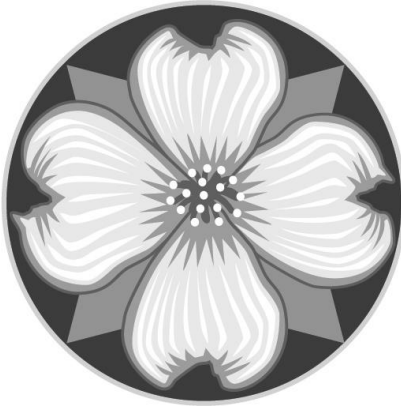




Regular Session

RS

Milwaukie City Council

COUNCIL REGULAR SESSION

City Hall Council Chambers
10722 SE Main Street
www.milwaukieoregon.gov

2272nd Meeting**REVISED AGENDA**

JULY 17, 2018

(Revised July 13, 2018)

- | | Page # |
|---|--------|
| 1. CALL TO ORDER – 6:00 p.m.
Pledge of Allegiance | |
| 2. PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS | |
| A. Providence Milwaukie Hospital 50th Anniversary – Proclamation
Presenter: Lesley Townsend, Providence | 2 |
| B. Police Department Citizen Recognition – Award
Staff: Luke Strait, Police Captain | |
| 3. CONSENT AGENDA
These items are considered routine, and therefore, will not be allotted discussion time on the agenda; these items may be passed by the Council in one blanket motion; any Councilor may remove an item from the “Consent” agenda for discussion by requesting such action prior to consideration of that part of the agenda. | |
| A. Approval of Council Meeting Minutes of:
1. June 5, 2018, Work Session;
2. June 5, 2018, Regular Session;
3. June 12, 2018, Study Session; and
4. June 14, 2018, Special Session. | 4 |
| B. Appointments to the City’s Tree Board – Resolution | 21 |
| C. Support for the Work of the Homeless Solutions Coalition – Resolution | 24 |
| D. Adopting the Milwaukie Housing Affordability Strategy – Resolution | 27 |
| E. Authorizing a Contract for Repair Work in Milwaukie Bay Park – Resolution (removed July 13, 2018) | |
| F. Authorizing a Contract for the Clay Pipe Replacement Project – Resolution | 93 |
| G. Authorizing an Intergovernmental Agreement with City of Happy Valley for Building Inspection Services – Resolution | 96 |
| H. Approval of an Oregon Liquor Control Commission Application for:
1. Spirits on Jefferson, 2037 SE Jefferson St – Greater Privilege | 105 |
| 4. AUDIENCE PARTICIPATION
To address Council, complete a comment card and submit it to staff. The Mayor will call for comments regarding City business. Per the Milwaukie Municipal Code (MMC) only issues that are “not on the agenda” may be raised; issues that await a Council decision and for which the record is closed may not be discussed; “all remarks shall be directed to the whole Council, and the presiding officer may limit comments or refuse recognition.” The presiding officer may limit the time permitted for comments and may request that a spokesperson be selected for a group of persons wishing to speak. | |

5. PUBLIC HEARING

Public Comment will be allowed on items under this part of the agenda following a brief staff report presenting the item and action requested. The presiding officer may limit testimony.

A. Appeal of Planning Commission's Decision to Approve Master Land Use File #CSU-2018-001 – Lake Road Sports Complex (continued from June 19, 2018) 107

Staff: Brett Kelter, Associate Planner

~~B. Declare Harrison and Main Street Property to be Surplus for the Purposes of Redevelopment – Resolution (removed July 13, 2018)~~

~~Staff: Leila Aman, Development Manager~~

6. OTHER BUSINESS

These items will be presented by staff or other individuals. A synopsis of each item together with a brief statement of the action requested shall be made by those appearing on behalf of an agenda item.

~~A. Leading Library Design Report (removed July 13, 2018)~~

~~Staff: Leila Aman, Development Manager~~

B. Transportation Grant Opportunities Report 122

Staff: Kelly Brooks, Assistant City Manager, and
Alma Flores, Community Development Manager

C. League of Oregon Cities (LOC) Legislative Agenda Discussion 126

Staff: Kelly Brooks, Assistant City Manager

D. Council Support for Transitioning TriMet's Fleet to Emission Free Vehicles and for the Regional Affordable Housing Bond – Resolutions (2) 146

Presenter: Mark Gamba, Mayor

7. INFORMATION

The Council and City Manager will provide reports on City events, projects, and programs.

8. ADJOURNMENT

Americans with Disabilities Act (ADA) Notice

The City of Milwaukie is committed to providing equal access to all public meetings and information per the requirements of the ADA and Oregon Revised Statutes (ORS). Milwaukie City Hall is wheelchair accessible and equipped with Assisted Listening Devices; if you require any service that furthers inclusivity please contact the Office of the City Recorder at least 48 hours prior to the meeting by email at ocr@milwaukieoregon.gov or phone at 503-786-7502 or 503-786-7555. Most Council meetings are streamed live on the City's website and cable-cast on Comcast Channel 30 within Milwaukie City Limits.

Executive Sessions

The City Council may meet in Executive Session pursuant to ORS 192.660(2); all discussions are confidential and may not be disclosed; news media representatives may attend but may not disclose any information discussed. Executive Sessions may not be held for the purpose of taking final actions or making final decisions and are closed to the public.

Meeting Information

Times listed for each Agenda Item are approximate; actual times for each item may vary. Council may not take formal action in Study or Work Sessions. Please silence mobile devices during the meeting.



COUNCIL REGULAR SESSION

City Hall Council Chambers
10722 SE Main Street
www.milwaukieoregon.gov

2272nd Meeting

MINUTES

JULY 17, 2018

Mayor Mark Gamba called the Council meeting to order at 6:04 p.m.

Present: Council President Lisa Batey; Councilors Angel Falconer, Wilda Parks, Shane Abma

Staff: Assistant City Manager Kelly Brooks Associate Planner Brett Kelter City Attorney Tim Ramis City Manager Ann Ober City Recorder Scott Stauffer	Community Development Director Alma Flores Development Manager Leila Aman Housing and Economic Development Coordinator Valeria Vidal Planning Director Denny Egner Police Captain Luke Strait
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1. CALL TO ORDER

Pledge of Allegiance.

Mayor Gamba announced that Council would consider agenda item 6. D. before item 4.

2. PROCLAMATIONS, COMMENDATION, SPECIAL REPORTS AND AWARDS

A. Providence Milwaukie Hospital 50th Anniversary – Proclamation

Providence Milwaukie Hospital Chief Executive Officer **Sherri Kulink**, Foundation Chair **Barry Brunetto**, and Dwyer family representative **Bob Dwyer Jr.**, introduced the proclamation and remarked on the hospital's service in the community. **Mayor Gamba** read the proclamation recognizing the hospital's anniversary. The group commented on the services provided by the hospital and noted it was Mr. Dwyer's birthday.

B. Police Department Citizen Recognition – Award

Captain Strait presented a Citizen Recognition Award to John Klopp, Tigard, Oregon resident, for his actions during a recent medical emergency incident. Council thanked him for his life saving actions.

3. CONSENT AGENDA

Mayor Gamba announced that item 3. D. would be removed from the Consent Agenda for separate consideration with item 6. D.

It was moved by Council President Batey and seconded by Councilor Abma to approve the consent agenda as presented, minus item D.

A. City Council Meeting Minutes:

1. June 5, 2018, Work Session;
2. June 5, 2018, Regular Session;
3. June 12, 2018, Study Session; and
4. June 14, 2018, Special Session.

B. Resolution 57-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, making appointments to the City's Tree Board.

C. Resolution 58-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, recognizing and supporting the efforts of the Homeless Solutions Coalition of Clackamas County as a community group functioning to seek solutions to homelessness.

- ~~D. Adopting the Milwaukie Housing Affordability Strategy (MHAS): 2018-2023 - Resolution.~~ (removed from the Consent Agenda for separate consideration)
- ~~E. Authorizing a Contract for Repair Work in Milwaukie Bay Park – Resolution~~ (removed from the Consent Agenda on July 13, 2018)
- F. Resolution 59-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, acting as the Local Contract Review Board, approving the award of a contract for the construction of the 2017 clay sewer pipe replacement (CIP-2017-X10) to Landis & Landis Construction, LLC.
- G. Resolution 60-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, to update an intergovernmental agreement (IGA) with the City of Happy Valley for the sharing of employees for building inspection and plan review services.
- H. Oregon Liquor Control Commission (OLCC) Applications for:
1. Spirits on Jefferson, 2037 SE Jefferson Street – Greater Privilege
- Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting “aye.” [5:0]

3. D. Adopting the Milwaukie Housing Affordability Strategy (MHAS): 2018-2023 - Resolution, and 6. D. Council Support for Transitioning TriMet’s Fleet to Emission Free Vehicles and for the Regional Affordable Housing Bond – Resolutions (2)

Mayor Gamba announced that Council would take public comments on the proposed housing and emission-free vehicle resolutions.

