were the standards and for a reason, and if having a flex space overlay would not accommodate those standards, than should there be a flex space overlay zone? However, the goal was to make development easier, so perhaps should there be two sets of design standards to accommodate flex space.

Ms. Kolas offered to bring back possible design standards specifically for flex space. She added that there were no design standards in Central Milwaukie right now. She noted the next steps and the public hearings schedule.

7.0 Planning Department Other Business/Updates

8.0 Planning Commission Discussion Items

Mr. Egner noted that there was a recorded seminar on Planning Commission Ethics he was interested in bringing to the Commission for viewing.

Chair Bone and the **Commission** agreed that Commissioner Lowcock be made Vice Chair now that Wilda Parks has stepped down due to her new role as City Councilor.

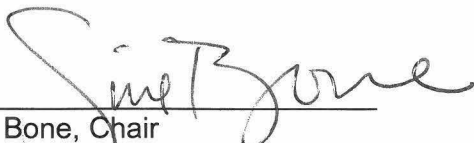
9.0 Forecast for Future Meetings:

- | | |
|----------------|--|
| April 28, 2015 | 1. Public Hearing: CPA-2015-001 MFM Central Milwaukie Plan and Code Amendments #1 |
| May 12, 2015 | 1. Public Hearing: CPA-2015-0012 MFM Central Milwaukie Plan and Code Amendments #2 |
| | 2. Public Hearing: CSU-2015-001 GracePointe Church parking expansion |

Meeting adjourned at approximately 8:34 p.m.

Respectfully submitted,

Alicia Martin, Administrative Specialist II



Sine Bone, Chair



AGENDA

MILWAUKIE PLANNING COMMISSION Tuesday, April 14, 2015, 6:30 PM

**MILWAUKIE CITY HALL
10722 SE MAIN STREET**

- 1.0 Call to Order - Procedural Matters**
- 2.0 Planning Commission Minutes** – Motion Needed
 - 2.1 January 13, 2015
- 3.0 Information Items**
- 4.0 Audience Participation** – This is an opportunity for the public to comment on any item not on the agenda
- 5.0 Public Hearings** – Public hearings will follow the procedure listed on reverse
- 6.0 Worksession Items**
 - 6.1 Summary: Moving Forward Milwaukie Central Milwaukie Plan and Code Amendments
Staff: Vera Kolas and Denny Egner
- 7.0 Planning Department Other Business/Updates**
- 8.0 Planning Commission Discussion Items** – This is an opportunity for comment or discussion for items not on the agenda.
- 9.0 Forecast for Future Meetings:**
 - April 28, 2015
 - 1. Public Hearing: CPA-2015-001 MFM Central Milwaukie Plan and Code Amendments #1
 - May 12, 2015
 - 1. Public Hearing: CPA-2015-001 MFM Central Milwaukie Plan and Code Amendments #2
 - 2. Public Hearing: CSU-2015-001 Gracepointe Church parking lot expansion

Milwaukie Planning Commission Statement

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

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

Public Hearing Procedure

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

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

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

Milwaukie Planning Commission:

Sine Bone, Chair
Shaun Lowcock, Vice Chair
Shannah Anderson
Scott Barbur
Greg Hemer
Gabe Storm

Planning Department Staff:

Denny Egner, Planning Director
Li Alligood, Senior Planner
Brett Kelter, Associate Planner
Vera Kolias, Associate Planner
Alicia Martin, Administrative Specialist II

**CITY OF MILWAUKIE
PLANNING COMMISSION
MINUTES
Milwaukie City Hall
10722 SE Main Street
TUESDAY, JANUARY 13, 2015
6:30 PM**

COMMISSIONERS PRESENT

Sine Bone, Chair
Wilda Park, Vice Chair
Shannah Anderson
Scott Barbur
Greg Hemer
Shaun Lowcock
Gabe Storm

STAFF PRESENT

Denny Egner, Planning Director
Li Alligood, Senior Planner
Peter Watts, City Attorney

1.0 Call to Order – Procedural Matters*

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

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2.0 Planning Commission Minutes

2.1 September 23, 2014 City Council Join Session

It was moved by Commissioner Hemer and seconded by Vice Chair Parks to approve the September 23, 2014, Planning Commission and City Council Joint Session minutes as presented. The motion passed unanimously.

2.2 October 14, 2014

It was moved by Commissioner Hemer and seconded by Vice Chair Parks to approve the October 14, 2014, Planning Commission minutes as presented. The motion passed unanimously.

3.0 Information Items

Denny Egner, Planning Director, noted that the hearing for the Limited Commercial CL zone amendment (File #ZA-14-03), which the Commission recommended approval of, would be held at the next City Council meeting.

4.0 Audience Participation –This is an opportunity for the public to comment on any item not on the agenda.

Jim Bernard, County Commissioner and Milwaukie property and business owner, noted his longtime and extensive involvement in Milwaukie. As a downtown business owner, he hoped that the proposed amendments of the Moving Forward Milwaukie project would not make standards and guidelines so refined that it would result in limited opportunity for development. Milwaukie was unique and he would like the City to signal to the region that it is open for business.

5.0 Public Hearings

- 5.1 Summary: Downtown Plan and Code Amendments – Land Use Framework Plan and Comprehensive Plan
Applicant: City of Milwaukie
File: CPA-14-02, ZA-14-02
Staff: Li Alligood and Denny Egner

Chair Bone called the hearing to order and read the conduct of legislative hearing format into the record.

Li Alligood, Senior Planner, presented the staff report via PowerPoint. She noted the proposed hearing schedule that would break up the amendments package into four topic-focused hearings: the Comprehensive Plan and Downtown & Riverfront Land Use Framework Plan; Permitted Uses; Development & Design Standards; and Design Standards & Review Procedures. She gave a brief background of the project and its three amendment phases for Downtown Milwaukie, Central Milwaukie, and Neighborhood Main Streets that was the result of a 2010 Metro grant. The goals of the projects were to remove development barriers, create incentives, and to allow and encourage types of development that would implement the community's vision. She reviewed the extensive planning process and public outreach involved to date.

The “downtown plan” was made up of five different documents with the Downtown & Riverfront Land Use Framework Plan (Framework Plan) as the vision document that guided the Comprehensive Plan (Comp Plan) land use policies, which in turn were implemented by the Public Area Requirements (PARs), the Zoning Code MMC 19.304, and the Downtown Design Guidelines. This project's amendments would address the Framework Plan, minimal changes the Comp Plan to reflect the Framework Plan updates, and regulatory changes of the Zoning Code. Although the PARs and Downtown Design Guidelines were not part of the project scope, updates to the PARs may be a separate project in the near future.

The proposed amendments to the Framework Plan involved a refresh of the vision for downtown Milwaukie, to update the text and graphics to reflect current conditions and future vision, and to update the Plan to remove projects, plans, and policies that have been initiated or completed since 2000.

The proposed amendments to Chapter 4 of the Comprehensive Plan were minimal and would reflect the changes to the Framework Plan, the combination of several zones into one, and the more clearly identify commercial areas.

Ms. Alligood noted and discussed three key issues staff was seeking direction from the Commission on:

- A. Were there additional components of the South Downtown Concept Plan that should be included?
 - Essential elements of the Concept Plan were not reflected in the Framework Plan, including the plaza, light rail station, Adams Street Connector, and natural areas, as well as specific standards for these elements. The proposal was to include the South Downtown Concept Plan graphic and these elements in the Framework Plan.
 - More detailed schematics and standards would be incorporated into other code and standard documents.
- B. Did the new McLoughlin Blvd Commercial Corridor and 21st Ave Commercial Mixed Use Corridor reflect the community's desires?

- The current Framework Plan focused on Main St with few expectations for McLoughlin Blvd or 21st Ave.
 - Through the 2012 Fresh Look Milwaukie project, roles of these areas were addressed and 21st Ave was identified as a key pedestrian connection between the light rail station and library, City Hall, and the Jackson Street bus area, and McLoughlin Blvd was a key gateway to downtown and connection between the Riverfront Park and downtown. Therefore, there should be higher design expectations for these streets.
 - The proposal described the desired character of those corridors.
- C. Should the McLoughlin Bridge be retained in the downtown vision?
- Both the Framework Plan and South Downtown Concept Plan included a bridge over McLoughlin Blvd to connect to the Riverfront Park at Washington St. However, this concept was expensive and was unlikely to be built, regardless of new funding sources.

Ms. Alligood noted the comments received to date. She reviewed the staff recommendation for the Commission to reach a consensus on the draft amendments to the Framework and Comp Plan. She added that for each hearing, the Commission could informally vote (straw poll) for that section of the amendment package with the formal vote for the entire amendments package at the final hearing.

Mr. Egner added that if the Commission had issues with pieces of the amendments, they could be tabled to address collectively at a later date. That would allow for the agreed upon amendments to move forward and for staff to return with more information or revised amendments for those tabled issues.

The Commission agreed with this approach.

Staff answered questions of the Commission:

Commissioner Anderson asked if there was a cost estimate for the McLoughlin Blvd pedestrian bridge.

- **Ms. Alligood** wasn't sure of specifics but it would be in the millions of dollars and would be primarily public funds.

Commissioner Hemer asked if the McLoughlin Blvd bridge should be included in the public amenities and open spaces plans.

- **Ms. Alligood** responded that would be determined by the decision of the Commission if it should be included at all in the South Downtown Concept Plan, or removed.

Chair Bone called for public testimony.

David Aschenbrenner, 11505 SE Home Ave, noted he was a member of the Moving Forward Milwaukie project advisory committee (PAC) and had been on the South Downtown Concept Plan Steering Committee. He addressed the key issues and felt that the entire South Downtown Concept Plan should be included in Framework Plan. In addition, he thought that adding historic elements and markers should be considered. He asked what the restrictions would be for live/work mixed use types of development being considered for the 21st Ave Commercial Mixed Use Corridor. He thought the McLoughlin Blvd Bridge should remain in the Framework Plan. He explained that the Concept Plan's intent was for the bridge to partner with a parking garage built on what was known as the Cash Spot site, noting that the Concept Plan's plaza would lead to a

sidewalk along the parking structure and would lead to the bridge to the park, all to be on the same elevation. Much of the funding would be partnered through the development of the parking structure building.

- **Chair Bone** clarified Mr. Aschenbrenner felt reference to the South Downtown Concept Plan was not sufficient.
- **Mr. Aschenbrenner** concurred and noted that the plaza and Adams St were important pieces of the downtown puzzle.
- **Ms. Alligood** clarified that including the entire document within the vision document (Framework Plan) seemed inappropriate. However, some infrastructure components were incorporated into the Framework Plan, including the plaza and Adams Street Connector. More specifics and regulations of the South Downtown Concept Plan would be more appropriately incorporated into the Zoning Ordinance.

Russ Stoll, 8710 SE 42nd Ave, thanked those that have participated in the project's process. He agreed that the city needed what the proposed amendments involved with regard to simplified zoning and uses, and procedures for development. With regard to building height, he liked the proposed 3 stories with a potential for 4 with residential. He thought there were many amenities coming to Milwaukie and he would like to see building heights at 3+ east of McLoughlin Blvd, 4+ on west side of Main St and 5+ on the east side of Main St to result in a tiered downtown oriented toward the Riverfront Park. The potential additional stories could be setback to avoid a canyon effect and to allow for higher property values and a better tax base. He also felt that there should be room in the code for even taller buildings as long as they are coupled with providing public amenities.

Chair Bone called for rebuttal to the testimony.

Ms. Alligood responded to Mr. Aschenbrenner's question regarding live/work uses that any use that was allowed on the ground floor would be allowed in a live/work unit.

Mr. Egner noted that the suggestion for historical markers was a good idea but could be a standalone project rather than a part of a vision document.

- **Commissioner Storm** thought it could be referenced in the document as an important element.

Chair Bone closed the public testimony.

The Commission deliberated.

McLoughlin Blvd Bridge:

- **Vice Chair Parks** stated that she saw no reason that it not be included in the Framework Plan. She realized it was expensive but it would solve many issues with connectivity with the Riverfront Park; there was more benefit to leave the aspiration in the Plan than to remove it and let it be forgotten.
- **Chair Bone** agreed and thought other tools for improving crossings on McLoughlin Blvd should be included.
- **Commissioner Storm** suggested that a section of possible crossing solutions be noted in the Framework Plan, including the bridge as an option.
- **Commissioner Barbur** agreed with including a number of options rather than just the bridge option.
- **Commissioner Anderson** thought removing the bridge would have more implications than leaving it in the Plan.