Stephen McMurtry, Housing Development Director at Northwest Housing Alternatives (NHA), and **Mary Zellhare**, Milwaukie resident and member of the Metropolitan Alliance for Common Good (MACG), noted the work of NHA and MACG to address the region’s rising rental costs. They urged Council to adopt the resolution in support of the housing bond and the affordable housing amendment to the State Constitution.

Mayor Gamba read the proposed resolution in support of the regional affordable housing bond and Constitutional amendment into the record:

Whereas, Milwaukie and the rest of the Portland Metro Region are experiencing an unprecedented number of people whose wages have not kept up with the cost of housing and are therefore housing burdened and at-risk of or experiencing homelessness; and

Whereas, in Milwaukie 45% of all renters spend more than 30% of their income, and 25% spend more than half of their income on housing; and

Whereas, more than 1,400 children in school districts across Clackamas County and nearly 400 in the North Clackamas School District, which includes Milwaukie, experienced homelessness last year; and

Whereas, every child deserves the right to a safe and secure home, and stable housing for families is the single most important factor in the likelihood of children being successful in life; and

Whereas, because of low vacancy rates and many residents being displaced, Milwaukie declared a housing emergency two years ago which is still in place; and

Whereas, Milwaukie's vacancy rate is still below the 4% emergency level; and

Whereas, housing affordability is an important goal of the City Council; and

Whereas, the proposed Metro bond will provide more than \$116 million for permanently affordable housing in Clackamas County alone and \$652.8 million total for the Portland Metro Region, housing up to 7,500 people, including families, seniors, veterans, and people with disabilities; and

Whereas, passing the statewide constitutional amendment during the November 2018 General Election would allow local jurisdictions to partner with private organizations, leveraging the bond dollars and housing up to 12,000 people in the Metro Region.

Now Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that we strongly support the proposed Metro Regional Affordable Housing Bond and the Oregon Constitutional Amendment and strongly encourage all voters in the Metro Region and across the State to vote yes on these two measures.

Councilor Abma announced that he would recuse himself from voting on the resolution due to his employment by Metro.

It was moved by Councilor Falconer and seconded by Councilor Parks to approve the Resolution in support of the regional affordable housing bond measure and Constitutional amendments. Motion passed with the following vote: Councilors Falconer, Batey, and Parks, and Mayor Gamba voting “aye.” [4:0]

Resolution 61-2018:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, IN SUPPORT OF THE REGIONAL AFFORDABLE HOUSING BOND MEASURE AND CONSTITUTIONAL AMENDMENT.

Ms. Flores introduced Ms. Vidal. She reviewed the work that had gone into developing the MHAS. She noted projects and issues that had been identified in the MHAS that the City would work on over the next 5 years. She reported that over \$50,000 in construction excise tax (CET) funds were available to support MHAS programming.

Ms. Vidal introduced herself and noted that she was the City's point person for housing. Council welcomed her to Milwaukie and thanked staff for their work on the MHAS. **Ms. Flores** thanked the Housing Advisory Work Group (HAWG) and the Portland State University (PSU) Institute of Metropolitan Studies for their help drafting the MHAS.

It was moved by Council President Batey and seconded by Councilor Falconer to approve the resolution adopting the Milwaukie Housing Affordability Strategy (MHAS): 2018-2023. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting “aye.” [5:0]

Resolution 62-2018:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ADOPTING THE MILWAUKIE HOUSING AFFORDABILITY STRATEGY (MHAS): 2018-2023.

Mayor Gamba announced that Council would next consider the proposed resolution encouraging TriMet to decarbonize their vehicle fleet.

Michael Hall, Milwaukie resident, commented on the need to use renewable resources to address climate change. He thanked Council for addressing environmental issues and asked them to adopt the resolution.

Kevin Fairham-Wheeler, Milwaukie resident, remarked on TriMet's move to use electric buses and noted the benefits of electric vehicles. He recommended that the

public view the “white zombie” Datsun electric motors video and encouraged Council to adopt the resolution.

Mayor Gamba read the proposed resolution calling for TriMet to rapidly decarbonize its fleets and to transition them to emission free vehicles into the record:

WHEREAS, the Council previously acknowledged that climate change is the single largest threat to the future citizens of Milwaukie and Council has approved a Vision calling for Milwaukie to become a Net Zero City by the year 2040 to help forestall the worst effects of climate change, and to develop a Climate Action Plan for the City; and

WHEREAS, transportation pollution is the biggest source of greenhouse gas emissions in the Metro region and statewide; and

WHEREAS, the City and the Metro region are regularly ranked as suffering from some of the highest levels of diesel pollution in the country and the unhealthy diesel exposure increases its residents’ risk of heart attacks, strokes, cardiovascular disease, asthma and other respiratory problems; and

WHEREAS, TriMet is the single largest purchaser and user of diesel fuel in Oregon, has over 600 diesel buses operating in its fleet today, typically purchases up to 50 new replacement diesel buses every year, the life cycle of each new diesel bus is 16 years and if TriMet transitioned to a zero-emission bus fleet, it would eliminate at least 39,990 tons of CO2 pollution each year, the equivalent of taking 7,720 cars off the road; and

WHEREAS, electric buses already are cost competitive with diesel buses on a lifecycle basis, even excluding consideration of the environmental, health, and societal benefits; and

WHEREAS, residents of Milwaukie have expressed a strong preference for TriMet to invest in purchasing electric buses during the transit agency’s recent budget workshop in Milwaukie, asking the transit agency’s actions to be consistent with the values of the city it serves; and

WHEREAS, TriMet is behind the curve on transitioning to electric buses compared to the country’s biggest fleets, with King County, Washington; Los Angeles County, California; New York City, New York, and many other transit agencies around the country already having committed to a transition to 100% electric bus fleets.

Now therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that TriMet is strongly encouraged to:

1. Purchase no new diesel buses to service Milwaukie or any other part of the TriMet service territory after 2020;
2. Ensure its fleet (including transit buses and other TriMet-owned vehicles) is fully converted to zero emission vehicles by no later than 2035; and
3. Prioritize during the rapid transition to electric buses, placement of the first electric buses in Metro area communities with poorest air quality, especially low-income communities and communities of color.

Council President Batey asked if there was documentation reflecting the resolution’s assertion about Milwaukie residents’ preferences expressed at a TriMet budget workshop. **Mayor Gamba** reported that attendees had participated in a dot exercise that had shown community support for electric vehicles. **Council President Batey** remarked on the importance of documenting statements made in resolutions.

It was moved by Councilor Parks and seconded by Councilor Abma to approve the Resolution calling for TriMet to rapidly decarbonize its fleets and to transition them to emission free vehicles. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting “aye.” [5:0]

Resolution 63-2018:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, CALLING FOR TRIMET TO RAPIDLY DECARBONIZE ITS FLEETS AND TO TRANSITION THEM TO EMISSION FREE VEHICLES.

4. AUDIENCE PARTICIPATION

Mayor Gamba reviewed the Audience Participation procedures and **Ms. Ober** reported that there was no follow-up from the June 19, 2018, Audience Participation.

Norman Scott, Milwaukie property owner, discussed costs he had incurred in paving Front Street and seeking the recently approved Front Street Reimbursement District. He suggested that in addition to costs he would be reimbursed for, the City should reimburse him for permit, engineering services, and other expenses. **Ms. Ober** and **Council President Batey** noted that the reimbursement district process was outlined in the Milwaukie Municipal Code (MMC) and that the City could not amend the rules for a district already approved. **Mayor Gamba** suggested the reimbursement district part of the MMC may need to be reviewed. He agreed that Council could not go back and amend the MMC for an established district. **Ms. Ober** noted she was willing to meet with Mr. Scott and that Council would need to make a review of the MMC’s reimbursement district section a priority for staff.

5. PUBLIC HEARING

A. Appeal of Planning Commission’s Decision to Approve Master Land Use File #CSU-2018-001 – Lake Road Sports Complex (continued from June 19, 2018)

Mayor Gamba called the hearing on the appeal of the Planning Commission’s decision to approve Master Land Use File #CSU-2018-001, continued from June 19, 2018, to order at 7:01 pm

Opening: **Mayor Gamba** reviewed the rules about the evidence Council could consider.

Purpose and Procedures: **Mayor Gamba** explained that the purpose of the hearing was to continue consideration of the appeal filed by Michael Martin and Benjamin Brody, Milwaukie residents. He noted the MMC standards to be considered and reviewed the hearing’s order of business.

Impartiality and Site Visits: It was noted that all Council members had visited the Lake Road Sports Complex site and that no Council member declared a conflict of interest in hearing the appeal. **Council President Batey** noted that she had no new ex-parte contacts to declare other than what she had previously reported at the last hearing.

It was noted that no audience member wished to challenge Council’s ability or jurisdiction to participate in the hearing.