- **Mr. Watts** noted that McLoughlin Blvd was also Hwy 99E and was Oregon Department of Transportation's (ODOT) jurisdiction. Any crossings would require coordination with that agency and may require more regulations, etc.
- **Vice Chair Parks** understood but felt that improving accessibility at that end of Milwaukie was an important goal to keep.
- **Mr. Egner** asked how specific the Commission would want to be in terms of the structure of the Plan, i.e. "Pedestrian improvements such as enhanced crossings, a bridge, etc..."
- **The Commission** agreed with that approach but wanted to be specific about crossings on McLoughlin Blvd.
- **Mr. Egner** noted the graphics that indicated the importance of those connections and added that such elements would be addressed through the proposed code amendments in terms of building orientation and other regulatory elements that would enhance the connections to the Riverfront and McLoughlin Blvd.

Mr. Egner suggested that, in response to the public testimony, a project with regard to historic markers, wayfinding elements, etc., could be added to address that type of idea.

McLoughlin Blvd Commercial Corridor and 21st Ave Mixed Use Corridor:

- **The Commission** agreed that these elements accurately reflected the community's desire and vision for these areas.

Additional Elements of the South Downtown Concept Plan:

- **Chair Bone** noted that the Commission recognized there was reference to the Concept Plan in the Framework Plan and the vision of that area was clear. The specific elements of the Concept Plan would be executed through the code.
- **Commissioner Hemer** asked if the Triangle Site area marked as Light Rail Station should be changed to a private development site.

Mr. Watts clarified that the group would generally agree on the direction to staff for these components and then the entire package would be voted upon in the final hearing.

Mr. Egner reviewed the direction from the Commission:

- Additional language regarding the McLoughlin Blvd Bridge and connectivity options along that corridor with the riverfront.
- Include a project regarding historic markers or wayfinding signage.
- Update the station site in the South Downtown Concept Plan as identified as a private development site.

Chair Bone called for a straw poll for setting the proposed Framework Plan including the above revisions as the benchmark. The vote in favor was unanimous.

Chair Bone continued the public hearing for CPA-14-02 and ZA-14-02 for the Downtown Plan and Code Amendments to a date certain of January 27, 2015.

6.0 Worksession Items

- 6.1 Summary: Medical Marijuana
 Staff: Denny Egner

Mr. Egner presented the staff report and noted that the public hearing for these code amendments would be the next scheduled meeting. He reviewed some updates to what the Commission had discussed previously.

- The proposed hours of operation would be 9 a.m. to 9 p.m. (this item was discussed later)
 - **Mr. Watts** reminded that staff had asked the Police Chief what the department's preference was with regard to staffing or increased response time.
 - **The Commission** discussed and agreed that the hours of operation would be 8 a.m. to 10 p.m.
- Colocation of dispensaries with other businesses had been discussed and the initial Commission response had been to prohibit it.
 - **Mr. Egner** noted that after a City Council worksession, a concept for allowing colocation within an alternative medicine facility had been suggested. He said that the current draft included language that would permit this type of colocation. He asked the Commission for direction regarding this proposal.
 - **Commissioner Barbur** noted that colocation needed to be defined as to whether it meant locating within another business or use of a common entrance, i.e. building suites.
 - **The Commission** rejected the draft language but agreed that colocation within a building and not within another business should be allowed.
- **Mr. Egner** noted the following commercial zones would allow medical marijuana facilities: the Community Shopping Center area (CCS) around the Milwaukie Marketplace, the General Commercial (CG), and the Limited Commercial (CL) zones. He said they would not be allowed in the Neighborhood Commercial (CN) zones around the city. **The Commission** discussed the concept of allowing facilities in industrial zones.
 - .
 - **Commissioner Hemer** felt that, in order to be consistent, if there were areas outside of the buffer zones that allowed retail sales, these facilities should be allowed.
 - **Vice Chair Parks** thought it would be reasonable to not allow this use in the M, BI, or Tacoma Station Area Overlay (MTSA) zones.
 - **Mr. Egner** addressed the MTSA and noted that the overlay allowed retail sales under "Limited Uses" that allowed retail and commercial uses. He added that the County designated the MTSA as an economic development interest area.
 - **Mr. Egner** restated that the direction from the Commission was to add Downtown zones, and to leave the MTSA but take out BI and M in the proposed code.

7.0 Planning Department Other Business/Updates

7.1 Hector Campbell Commercial Kitchen discussion

Mr. Egner stated that there had been some questions from citizens regarding the activity at the Hector Campbell School. What staff found was that North Clackamas School District was renting out the kitchen for a commercial kitchen. He noted that the Hector Campbell School was an elementary school that was no longer in use and located in a residential area. However, it was currently being used as a recreational facility for sports and community meetings, etc., although it had not received a Community Service Use approval for those uses.

Mr. Egner noted that a business owner had submitted an application for a business license for the commercial kitchen and staff had to deny it under the current code, although the use made sense. He referred to the CSU section of the zoning ordinance, noting the allowed uses included "other similar uses as determined by the Planning Commission." He reviewed the criteria for approval for 'other similar uses', noting item D-Public Benefit: "the public benefits are greater than the negative impacts, if any, on the neighborhood." He asked the Commission to consider if a commercial catering kitchen would be considered an accessory use to a community meeting use. Also, he asked what should be the limit to changes in use and what should be the process.

Vice Chair Parks thought it would be beneficial to find out from the School District what their intentions were with that building for the long-term.

Mr. Watts noted that there were a few potential community service options to consider, such as funds received through leasing to help maintain buildings which would create a community benefit, basketball leagues renting to keep space active, etc. The property was being used for its intended purposes but not for school district activity.

Mr. Egner said that whatever the school district would want to do with the property, they needed to come back for a modification to the CSU approval.

Chair Bone and **Vice Chair Parks** felt that the catering kitchen and activity center uses were appropriate and provided benefits.

8.0 Planning Commission Discussion Items

9.0 Forecast for Future Meetings:

- | | |
|-------------------|--|
| January 27, 2014 | 1. Public Hearing: CPA-14-02 Downtown Plan and Code Amendments #2 (Use Standards) |
| | 2. Public Hearing: ZA-14-04 Medical Marijuana |
| February 10, 2014 | 1. Public Hearing: CPA-14-02 Downtown Plan and Code Amendments #3 (Development & Design Standards) |
| | 2. Public Hearing: VR-14-03 10545 SE Riverway Ln |

Meeting adjourned at approximately 9:06 p.m.

Respectfully submitted,

Alicia Martin, Administrative Specialist II

Sine Bone, Chair



To: Planning Commission
Through: Dennis Egner, Planning Director
From: Vera Kolias, Associate Planner
Date: April 7, 2015, for April 14, 2015, Worksession
Subject: Moving Forward Milwaukie Briefing #3: Phase 2, Central Milwaukie

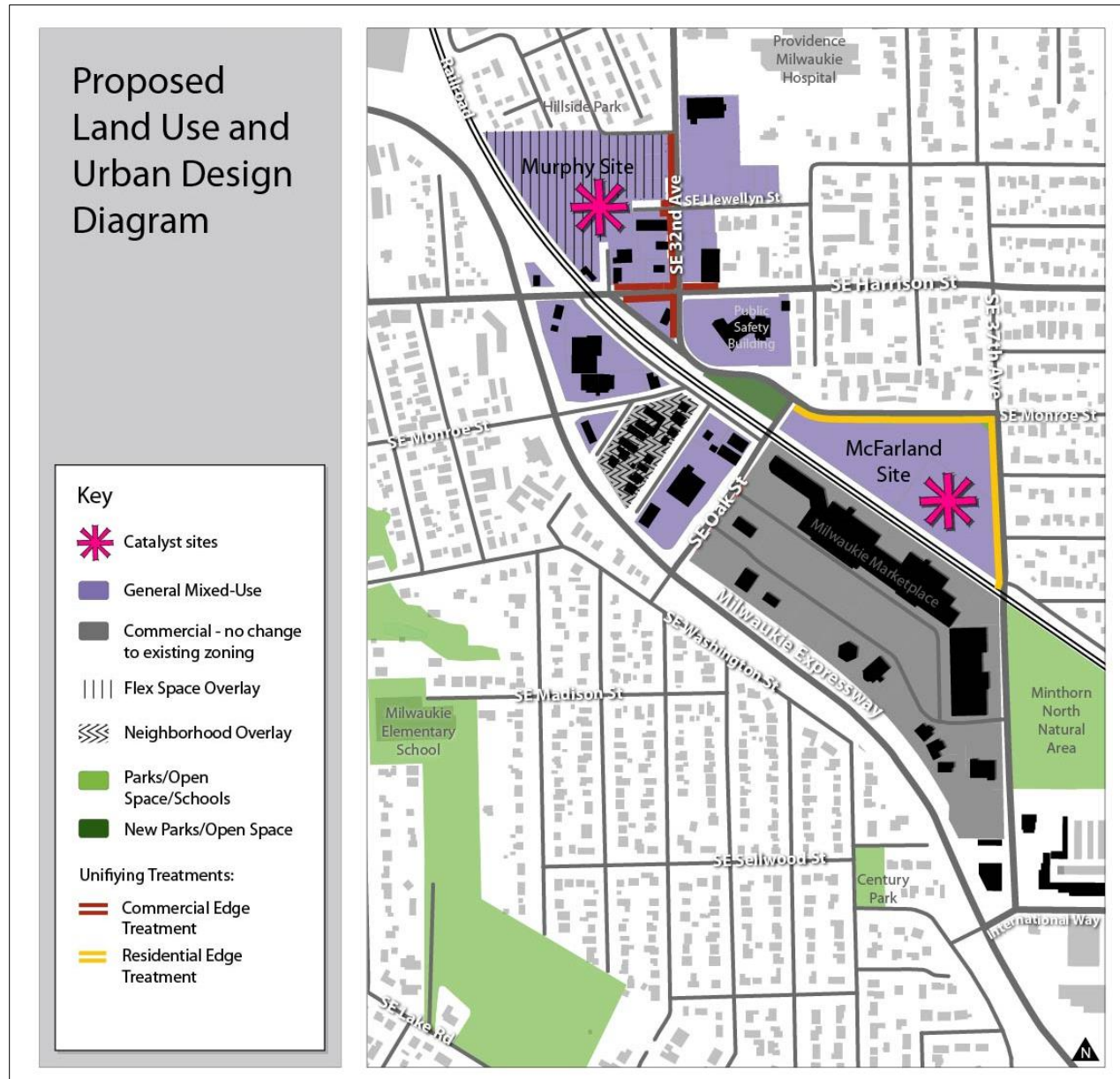
ACTION REQUESTED

None. This is a briefing for discussion only. Staff is seeking feedback about the proposed draft zoning code amendments for Central Milwaukie and specific questions and comments received from the Commission at the March 24, 2015, worksession.

BACKGROUND INFORMATION

A. History of Prior Actions and Discussions

- **March 24, 2015:** The Commission reviewed the proposed amendments to the zoning code for Central Milwaukie and provided feedback on specific areas, which are the focus of this worksession and staff report. Those areas of further discussion are:
 - Land Use Review/public notification of pending development proposals
 - Flex Space Overlay – design and development standards and boundary
 - Minimum setbacks on 32nd Ave
- **March 10, 2015:** The Commission reviewed the proposed *Central Milwaukie Land Use and Transportation Plan* and proposed amendments to Chapter 4 of the Comprehensive Plan and the Transportation System Plan. The Commission agreed with the document approach and content; no further action was needed.
- **August 26, 2014:** Staff provided an overview of key proposed downtown code amendments and draft Central Milwaukie concepts. The Commission discussed the proposed code amendments and provided suggestions for Central Milwaukie.

Figure 1. Proposed Land use and Urban Design Diagram

KEY DISCUSSION ITEMS

During the March 24 worksession, the Planning Commission had both concerns and questions regarding three specific areas, which are described in more detail below.

A. Land Use Review/Public Notification

The proposed code amendments provide for Type I development review¹ in the General Mixed Use Zone, unless a Type II Variance from the design standards is requested. Also proposed is a Type II Preliminary Circulation Plan for development on sites of 3-4 acres. Currently, the code requires Type III Land Use review for all development in the R-O-C zone (Murphy and McFarland opportunity sites).

The Commission's questions and concerns involve how the public is notified about pending development proposals. Specifically, there was a concern that under a Type I development review process, owners of abutting properties are not made aware of a project prior to construction.

Land Use Review Procedures

One of the key goals of the project is to streamline the review process for development in commercial areas by establishing clear standards for new buildings.