Staff Presentation: **Mr. Kelter** reported that a Final Order had been drafted based on Council direction. He noted that both the appellants and the applicant, the North Clackamas School District (NCSD), had reviewed the Final Order. He remarked on NCSD’s plan to proceed with the project while analyzing parking. He explained that both

parties had agreed that NCSD towing information would be posted at the site and that other details would be worked out through the Transportation Demand Management (TDM) Plan process. He noted how Council could proceed with the hearing. He suggested Council would want to provide feedback for the TDM Plan.

Correspondence: Staff reported that no additional correspondence had been received.

Questions of Clarification: The group noted that Council would need to reopen the hearing if they wished to take further testimony.

Council Discussion: **Councilor Abma** remarked that he felt a good compromise had been reached between the parties. **Mayor Gamba** asked if staff needed further clarification from Council. **Council President Batey** and **Mr. Kelter** suggested staff only needed feedback if Council wanted to change the Final Order.

Councilor Parks suggested that Mayor Gamba had gaveled the hearing into order and that Council would therefore have to motion to close the hearing.

It was moved by Councilor Parks and seconded by Council President Batey to close the public hearing. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting "aye." [5:0]

Mayor Gamba closed the public hearing at 7:09 p.m.

Mr. Ramis and Council President Batey noted that Council could approve the Final Order even though it included language about conditional actions.

Council Decision: **It was moved by Council President Batey and seconded by Councilor Abma to affirm the decision under appeal for Master Land Use File #CSU-2018-001 with the Findings of Approval included in the Council Packet. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting "aye." [5:0]**

Mayor Gamba noted the State Land Use Board of Appeals (LUBA) appeal information.

~~**B. Declare Harrison and Main Street Property to be Surplus for the Purposes of Redevelopment—Resolution**~~ (removed from the agenda)

6. OTHER BUSINESS (continued)

~~**A. Ledding Library Design Report**~~ (removed from the agenda)

B. Transportation Grant Opportunities Report

Ms. Brooks provided an overview of grants available for transportation projects. She noted deadlines and phased approaches to pursue the grants. She described several grants, including those provided by Oregon Department of Transportation (ODOT), Metro, and others.

The group remarked on various grant application deadlines. They noted partners that could help the City secure grant funding. They discussed which grants could be used for Safe Access for Everyone (SAFE) projects. They noted which grants could help the City establish a shuttle service and which that could help advance the City's Monroe Street Neighborhood Greenway and Railroad Avenue projects.

Mayor Gamba recessed the Regular Session at 7:37 p.m. and reconvened the Regular Session at 7:44 p.m.

C. League of Oregon Cities (LOC) Legislative Agenda Discussion

Ms. Brooks reported that the LOC had asked cities to respond to its legislative priorities survey by selecting four unprioritized topics. **Mayor Gamba** and **Councilor Parks** noted how LOC's list had been identified. The group remarked on how the LOC would work in support of cities' priorities. They noted issues the Legislature was likely to address regardless of LOC support.

The group discussed which priorities Milwaukie should identify on the survey.

It was Council consensus that the City's top 2019 legislative priorities for the LOC to support were: carbon cap-and-invest program adoption, permanent supportive housing investment, Right-of-Way (ROW) and franchise fee authority, and property tax reform.

The group noted how the City would track issues during the 2019 Legislative Session.

Library Ballot Survey Discussion (continued from July 17, 2018, Work Session)

Ms. Ober distributed and reviewed a revised draft of the library ballot measure language. She confirmed that the City would ask the State Elections Division to review the draft language and that capitalization in the draft would be cleaned up.

It was Council consensus to approve the draft library ballot language and that staff should proceed with a survey to gauge community support of the ballot measure.

Mayor Gamba suggested that the first line of the ballot language be bolded in the Voters' Pamphlet if possible.

7. INFORMATION

Mayor Gamba announced upcoming community events, including the first Milwaukie Bay Park Design Steering Committee meeting, neighborhood picnics and concerts, the August First Friday event, and the second annual Maximum Music Happy Hour at the Milwaukie Station food cart pods.

Mr. Stauffer noted upcoming Council election deadlines and contact information.

Council President Batey noted an upcoming meeting of the revitalized Friends of Elk Rock Island and Spring Park group. **Councilor Falconer** remarked that Clackamas Fire District #1 should conduct first aid and emergency response training at neighborhood events. She noted that lifesaving techniques had shifted to hands-only resuscitation in recent years.

8. ADJOURNMENT

It was moved by **Councilor Falconer** and seconded by **Councilor Abma** to adjourn the Regular Session. Motion passed with the following vote: **Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba** voting "aye." [5:0]

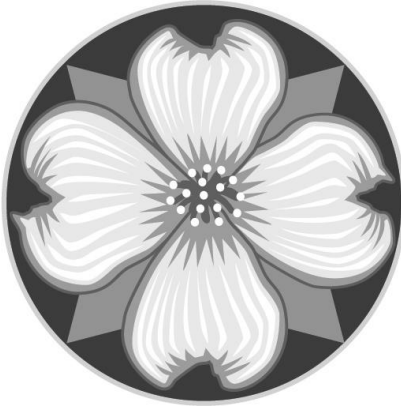
Mayor Gamba moved to adjourn the regular session at 8:36 p.m.

Respectfully submitted,



 Scott Stauffer, City Recorder

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RS Agenda Item

2

**Proclamations,
Commendations,
Special Reports,
& Awards**

PROCLAMATION

WHEREAS, since 1968 Providence Milwaukie Hospital, beginning as Dwyer Memorial Hospital, has been serving our community with high-quality, compassionate health care, being true to its mission of caring for all people, with special concern for the poor and vulnerable; and

WHEREAS, recognizing the Dwyer Family, entrepreneurs that established Dwyer Lumber, for their leadership, service and vision that explored the need to build a hospital for our community so that our residents could feel confident that their own doctors, nurses and community members could care for their medical needs close to home; and

WHEREAS, due to the vision of the Dwyer Family, and especially Robert F. Dwyer, Sr., son of the founder of the Dwyer Lumber Company, Dwyer Memorial Hospital was established in July 1968; and

WHEREAS, over the last 50 years of providing high quality and convenient care, the Hospital has welcomed up to 10,000 babies into the community, and treated hundreds of thousands of patients in the Emergency Department and for acute medical care, surgeries, and critical care services; and

WHEREAS, continuing the vision of the Dwyer Family to ensure care in the Milwaukie community, Providence Milwaukie Family Medicine Residency program was established in 2001 and in June 2018 graduated its 100th family medicine provider – 25% of all physicians trained in Oregon during this time; and

WHEREAS, Providence Milwaukie Hospital continues its mission to care for the poor and vulnerable, in 2017 providing more than \$13,740,000 in community benefit; and

WHEREAS, since its inception, the Hospital has contributed significantly to a vibrant community offering living wage jobs, currently for more than 500 people.

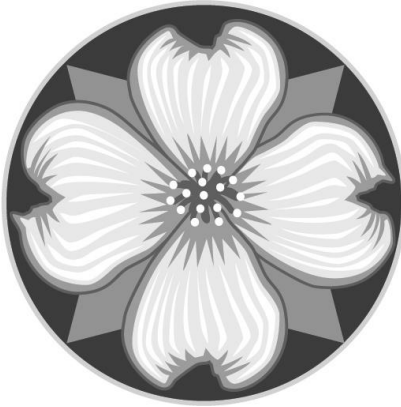
Now, Therefore, be it Resolved that the City Council of the City of Milwaukie, Oregon, hereby congratulates Providence Milwaukie Hospital on their 50th Anniversary.

IN WITNESS, WHEREOF, and with the consent of the City Council of the City of Milwaukie, I have hereunto set my hand on this 17th day of July 2018.

Mark Gamba, Mayor

ATTEST:

Scott Stauffer, City Recorder



RS Agenda Item

3

Consent Agenda



COUNCIL WORK SESSION

City Hall Conference Room
10722 SE Main Street
www.milwaukieoregon.gov

MINUTES

JUNE 5, 2018

Mayor Mark Gamba called the Council meeting to order at 4:03 p.m.

Present: Council President Lisa Batey; Councilors Angel Falconer, Wilda Parks, Shane Abma

Staff: Assistant City Engineer Jennifer Garbely	Community Development Director Alma Flores
Assistant City Manager Kelly Brooks	Development Manager Leila Aman
Associate Planner Vera Kolas	Engineering Director Charles Eaton
City Attorney Tim Ramis	Planning Director Denny Egner
City Manager Ann Ober	Public Works Director Peter Passarelli
City Recorder Scott Stauffer	Senior Planner David Levitan

Ms. Ober noted that Councilor Parks would arrive late.

1. Construction Updates

Mr. Eaton provided updates on 2018 City construction projects, including the emergency bridge replacement, the Milwaukie Bay Park bank repair, the Kronberg Park Multi-Use Path, and the clay pipe replacement. **Mr. Eaton** discussed the projects in the South Downtown area and the 2018 Safe Access for Everyone (SAFE) projects around Milwaukie Elementary School and Ardenwald Elementary School.

Mr. Eaton noted additional City projects related to street paving, storm, and sewer improvements. **Councilor Falconer, Mr. Eaton, Mayor Gamba, and Ms. Ober** noted the location of the 29th Avenue paving project that would run up to the border with the City of Portland. The group noted the status of several other projects.

2. Housing Affordability Strategic Plan (HASP) Draft Discussion

Ms. Flores thanked those that had helped draft the HASP and introduced Liza Morehead with Portland State University (PSU) Institute of Metropolitan Studies.

Ms. Morehead noted the HASP's goals to develop new units, prevent displacement and keep affordable units affordable and connect people to existing affordable housing. She provided an overview of short-, near-, and long-term actions related to each goal, and discussed action 2.6.3 for Goal 1. **Mayor Gamba** and the group discussed the possibility of creating a rental costs database.

Councilor Falconer asked about adding "missing middle" housing to the section of the HASP that discussed small housing such as cottage cluster and tiny homes. She referenced past Council discussions on the importance of adding affordable "missing middle" housing. Staff noted "missing middle" references would be added to the HASP.

Mayor Gamba asked about action 1.6 regarding the improvement of workforce development opportunities for construction workers. **Ms. Flores** explained the intent and noted that the language could be clarified.

Ms. Flores explained the suggested change to add a new section, 2.11, to build stronger alignments with the workforce development system. She remarked on partnerships in Clackamas County that assist community members access job placement opportunities to help stabilize households and prevent displacement. **Mayor**

Gamba and **Ms. Flores** commented on how individuals would connect to job placement services. It was Council consensus to add section 2.11 as outlined by staff.

It was noted that Councilor Parks arrived at the meeting at 4:52 p.m.

Council President Batey asked about Appendix B, which listed the focus groups who had participated in drafting the HASP. **Ms. Morehead** reported that no one had attended the Spanish language tenant focus group and **Council President Batey** asked for a detailed breakdown of who had attended the focus groups.

Ms. Morehead presented PSU's Neighborhood Profiles website that was noted in Appendix D and the group discussed the neighborhood data available online.

Ms. Flores noted staff would return to Council with a resolution to adopted the HASP.

Ms. Ober noted there were two topics for discussion that were not on the agenda.

Open Streets Event Naming

Ms. Brooks reviewed the naming process for the City's 2019 Open Streets event. She noted staff wanted to give Council a chance to discuss the name since they had expressed concerns about proposed names.

Mayor Gamba believed "Open Streets" was too generic and noted how a unique name could create more excitement. **Councilor Falconer** believed if there was a unique name that it should be all-inclusive and not bike-centered.

The group discussed possible event names and the importance of easy-to-understand terminology. **Ms. Brooks** noted that a logo and tagline would help explain the event.

The group discussed how to pick an event name. It was Council consensus to support "Car Free" or "Carefree," with the "car" emphasized in the branding, as the event name.

Ms. Brooks summarized that she would take "Open Streets" and "Carefree (car free) Sundays" to the community meeting for them to pick a final name.

An Overview of Council's Role in Public Hearings

Mr. Ramis discussed Council's role in the land use appeals process, noting bias disclosures, how to process an objection, the standard of review to make a different decision than the Planning Commission, and keeping the case on the record.

Council asked clarifying questions and the group discussed the land use appeals process. **Mayor Gamba** suggested that Council should consider changing the process related to what information can be brought up in an appeal.

Mayor Gamba announced that upon adjournment of the Work Session, Council would meet in Executive Session pursuant to Oregon Revised Statute (ORS) 192.660 (2)(a) to consider the employment of a public officer, employee, staff member or individual agent.

Mayor Gamba adjourned the Work Session at 5:26 p.m.

Respectfully submitted,

Amy Aschenbrenner, Administrative Specialist II

COUNCIL REGULAR SESSION

City Hall Council Chambers
10722 SE Main Street
www.milwaukieoregon.gov

2270th Meeting

MINUTES

JUNE 5, 2018

Mayor Mark Gamba called the Council meeting to order at 6:08 p.m.

Present: Council President Lisa Batey; Councilors Angel Falconer, Wilda Parks, Shane Abma

Staff: Assistant City Manager Kelly Brooks	Landscape Maintenance Technician Julian Lawrence
Associate Planner Vera Kolias	Library Circulation Supervisor Kim Olson
Building Official Samantha Vandagriff	Library Director Katie Newell
City Attorney Tim Ramis	Librarians Robert Lanxon and Sarah Roller
City Manager Ann Ober	Planning Director Denny Egner
City Recorder Scott Stauffer	Public Works Director Peter Passarelli
Development Manager Leila Aman	Senior Planner David Levitan

1. CALL TO ORDER

Pledge of Allegiance.

2. PROCLAMATIONS, COMMENDATION, SPECIAL REPORTS AND AWARDS

A. ~~Support of a Garbage Reduction Strategy – Resolution~~ (removed from agenda)

3. CONSENT AGENDA

It was moved by Councilor Parks and seconded by Councilor Falconer to approve the consent agenda as amended.

A. City Council Meeting Minutes:

1. April 17, 2018, Work Session;
2. April 17, 2018, Regular Session, with the following amendment made to Mayor Gamba's remarks in the third paragraph on page 5: "He remarked on his indifference about allowing housing in an MMU Overlay zone and support for encouraging employment in the area."
3. April 23, 2018, Special Session;
4. April 29, 2018, Council Dinner;
5. May 1, 2018, Work Session;
6. May 1, 2018, Regular Session; and
7. May 8, 2018, Study Session.

B. Resolution 35-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, making appointments and reappointments to City committees.

C. Resolution 36-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, adopting modifications to the Monroe Street Neighborhood Greenway Concept Plan and directing staff to proceed with design development.

D. Resolution 37-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, transferring \$44,000 of appropriations from the Records and Information Management Department to the Public Works Administration Department.

E. Resolution 38-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, acknowledging and adopting the 2018 Elk Rock Island Work Plan.

F. Resolution 39-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, authorizing the Chief of Police to re-enter an intergovernmental

agreement with Clackamas County for use of the Community Corrections Work Crews.

- G. **Resolution 40-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, acting as the Local Contract Review Board, authorizing an increase in the project authorization for the construction of the 42nd Avenue Street Reconstruction Project.**
- H. **Resolution 41-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, authorizing third amendment to owner-architect agreement for Library Design Project, including any future amendments up to \$334,101.50.**
- I. **Resolution 42-2018: A Resolution of the City Council of the City of Milwaukie, Oregon, extending the declared housing emergency for a period of six months, pursuant to Ordinance 2117.**

Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting “aye.” [5:0]

4. AUDIENCE PARTICIPATION

Mayor Gamba reviewed the Audience Participation procedures and **Ms. Ober** reported that there were no follow-up notes from the May 15, 2018, Audience Participation.

Tabitha Alajmi, Clackamas Service Center representative; **Fida Hurlock**, **Jacqueline Plonkey**, and **Denine Estey**, Milwaukie residents; **Robin Pooley**, unincorporated Clackamas County resident; and **Maria Hernandez**, Portland resident, remarked on the need for housing assistance programs to address homelessness and rising rental costs in Milwaukie. They urged Council to adopt renters assistance and protection measures.

Fred and Muriel Pagel, Estacada, Oregon residents, discussed injuries they had sustained during a January 2018 vehicle incident at Harrison Street and Railroad Avenue. They suggested the concrete barrier near the tracks should be removed and commented on insurance claims related to the incident. **Ms. Ober** noted staff would contact the Pagels. **Mayor Gamba** remarked on why the barrier could not be removed.

Asher Freeman, Community Alliance of Tenants (CAT) organizer, discussed CAT’s work to assess Milwaukie’s housing situation. He thanked Council for addressing housing and urged Council to adopt tenant protection measures.

Melissa Earlbaum, Clackamas Women’s Services (CWS) representative, discussed the services CWS provides for abuse survivors. She commented on the impact of housing on abuse survivors and asked Council to adopt affordable housing measures.

Annie Rose Shapiro, realtor with Portlandia Properties, thanked Council for addressing housing issues and remarked on why some landlords were supportive of relocation assistance measures. She urged Council to adopt renter protection measures.

De Ette Waleed and **Laura Kirk**, Milwaukie residents, and **Donald Skinner**, unincorporated Clackamas County resident, remarked on their housing situations. They urged Council to adopt renter relocation and protection measures as soon as possible.

Nicole Bates, Portland State University (PSU) student and CAT volunteer, discussed her work to assess Milwaukie’s housing situation and urged Council to adopt renter relocation measures within six months.

Katie Ray, Homeless Liaison for the North Clackamas School District (NCSD), discussed the housing crisis stories she hears from community members at the Wichita Center and urged Council to adopt renter relocation assistance measures. **Mayor**

Gamba and **Councilor Falconer** noted the legal status of the City of Portland's renter relocation assistance program.

Gary Klein, Milwaukie resident, commented on the City's history with electronic billboard signs and suggested the City address the issue before more were installed.