Standard	Purpose/Intent	Existing	Proposed
Land use review	Streamline the review process to reduce uncertainty and risk, while establishing new design standards to ensure attractive development	All development on Murphy, McFarland, and a portion of Providence Hospital site subject to Type III land use review	- Development that meets development and design standards permitted through Type I review - Some revisions permitted through Type II Variance Review - Type II Preliminary Circulation Plan required for larger sites (3+ acres)

¹

Review Type	Mailed Notice	Opportunity to Participate	Public Hearing	Decision Maker
Type I	No	No	No	Staff
Type II	Yes	Yes – written comments	No (unless appealed)	Staff
Type III	Yes	Yes – testimony and written comments	Yes	Planning Commission

There was a lengthy discussion at the March 24 worksession regarding the desire for residents to be aware of proposed development. Staff understands the concerns and the intent that the community receives notice or an opportunity for input. Staff suggests the following potential approaches for Commission consideration:

Notification Type	Process	Advantages	Disadvantages
Type II Review Option 1	Discretionary administrative review for new development projects that exceed 5,000 sf or modifications to existing buildings of more than 25% floor area	• NDAs and properties within 300 ft of the site are given notice and may provide comment within 15 days • Less onerous review process on Murphy and McFarland opportunity sites	• Adds new uncertainty and cost to existing by-right development proposals • Requires new review criteria
Type II Review Option 2	Discretionary administrative review for new development projects that exceed 10,000 sf or modifications to existing buildings of more than 50% floor area	• NDAs and properties within 300 ft of the site are given notice and may provide comment within 15 days • Less onerous review process on Murphy and McFarland opportunity sites	• Adds new uncertainty and cost to existing by-right development proposals • Requires new review criteria
Notice to NDAs (NEW) Option 3	Weekly report sent to NDAs of pending Type I land use applications, pre-application conferences, and building permits	NDAs provided notice of proposed development projects, which can be shared with residents	• Adds additional administrative work to staff in compiling information and making it available to NDAs • No direct notice to abutting property owners • This is a notification only; no opportunity to influence outcome

The staff recommendation is to improve the current notification process of pending development proposals to include Type I proposals (Option 3) rather than revise the land use review process in Central Milwaukie.

B. Flex Space Overlay

In order to implement the project goal to facilitate development of the opportunity sites, a Flex Space Overlay is proposed on the Murphy site. The overlay would allow additional employment uses on the Murphy opportunity site, such as light industrial and light manufacturing (see Figure 1). Questions from the Commission addressed the design and development standards that would be applied to development in the overlay along the 32nd Ave frontage. At issue is that flex development is typically more industrial in nature and requiring standards such as minimum window/storefront transparency and the location of entrances may not be practical. At the March 24, 2015 worksession, the Commission discussed development concepts along 32nd Ave, a key collector street. This discussion has led to the following questions:

- Should flex development, and the Flex Space Overlay, be allowed along 32nd Ave as currently proposed?
- Should all development along 32nd Ave be subject to design and development standards?

Design standards

As currently proposed, these standards establish a baseline level of design for new development throughout Central Milwaukie to ensure that new development is attractive and provides ground floor/pedestrian-level interest. For discussion purposes, staff has organized the standards based on whether or not the standard relates to frontage on a public right-of-way and street. This is due to the potential for development along internal driveways in the Murphy site where the standard may not be as critical.

Standards related to public right-of-way

Standard	Purpose/Intent	Existing	Proposed
Primary entrances	To promote pedestrian-friendly development by providing building entrances that are oriented to the sidewalk or other public space and connected with clearly-marked pedestrian walkways	• None, except for MMC 19.505.6 for development on transit routes (32nd Ave is a transit route)	• All new buildings shall have at least one primary entrance facing an abutting public street
Residential edge	Development that is adjacent to or abutting lower density residential zones should be compatible	• Setbacks must match adjacent front yard setback.	• A minimum setback shall apply. • Step back applies

	with existing neighborhoods.		to buildings within 50 ft of 37 th Ave and Monroe St.
Frontage occupancy	To establish a consistent “street wall” along key streets.	• None	• Certain block faces, a minimum of 50 percent of the site frontage must be occupied by a building or buildings.
Corners	To reinforce intersections as an important place for people to gather.	• None	• Buildings at the corner of two public streets shall incorporate one specific design feature.
Windows and doors	To enhance street safety and provide a comfortable pedestrian environment by providing ground-level transparency between the interior of buildings and the sidewalk.	• None	• For non-residential and mixed-use buildings, a minimum percentage of the ground-floor street wall must consist of openings.
Off-street parking	Buildings are allowed and encouraged to build up to the street right-of-way.	• None	• No vehicle parking permitted between the building and the street.
Weather protection	Through the use of awnings and canopies along the ground floor of buildings, to protect pedestrians from rain and provide shade; to encourage window shopping and lingering; and to create visual interest on the ground floor of a building.	• None	• All ground floor building entries shall be protected from the weather by canopies, or recessed behind the front building façade at least 3 feet

Standards not related to public right-of-way

Exterior building materials	To provide a sense of permanence through the use of certain permitted building	• None	• Standards specify primary, secondary, and prohibited material
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	materials; to provide articulation and visual interest to larger buildings; and to allow for a variety of materials and designs		types.
Roofs	To create visual interest.	None	Permitted roof forms are specified.
Rooftop equipment and screening	To integrate mechanical equipment into the overall building design.	None	Specifies requirements to screen roof-mounted mechanical equipment.
Ground level screening	To integrate mechanical equipment into the overall building design.	None	Specifies requirements to screen mechanical equipment, outdoor storage, and outdoor garbage and recycling areas.