Charles Maes, Casa de Tamales owner, expressed support for those dealing with the housing crisis. He commented on the number of parking citations issued by the City, revenue from parking citations, and the need to maintain Milwaukie Bay Park.

Mayor Gamba remarked that the City would organize a community roundtable discussion on housing soon.

It was noted that Ms. Brooks replaced Ms. Ober on the dais.

5. PUBLIC HEARING

A. Appeal of Planning Commission's Decision to Approve Master Land Use File #CSU-2018-002 – Ledding Library

Opening: **Mayor Gamba** called the public hearing on the appeal of the Planning Commissions' decision to approve the Community Service Use (CSU) application requested on behalf of the City for the Ledding Library, file #CSU-2018-002, to order at 7:04 p.m. He explained that the Council would consider the appeal arguments based on the evidence presented to the Planning Commission.

Purpose and Procedures: **Mayor Gamba** explained that the purpose of the hearing was to consider the appeal of the land use decision filed by Tom Madden on behalf of the Historic Milwaukie Neighborhood District Association (NDA). He noted the Milwaukie Municipal Code (MMC) zoning and Comprehensive Plan criteria and standards Council would use in deciding the appeal and reviewed the hearing order of business.

Impartiality and site visits: It was noted that all Council members had visited the library and had not learned anything at the site that was relevant to the appeal.

Councilors Abma and Parks reported they had no ex-parte contacts or conflicts of interest to declare. **Council President Batey** noted that she had no ex-parte contacts to report but had previously served on the Library Expansion Task Force (LETf).

Councilor Falconer and **Mayor Gamba** read statements noting their involvement in the Library Services Expansion Task Force (LSETF) and the Library Construction Task Force (LCTF). They stated that their experiences on the task forces had not biased their decision-making abilities related to the appeal.

Councilor Falconer reported that the appeal had been mentioned, but not discussed, in a recent conversation she had with a hospitalized LCTF member.

It was noted that no audience member challenged a Council members ability to participate in the hearing.

Jurisdictional Issues: it was noted that no audience member challenged Council's jurisdiction over the hearing matter.

Staff Introduction of the Appeal/Presentation of Staff Report: **Ms. Kolas** described the library site, reviewed the land use application history, and explained how the project had developed into a building replacement. She noted the land use review applications that had been submitted for the project and the variances the Planning Commission had

addressed in their final decision. She provided an overview of the appeal application materials submitted by Mr. Madden. **Council President Batey, Ms. Kolias, and Mr. Ramis** noted that the appeal materials included information about the library bond measure and the Scott Park Master Plan that were not related to the land use decision and should not be considered by Council for the appeal.

Ms. Kolias reviewed the approval criteria related to the natural resources review, and discussed how the proposed new library building would impact the natural resource and water quality areas on the site. She reviewed the approval criteria related to the parking quantity modification, the CSU, and the Downtown Design Review standards that the Planning Commission had granted. She noted the correspondence received regarding the appeal, reported that required notice of the appeal had been given, and reviewed Council's options in deciding the appeal case. She noted that the applicant, the City, would need to extend the 120-day land use clock if a final decision was not made at the present meeting.

Correspondence Received: **Mayor Gamba** noted that staff had already reported the correspondence received and **Mr. Ramis** confirmed that the correspondence did not need to be read into the record if they were already available in the meeting packet.

Conduct of Hearing: **Mayor Gamba** reviewed the hearing conduct procedures.

Applicant Presentation: **Scott Mannhard**, Hacker Architects, introduced Tyler Nishitani, Hacker Architects, presented and discussed maps and renderings of the proposed new library building. He noted design elements and features, accessibility considerations, energy efficiency and sustainability goals, and remarked on how the new building would relate to the park and natural environment around it.

Other Testimony in Support of the Applicant: **Erin Lee** and **Robin Chedister**, Library Board members; **Ed Zumwalt** and **Damon Talbot**, Milwaukie residents; and **Melissa Perkins**, LCTF member, expressed appreciation for the current library building and support for a new building. They urged Council to move forward with the project.

Mayor Gamba recessed the Regular Session at 7:57 p.m. and reconvened the Regular Session at 8:05 p.m.

Appellant Testimony: **Mr. Madden**, Historic Milwaukie NDA representative, expressed his support for the library. He reported that the NDA had concerns about the new building's potential impacts on the soft soil in the natural resource areas, and parking and traffic on site and in the area. He discussed concerns related to voters' intentions in approving the bond measure that funded the library project and suggested that the Planning Commission did not have the authority to approve the project. He commented on the City's and project consultant's intentions about a new library building and the Pond House before and after the bond measure was approved. He suggested that some consultants had been let go after the bond had been approved. He discussed design features of the proposed new building and suggested that voters had not approved a bond measure to replace the library but to improve and repair the library and Pond House. He noted the City was seeking validation of the project from Clackamas County Circuit Court and asked that Council not decide on the appeal until the Court had ruled. He stated that the appeal was based on the issues raised before the Planning Commission as well as research done on the bond measure. He distributed a copy of the appeal application and information related to the bond measure that were not part of the appeal record. **Council President Batey and Mr. Ramis** noted

that staff would review the distributed materials and confirm if anything was outside the appeal record. **Mr. Madden** commented on the City's ability to maintain the public's trust as large projects progressed.

Other Testimony in Support of the Appellant: it was noted that no audience member wished to speak in support of the appellant.

Neutral Testimony: **Lisa Gunion-Rinker**, Park and Recreation Board (PARB) Chair, noted she was not opposed to the proposed new building. She expressed concern that PARB had not been consulted during the library project or the process to remove the Scott Park Master Plan from the Comprehensive Plan. She asked that PARB be included in any process that involves public spaces next to parks. She commented on the impacts of a new library building on the existing tree canopy.

Additional Staff Comments: **Ms. Kolias** noted the parts of the packet distributed by Mr. Madden that fell outside the appeal record and could not be considered by Council.

Councilor Falconer and **Council President Batey** asked if consultants had been let go and if that could be discussed during the appeal hearing. **Mr. Ramis** noted staff could only confirm if there was information in the appeal record related to the consultants. **Ms. Kolias** reported that the appeal record contained no information about the consultant Mr. Madden had referred to.

Appellant's Rebuttal and Final Remarks: **Mayor Gamba** cautioned Mr. Madden to limit his remarks to topics that were within Council's jurisdiction for the land use decision under appeal. **Councilor Abma** and **Mr. Ramis** remarked on what comments and topics the appellant could respond to during a hearing rebuttal time. **Mr. Madden** suggested that the voters and the Planning Department had not been aware of Council's previous discussions about how the library bond funds were to be used.

Applicant's Rebuttal and Final Remarks: **Ms. Aman** introduced William Silva, with Swinerton Builders, the general contractor for the library project. She reported that in response to parking concerns, the City had been granted a variance to include more parking than was required. She noted the availability of on-street parking around the library. **Mr. Silva** reported that a Geotech analysis of the site had concluded that the proposed building design would adequately address any soil issues.

Mayor Gamba asked how a cistern, a stormwater system if added to the building design, would impact the natural areas. **Mr. Ramis** asked staff if the cistern was part of the appeal record. **Ms. Aman** reported that the cistern was not part of the appeal record, but the footprint of the new building's stormwater system was. She noted that a cistern would not change the look of the stormwater system.

Questions from Council to Staff: **Councilor Falconer** asked if the MMC required parking to be available at parks and **Ms. Kolias** reported that it did not. **Ms. Aman** noted that the City had asked for a variance to add parking partly because Scott Park is adjacent to the library. The group remarked on why there was no blanket parking requirement for parks.

Closure of Public Hearing: **It was moved by Council President Batey and seconded by Councilor Parks to closed the public hearing on the library appeal. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting "aye." [5:0]**

Mayor Gamba closed the hearing on the appeal of the Planning Commission's decision to approve Master Land Use File #CSU-2018-002, at 8:40 p.m.

Council Discussion: **Councilor Abma** thanked those who had attended the hearing and remarked that he had not heard anything that changed his mind about the land use decision. He suggested he would vote to affirm the Planning Commission's decision.

Council President Batey remarked on the Planning Commission's role in considering land use applications and Council's role in considering appeals of land use decisions.

Councilors Falconer and Parks remarked that the concerns about the proposed building's foundation in the soft soil had been addressed. They suggested that they had not heard any reason to reverse the Planning Commission's decision.

Council President Batey and **Mayor Gamba** remarked that they had heard nothing during the hearing that made them question the Planning Commission's decision.

Council Decision: **It was moved by Councilor Parks and seconded by Councilor Abma to tentatively affirm the decision under appeal for Master Land Use File #CSU-2018-002 with the Findings of Approval included in the Council packet. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting "aye." [5:0]**

Mr. Ramis noted that staff would prepare the Final Order and findings for formal approval at the next Council meeting based on Council's decision.

It was moved by Council President Batey and seconded by Councilor Parks to continue the hearing to a date certain of June 19, 2018. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting "aye." [5:0]

Extension of 120-Day Land Use Clock: **Mayor Gamba** noted that the hearing had been continued to a date beyond the 120-day land use clock. He asked if the applicant would extend the land use clock to allow Council to adopt the Final Order and findings.

Mr. Mannhard confirmed that the applicant would extend the land use clock to allow for the continued hearing on June 19, 2018.

LUBA Appeal Information: **Mayor Gamba** reviewed the State Land Use Board of Appeals (LUBA) process appeal information.

Mayor Gamba recessed the Regular Session at 8:48 p.m. and reconvened the Regular Session at 8:51 p.m.

It was noted that Ms. Ober replaced Ms. Brooks at the dais.

B. Fiscal Year 2019 (FY19) Master Fee Schedule (MFS) – Resolution

Call to Order: **Mayor Gamba called the hearing on the MFS to order at 8:52 p.m.**

Purpose: **Mayor Gamba** explained that the purpose of the hearing was to take public comment on the proposed FY19 MFS.

Staff Report: **Ms. Dennis** provided an overview of the proposed MFS and noted two changes regarding Engineering Department fees for temporary street closures and Planning Department fees for time extensions of previously granted land use approvals. **Mayor Gamba** and **Ms. Ober** commented on the administrative costs associated with granting land use time extensions.

Correspondence: It was noted that there was no additional correspondence.

Audience Testimony: It was noted that no audience member wished to comment.

Close Public Hearing: **It was moved by Council President Batey and seconded by Councilor Falconer to closed the public hearing on the Master Fee Schedule. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting “aye.” [5:0]**

Mayor Gamba closed the public hearing on the updated MFS at 8:55 p.m.

Council Discussion: It was noted that there was no Council discussion.

Council Decision: **It was moved by Council President Batey and seconded by Councilor Abma to approve the Resolution revising fees and charges as shown attached and updating the Master Fee Schedule of the City of Milwaukie for Fiscal Year 2019. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting “aye.” [5:0]**

Resolution 43-2018:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, REVISING FEES AND CHARGES AS SHOWN ATTACHED AND UPDATING THE MASTER FEE SCHEDULE OF THE CITY OF MILWAUKIE FOR FISCAL YEAR 2019.

C. State Revenue Sharing – Resolutions (2)

Call to Order: **Mayor Gamba called the hearing on the City’s election and qualification to receive State Revenue Sharing to order at 8:56 p.m.**

Purpose: **Mayor Gamba** explained that the purpose of the hearing was to take public comment on the possible use of State Shared Revenues during the next biennium.

Staff Report: **Ms. Fish** reported that the City was required to hold a hearing on its election to receive and use State Revenue Sharing funds. She reviewed the proposed uses of the funds and reported that no correspondence had been received on the topic.

Councilor Parks asked where state revenues from marijuana sales went. **Ms. Fish** explained that marijuana revenues were received through a different process.

Correspondence: It was noted that there was no additional correspondence.

Audience Testimony: It was noted that no audience member wished to comment.

Close Public Hearing: **It was moved by Council President Batey and seconded by Councilor Parks to closed the public hearing on the State Revenue Sharing. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting “aye.” [5:0]**

Mayor Gamba closed the public hearing on the City’s election and qualification to receive State Revenue Sharing at 8:58 p.m.

Council Discussion: it was noted that there was no Council discussion.

Council Decision: **It was moved by Council President Batey and seconded by Councilor Abma to approve the Resolution declaring the City of Milwaukie’s election to receive State Revenue Sharing funds (General Funds of the State) in**

the 2019-2020 Biennium. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting “aye.” [5:0]

Resolution 44-2018:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, DECLARING THE CITY OF MILWAUKIE’S ELECTION TO RECEIVE STATE REVENUE SHARING FUNDS (GENERAL FUNDS OF THE STATE) IN THE 2019-2020 BIENNIUM.

It was moved by Council President Batey and seconded by Councilor Falconer to approve the Resolution certifying that the City of Milwaukie is eligible in the 2019-2020 Biennium to receive State Shared Revenues (cigarette, liquor, 911, and highway gas taxes) because it provides four or more municipal services. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting “aye.” [5:0]

Resolution 45-2018:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, CERTIFYING THAT THE CITY OF MILWAUKIE IS ELIGIBLE IN THE 2019-2020 BIENNIUM TO RECEIVE STATE SHARED REVENUES (CIGARETTE, LIQUOR, 911, AND HIGHWAY GAS TAXES) BECAUSE IT PROVIDES FOUR OR MORE MUNICIPAL SERVICES).

D. Approved Biennium 2019-2020 Budget – Resolution

Call to Order: **Mayor Gamba called the hearing on the adoption of the 2019-2020 Biennium Budget to order at 9:00 p.m.**

Purpose: **Mayor Gamba** explained that the purpose of the hearing was to take public comment on the budget approved by the Budget Committee for the next biennium.

Staff Report: **Ms. Fish** reported that the City was required by State Law to hold a hearing on the biennium budget. She noted that the Budget Committee had also held a hearing on the budget and that the hearings had been properly noticed.

Correspondence: **Ms. Fish** and **Ms. Ober** reported that staff had received questions from Council that were unrelated to the proposed budget. **Council President Batey** asked if there were additions made to the budget and **Ms. Fish** noted that staff would review proposed additions once the hearing was closed.

Audience Testimony: it was noted that no audience member wished to comment.

Close Public Hearing: **It was moved by Council President Batey and seconded by Councilor Parks to close the public hearing on the Approved Budget and Capital Improvement Plan. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting “aye.” [5:0]**

Mayor Gamba closed the public hearing on the adoption of the 2019-2020 Biennium Budget at 9:03 p.m.

Staff Report on Budget Amendments Proposed for Adoption: **Ms. Fish** and **Ms. Ober** reported that the City had been asked to provide funds to help secure an Environmental Protection Agency grant to remedy a train engine issue in the Island Station Neighborhood. They noted the recommendation was to budget \$20,000 for this effort.

Ms. Fish summarized other proposed budget amendments, including an inter-reserve fund transfer that would give the City additional flexibility in using contingency funds, a \$1.1 million increase in stormwater carry-overs to fund the Meek Street Pipe Replacement project, and a \$200,000 transfer for the Kronberg Park path project.

Mayor Gamba asked about the sudden need to transfer \$1.1 million for the Meek Street project. **Ms. Fish** and **Ms. Ober** explained that the transfer would allow for increased flexibility in dealing with unexpected project overages. **Mayor Gamba** remarked that he wished the Budget Committee had been able to review the request. **Ms. Ober** noted that the transfer reflected the Budget Committee Chair's policy recommendations regarding reserve fund balances. The group remarked on the importance of staff having flexibility to fund projects and for the Budget Committee and Council to vet requests.

Ms. Fish reported that staff also recommended that an unfunded transportation project be added to the Capital Improvement Plan (CIP) so the City could seek funding opportunities for the project. **Mr. Eaton** explained that the project to be added to the CIP was a street connectivity plan that, once in the CIP, would allow the City to require developers to complete street connections as certain lots were developed using system development charge (SDC) funds. He noted that the CIP project would include a list of 20 streets to be finished as lots developed.

Ms. Fish noted a change in the wording of the motion language Council would use to adopted the biennium budget.

Council Decision: It was moved by Council President Batey and seconded by Councilor Abma to approve the Resolution adopting the City of Milwaukie Budget, the updated Financial Policies as approved by the Budget Committee, and Capital Improvement Plan (CIP) for the Biennium commencing July 1, 2018, making appropriations, levying ad valorem taxes, and classifying levies pursuant to Section 11b, Article XI of the Oregon Constitution. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting "aye." [5:0]

Resolution 46-2018:

A RESOLUTION ADOPTING THE CITY OF MILWAUKIE BUDGET AND CAPITAL IMPROVEMENT PLAN (CIP) FOR THE BIENNIUM COMMENCING JULY 1, 2018, MAKING APPROPRIATIONS, LEVYING AD VALOREM TAXES, AND CLASSIFYING LEVIES PURSUANT TO SECTION 11B, ARTICLE XI OF THE OREGON CONSTITUTION.

E. Adoption of Milwaukie Redevelopment Commission (MRC) Budget

Mayor Gamba recessed the Regular Session at 9:18 p.m. to convene the MRC meeting. He reconvened the Regular Session at 9:22 p.m.

F. Front Street Reimbursement District – Resolution

Call to Order: **Mayor Gamba** called the hearing on the request to form a reimbursement district to order at 9:22 p.m.

Purpose and Procedure: **Mayor Gamba** explained that the purpose of the hearing was to consider a request to form a new reimbursement district on Front Street. He reviewed the hearing procedures and order of business.

Conflicts of Interest: It was noted that no Council member declared any conflict of interest and no audience member challenged Council's ability to participate in the hearing. **Council President Batey** and **Mayor Gamba** noted they had visited the site.