It is important to note that there are many examples of flex development that has been designed with building design standards in mind, including the following:

Figures 2-6. Examples of flex development



Tofurkey headquarters and production facility, Hood River, OR



Pfriem Family Brewery, Hood River, OR



Standing Stone Brewery, Ashland, OR



Peet's Coffee and Tea HQ and Roasting Plant, Emeryville, CA



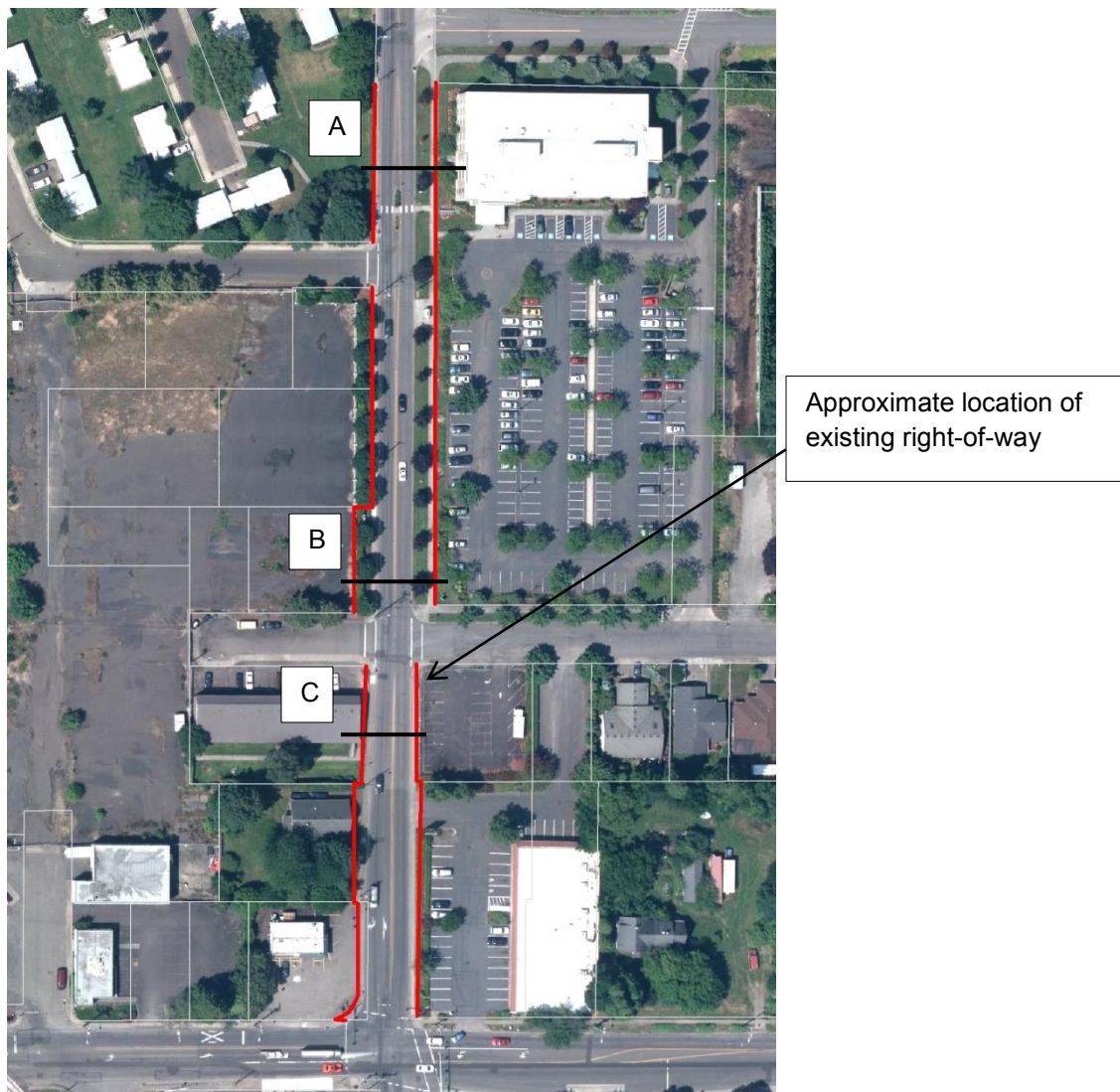
Park Ave flex-industrial building, Emeryville, CA

The issue regarding design and development standards for flex space development and the Flex Space Overlay is about its location and whether the development fronts on public right-of-way. The purpose of design and development standards is to create a pedestrian-friendly environment and encourage high-quality design. The proposed code amendments provide for a Type II variance if a proposal cannot meet the standards. Staff's recommendation is that if development is proposed on a public street, including with is the FS overlay, then the design and development standards apply.

C. Minimum setback on 32nd Ave

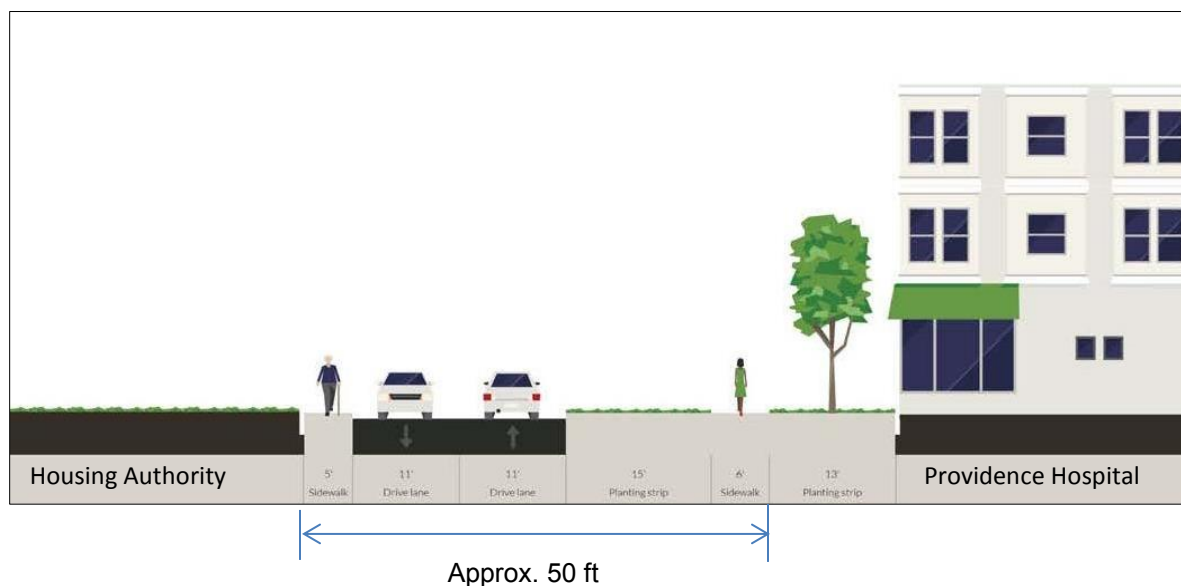
The proposed amendments retain the current 0 ft minimum setback in the General Mixed Use Zone and also include "commercial edge treatment" standards on 32nd Ave to create a pedestrian friendly and attractive streetscape on this key street. The commercial edge treatment establishes a maximum setback of 10 ft along 32nd Ave. At the March 24 worksession the Commission discussed requiring a minimum setback.

It is important to note that sections of 32nd Ave are currently developed differently with regards to sidewalks, planting strips, building setbacks, etc. Because development on 32nd has occurred at various times, and frontage and right-of-way improvements occur at the time of development, the existing cross-section varies. 32nd Ave is classified as a collector street; its current right-of-way width is approximately 40-70 ft. It has a planned full right-of-way width of minimum 60 ft (travel lanes, wider sidewalks and/or street trees). Where the minimum right-of-way does not currently meet city standards, additional right-of-way would be dedicated or acquired through redevelopment.

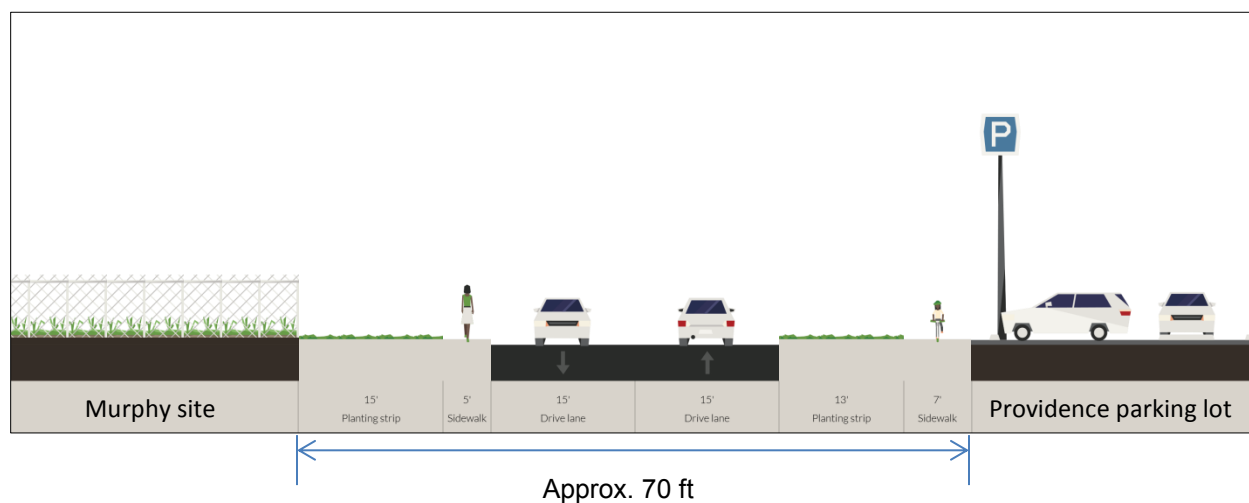


Cross-section A.

The cross-section just north at Providence Hospital (which includes a landscaped building setback of over 13 ft) looks approximately like this:

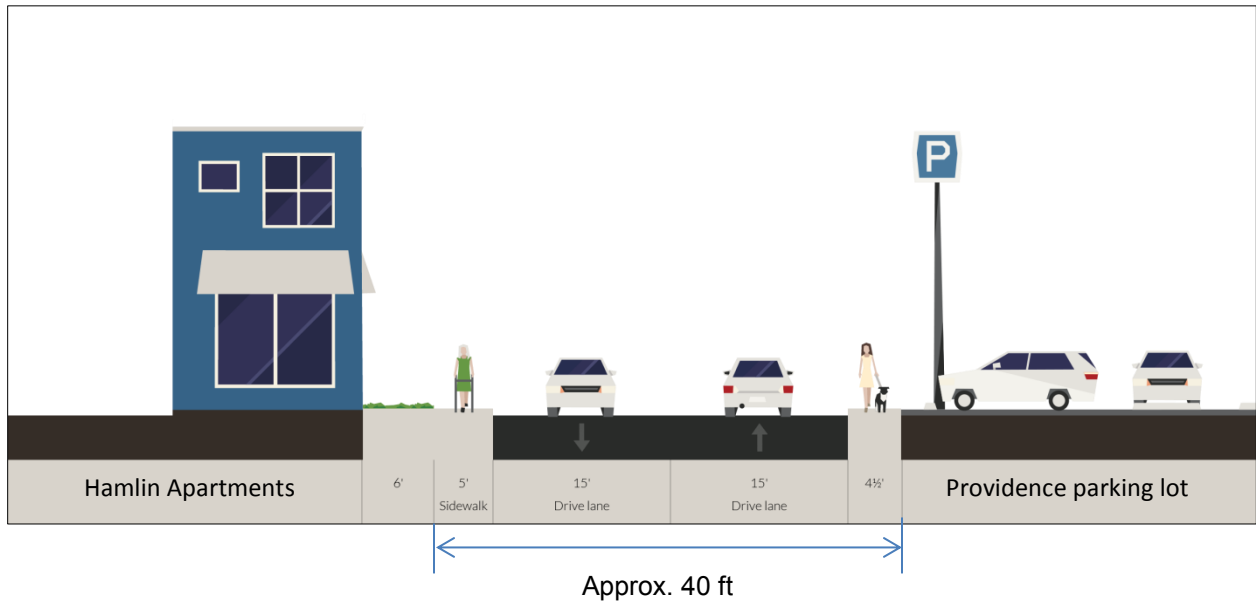
Cross-section B.

The existing cross-section of 32nd Ave at the Murphy site (which includes a right-of-way dedication at the Murphy site) at Lewelling looks approximately like this:

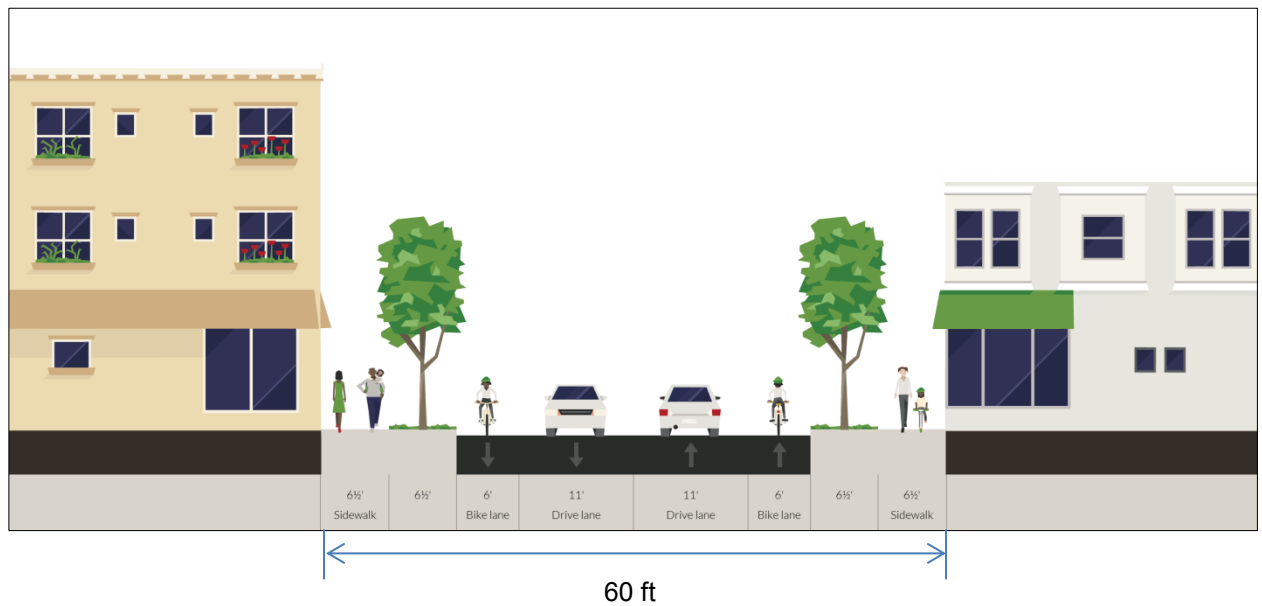


Cross-section C.

The cross-section at the Hamlin Apartments (with no right-of-way dedication) looks approximately like this:



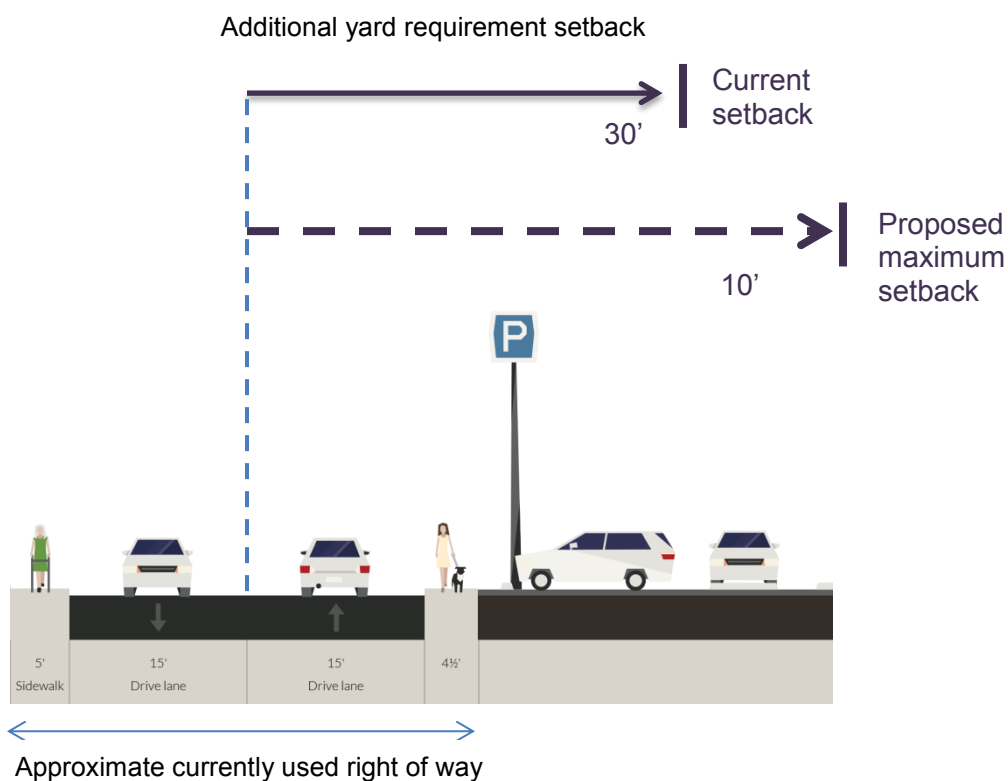
Per City Engineering standards, depending on the proposed development and conclusions from a Traffic Impact Study, the future cross-section of 32nd Ave could look like this (wider sidewalks and a landscaped buffer between pedestrians and the travel lane):



The future cross-section of 32nd Ave is much safer and more comfortable for both pedestrians and bicyclists than currently exists. Depending on the location of the proposed development, the improvements could be constructed at the time of development.

It is important to also remember that the current zoning code does not require a minimum building setback in Central Milwaukie and includes additional yard requirements for certain major streets. Buildings along these streets, including 32nd Ave, are subject to additional yard requirements in order to accommodate the future right-of-way as discussed above. Buildings on 32nd Ave north of Harrison St, in addition to any required setbacks, must be 30 ft from the centerline (see graphic below).

If the existing 0 ft minimum setback standard were maintained, a new building constructed today would not be 0 ft from the existing sidewalk; its location would be 30 ft from the centerline of the road to account for the future right-of-way.



As stated in the *Central Milwaukie Land Use and Transportation Plan*, the proposed revisions are intended to bring buildings closer to the street to create a pedestrian-friendly environment. When the full future right-of-way is built, including sidewalks and planter strips, pedestrians will not find themselves on a sidewalk between a building and the vehicular travel line, which appears to be the concern voiced at the worksession.

D. Discussion

Staff is seeking Commission feedback about the proposed list of revisions to the use, development, and design standards in central Milwaukie. Are the following proposals appropriate?

- Should notification be mailed to residents for proposed development projects to allow full participation in the land use review process or send an announcement to NDAs on a weekly basis?
- Should flex development be subject to the same design and development standards as other development in Central Milwaukie? If not, what standards, if any, should it be subject to? Or, should the standards be dependent on frontage on a public street rather than a private driveway/accessway?
- Should the boundary of the Flex Space Overlay be revised to exclude frontage on 32nd Ave? What should the new boundary be?
- Given the future right-of-way of 32nd Ave, are the proposed minimum and maximum setbacks appropriate?

NEXT STEPS

The first hearing for the draft Central Milwaukie plan and code amendments is scheduled for Tuesday, April 28. In order to allow for discussion and public testimony, staff anticipates 2 Planning Commission hearings on the amendment package.