Staff Report: **Mr. Eaton** explained that the City had received a request to form a new reimbursement district from Norman Scott, Front Street property owner, who had recently completed improving the street. He discussed how reimbursement districts were set-up by the MMC, how they functioned, and reviewed the location and history of the area to be covered by the proposed district.

Council President Batey asked about the curb requirements. **Mr. Eaton** commented on the layout and challenges of Front Street. He reported that the City of Portland had approved the use of the Springwater Corridor side of the street for water runoff. He confirmed that all utilities for the undeveloped lots had been located beneath the street.

Mr. Eaton explained which of the lots were eligible for reimbursement and how the expenses that would be reimbursed had been reviewed and calculated per the MMC. **Mayor Gamba** and **Mr. Eaton** remarked on the amount of street improvement costs associated with engineering services eligible for reimbursement. They noted the construction costs that could be reimbursed and the total cost to improve the road. **Mr. Eaton** distributed and commented on a revised cost assessment exhibit, and noted that the project had cost approximately \$87,000. **Mayor Gamba** and **Mr. Eaton** reviewed a map of the proposed district and noted which properties would be required to access City utilities and when.

Correspondence: it was noted that staff had received a letter from Padraic and Tamara Dougherty, the other property owners to be included in the district.

Council President Batey and **Mr. Eaton** noted that the correct revised version of the resolution authorizing the district was on the dais for Council's consideration.

Councilor Abma and **Mr. Eaton** discussed how reimbursement districts operated and how many the City had approved. They noted that the other properties in the district, should they be developed within 10 years, would reimburse Mr. Scott and not the City.

Councilor Abma briefly remarked on the use of passive voice in the proposed resolution that would approve the district.

Conduct of Hearing: **Mayor Gamba** reviewed the hearing conduct procedures.

Testimony in Support of the District: **Mr. Scott** discussed the history of the properties he owned on Front Street and presented pictures of the site and improved street. He commented on the street improvement work done and the associated engineering and construction costs. He expressed gratitude to City staff, Clackamas Fire District #1 (CFD#1), and the Portland Parks and Recreation Bureau for working with him on the project. He reported that the project had cost a total of \$88,000 and he remarked on the amount of administrative costs included in the total.

Council President Batey and **Mr. Scott** remarked on the amount of engineering costs that were eligible for reimbursement per the MMC. **Mr. Scott** suggested that the MMC needed to be revised so more of the engineering costs could be reimbursable.

Councilor Falconer asked why Front Street had not been improved to Stanley Avenue. **Mr. Scott** explained that he had been unsure about whether the property owner at Stanley Avenue and Front Street would develop that property and reimburse Mr. Scott.

He noted that he had sold the properties on Front Street to a developer who would probably build three houses on the site.

Councilor Abma and **Mr. Scott** noted that Mr. Scott had been aware of the reimbursement district rules when he made his request, and the MMC rules had not changed.

Neutral Testimony: It was noted that no audience member wished to comment.

Testimony in Opposition of the District: It was noted that no audience member wished to comment.

Staff Response to Testimony: **Mr. Eaton** noted that an adjacent parcel had not been included in the district because it had not received full street improvements. He explained that Mr. Scott had improved the street to current City standards and was eligible for costs for those improvements. He clarified that costs associated with street standard changes adopted in the next 10 years would not be included in the amount to be reimbursed.

Questions from Council to Staff: **Mayor Gamba** and **Mr. Eaton** noted that the street improvement work had been inspected and met drainage and Americans with Disabilities Act (ADA) requirements. They noted how much the Doughertys would have to pay if they developed their property and they remarked on how the lineal footage of curbing was used to calculate costs in an equitable manner.

Mayor Gamba and **Mr. Ramis** discussed Council's jurisdiction in approving or rejecting reimbursement district requests and the associated reimbursement amounts.

Mr. Scott and **Councilor Falconer** remarked on Mr. Scott's status as a developer.

Close Public Hearing: It was moved by **Councilor Abma** and seconded by **Council President Batey** to close the public hearing on the requested reimbursement district. Motion passed with the following vote: **Councilors Falconer, Batey, Parks, and Abma** and **Mayor Gamba** voting "aye." [5:0]

Mayor Gamba closed the public hearing on the request to form a reimbursement district at 10:00 p.m.

Council Discussion: **Council President Batey** commented on the possible need for Council to revisit the part of the MMC dealing with reimbursement district.

Councilor Abma remarked on Mr. Scott's cost saving efforts for the street improvement work and expressed his support for the requested district. He noted that Mr. Scott had been aware of the district rules and constraints prior to requesting the district.

Mayor Gamba agreed that the related MMC sections should be reviewed for possible revisions. **Ms. Ober** noted that staff could add changes to a planned packet of MMC updates. The group remarked on average engineering costs for sidewalk projects.

Council Decision: It was moved by **Council President Batey** and seconded by **Councilor Parks** to approve the Resolution creating a Reimbursement District for the construction of SE Front Street with modifications based on the Engineering Director's Testimony. Motion passed with the following vote: **Councilors Falconer, Batey, Parks, and Abma** and **Mayor Gamba** voting "aye." [5:0]

Resolution 47-2018:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE,
OREGON, CREATING A REIMBURSEMENT DISTRICT FOR THE
CONSTRUCTION OF SE FRONT STREET.**

Mr. Ramis and **Mayor Gamba** commented on the frequency and use of reimbursement districts and how they are often structured within municipal codes.

6. OTHER BUSINESS

A. None Scheduled.

7. INFORMATION

Mayor Gamba thanked those who participated in the Climate Action Summit and encouraged the public to participate in the Climate Action Plan (CAP) and Comprehensive Plan Review surveys. He announced upcoming events, including the City's annual Bulky Waste pick-up days, the Wichita Park groundbreaking, an Open Streets Event meeting, the Friends of the Ledding Library annual book sale, and a South Downtown Open House. **Council President Batey** noted that the City's website had the full list of upcoming summer concerts.

8. ADJOURNMENT

It was moved by Councilor Abma and seconded by Councilor Falconer to adjourn the Regular Session. Motion passed with the following vote: Councilors Falconer, Batey, Parks, and Abma and Mayor Gamba voting "aye." [5:0]

Mayor Gamba moved to adjourn the regular session at 10:11 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder

COUNCIL STUDY SESSION

City Hall Conference Room
10722 SE Main Street
www.milwaukieoregon.gov

MINUTES

June 12, 2018

Mayor Mark Gamba called the Council meeting to order at 5:32 p.m.

Council Present: Council President Lisa Batey; Councilors Angel Falconer, Wilda Parks, Shane Abma

Staff: Assistant City Manager Kelly Brooks
Assistant Planner Mary Heberling
City Manager Ann Ober
City Recorder Scott Stauffer

Planning Director Denny Egner
Public Works Director Peter Passarelli
Senior Planner David Levitan

1. Climate Action Plan (CAP) Update

Mr. Passarelli presented an update on the Climate Action Plan (CAP). He explained the community engagement that had been done, including the Climate Action Summit, the Climate Action Fair, and the Spanish-language focus group. **Councilor Abma** asked if there were differences in the results between the Spanish and English language surveys. **Mr. Passarelli** said he would review the survey results.

Mr. Passarelli discussed the overall participation levels at CAP events and presented preliminary survey feedback. He noted that generally the public thought the City was moving in the right direction with its approaches to combat climate change. He provided statistics on the amount of completed surveys and noted upcoming events. **Ms. Ober** also noted the CAP timeline, as it relates to Council action.

Councilor Abma, Mr. Passarelli, and Ms. Ober discussed how to track CAP progress and develop meaningful performance metrics.

Council President Batey observed that the goals were City or resident related, and did not discuss what businesses could do. She asked how the CAP was incorporating all the different groups, including businesses. **Mr. Passarelli** noted that representatives of Blount, Inc. and Precision Castparts were members on the Climate Action Plan Committee (CAPC) and had made investments in reducing their energy costs and environmental footprints.

Councilor Falconer and Ms. Ober noted the possibility of connecting local business with TriMet to receive transit passes for employees.

Mr. Passarelli noted steps the City was taking to make neighborhoods more walkable.

The group discussed the importance of making sure the City could clearly articulate the steps, improvements, and accomplishments of the CAP.

Councilor Abma asked to have more City-related content streamed and posted on the City's public broadcast cable channel run by Willamette Falls Media Center (WFMC). The group discussed the channel content and noted that the City's YouTube channel could host more informational videos as well.

Mayor Gamba reported on conversations the City had with Portland General Electric (PGE) about making Milwaukie a "smart city" with many improvements coming soon, including car charging stations, streetlights, and more. The group discussed car charging stations and the importance of providing them in public spaces.

2. Dinner Break

Mayor Gamba announced that Council would recess the Study Session to convene in Executive Session pursuant to Oregon Revised Statute (ORS) 192.660 (2)(a) to consider the employment of a public officer, employee, staff member or individual agent.

Mayor Gamba recessed the Study Session at 6:07 p.m. and reconvened the Study Session at 6:38 p.m.

3. Presentation: “Impacts of Emerging Technologies in Cities”

Mayor Gamba introduced the topic and invited the audience to introduce themselves. The following attendees were noted: Planning Commission Chair Kim Travis, Planning Commissioners Sherry Grau, Greg Hemer, Joseph Edge, John Henry Burns, and Scott Jones; Design and Landmark Committee (DLC) members Mary Neustadter and Kyle Simukka; Comprehensive Plan Advisory Committee (CPAC) member Ben Russo; and Clackamas County Commissioner Ken Humberston.

Mr. Egner introduced Becky Steckler, University of Oregon (UO) Urbanism Next Program Manager.

Ms. Steckler explained her role and presented information about the impacts of emerging technologies in cities. She discussed topics including the adoption of technology, mobility as a service, the role of transit, e-commerce, parking, and the Urbanism Next framework and upcoming projects.

The group participated in a question and answer portion with Ms. Steckler. They discussed how Milwaukie could craft policies to prepare and thrive with new technology.

Mayor Gamba adjourned the Study Session at 8:10 p.m.

Respectfully submitted,

Amy Aschenbrenner, Administrative Specialist II

Scott Stauffer, City Recorder

COUNCIL SPECIAL SESSION

North Clackamas School District
Administration Building
12400 SE Freeman Way
www.milwaukieoregon.gov

MINUTES

JUNE 14, 2018

North Clackamas School District (NCSD) Board Chair Rein Vega called the meeting to order at 5:30 p.m.

Council Present: Mayor Mark Gamba, Council President Lisa Batey, Councilors Angel Falconer, Wilda Parks, and Shane Abma

NCSD Board Present: Lee Merrick, Trisha Claxton, Tory McVay, Kathy Wai, Mitzi Bauer, and Steve Schroedl

City Staff: City Manager Ann Ober and Community Development Director Alma Flores

1. Affordable Housing Discussion

Katie Ray, NCSD Homeless Liaison, and **Ms. Flores** presented information about NCSD student homelessness and Milwaukie goals and housing projects to date. The group remarked on the presented information about student homelessness and city efforts.

Mayor Gamba discussed City efforts to address homelessness, including support of a possible Metro bond to support affordable housing and acquiring property for affordable housing. **Ms. Ober** and **Mayor Gamba** remarked on work to institute tax exemptions for low income housing units and the Bridge Meadows model.

The group discussed how the City is working with other cities, communities, and the county to address homelessness and affordable housing. **Mayor Gamba** and **Ms. Ober** noted the City's work with the Housing Authority of Clackamas County (HACC) to redevelop the Hillside Manor and Hillside Park property. **Ms. Flores** remarked on housing success stories that had been achieved by working with local non-profits like Northwest Housing Alternatives (NHA), Neighborhood Economic Development Corporation, and Catholic Charities.

The group noted ways the City and NCSD could work together to develop and promote a legislative agenda and educational efforts to address housing issues and work more closely toward solutions, including the tax exemption for affordable housing providers.

Chair Vega adjourned the Study Session at 6:30 p.m.

Respectfully submitted,

Alma Flores, Community Development Director

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: Jul. 9, 2018

Reviewed: Amy Aschenbrenner, Administrative Specialist II

From: Scott Stauffer, City Recorder

Subject: **Appointments to the City's Tree Board**

ACTION REQUESTED

Consider approving a resolution making appointments to the City's Tree Board.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

The individuals recommended for appointment to the Tree Board have not previously been appointed by Council to serve on any City board, committee, or commission (BCC).

ANALYSIS

Authority to fill BCC vacancies is granted to the Mayor and Council by Section 26 of the City Charter. To fill vacant positions, members of Council along with appropriate staff liaisons and BCC Chairs conduct interviews from applications received by the City. The interview panel then makes appointment recommendations to Council, which considers and approves recommendations through the Regular Session Consent Agenda. Appointed individuals serve for a term length determined by the Milwaukie Municipal Code (MMC). Upon the completion of a term, if the individual is still eligible to serve, they may be reappointed by Council to serve another term.

BCC appointments are made when a term has expired or when a position has been vacated. Generally, position terms expire in March or June, but appointments are also made as needed to fill vacancies. Some BCCs have positions nominated by NDAs instead of by an interview panel. If applicable, NDA-nominated appointments are noted.

All BCC positions are term-limited, meaning there is a limit to the number of times that members can be re-appointed. All the individuals recommended for appointment, as noted below, are eligible for appointment to the noted committee.

BUDGET AND WORKLOAD IMPACTS

There are no fiscal or workload impacts associated with the recommended actions.

COORDINATION, CONCURRENCE, OR DISSENT

The individuals nominated for appointment to the Tree Board have been recommended by an interview panel consisting of Council members, and the Tree Board chair and staff.

Staff has not received any indication that the individuals recommended for appointment should not be appointed.

STAFF RECOMMENDATION

Staff recommends making the following appointments:

Tree Board

Position	Name	Term Start	Term End
1	Kathleen Brennan-Hunter (member)	7/17/2018	3/31/2021
7	Gina Dake (arborist position)	7/17/2018	3/31/2020

ALTERNATIVES

Council could decline to appoint the recommended individuals which would result in continued vacancies on the Tree Board.

ATTACHMENTS

1. Resolution



COUNCIL RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, MAKING APPOINTMENTS TO THE CITY'S TREE BOARD.

WHEREAS, Milwaukie Charter Section 26 authorizes the Mayor, with the consent of the Council, to make appointments to City boards, committees, or commissions (BCCs); and

WHEREAS, two vacancies exist on the Tree Board; and

WHEREAS, members of Council, the Tree Board chair and staff liaison interviewed candidates interested in the vacant positions, and had made recommended that the following qualified individuals be appointed to the Tree Board:

Tree Board

Position	Name	Term Start	Term End
1	Kathleen Brennan-Hunter (member)	7/17/2018	3/31/2021
7	Gina Dake (arborist position)	7/17/2018	3/31/2020

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that the individuals named in this Resolution are hereby appointed to the identified committees of the City of Milwaukie for the term dates noted.

Introduced and adopted by the City Council on **July 17, 2018.**

This resolution is effective immediately.

ATTEST:

Mark Gamba, Mayor

APPROVED AS TO FORM:
Jordan Ramis PC

Scott Stauffer, City Recorder

City Attorney

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: June 27, 2018

Reviewed: Nancy Ide, Homeless Solutions Coalition of Clackamas County

From: Alma Flores, Community Development Director

Subject: **Homeless Solutions Coalition of Clackamas County presentation and request for recognition and support**

ACTION REQUESTED

Adopt by consent a resolution recognizing and supporting the Homeless Solutions Coalition of Clackamas County.

HISTORY OF PRIOR RELATED ACTIONS AND DISCUSSIONS

[June 19, 2018](#): Council heard a presentation of the Homeless Solutions Coalition of Clackamas County requesting support of the organizational mission.

[April 19, 2016](#): The City Council declared a housing emergency ([Resolution 46-2016](#)) in response to metropolitan area growth and increasing rents and approved a 90-day No Cause Eviction notification requirement ([Ordinance 2118](#)).

[March 7, 2017](#): The City Council held a work session to discuss whether to extend the housing emergency for an additional six months from the scheduled expiration date of April 19, 2017 and to maintain the 90-day no cause eviction provisions in MMC 5.60.

[April 18, 2017](#): The City Council adopted resolutions to extend the declared housing emergency for a period of six months, and to maintain the 90-day no cause eviction provisions in MMC 5.60.

[April 23, 2017](#): The City Council held a goal setting session and voted unanimously to bring forth actions toward achieving a housing affordability goal for the residents of Milwaukie.

[December 5, 2017](#): The City Council adopted resolutions to extend the declared housing emergency for a period of six months, and to maintain the 90-day no cause eviction provisions in MMC 5.60.

ANALYSIS

The Homeless Solutions Coalition of Clackamas County (HSCCC) was formed in 2016 to identify and launch proven strategies toward the reduction of homelessness in Clackamas County. As part of their charter, they seek public agency recognition as an organization operating in Clackamas County to “provide respectful solutions to homelessness through community partnerships”. As part of the development of the Milwaukie Housing Affordability Strategy we understand the importance of partnerships and the need to bring resources together to help solve the issues surrounding our community and beyond in both housing

stability and in mitigating displacement; this groups recognition is a step toward bringing much needed resources to the community of Milwaukie.

BUDGET IMPACTS

There is no budget impact.

WORKLOAD IMPACTS

There is little to no workload impact for the Community Development department.

COORDINATION, CONCURRENCE, OR DISSENT

Nancy Ide of the Homeless Solutions Coalition of Clackamas County has been coordinating with the Community Development Director.

STAFF RECOMMENDATION

Approve a resolution to support the Homeless Solutions Coalition of Clackamas County in their effort to be recognized as a community group functioning to seek solutions to homelessness in Clackamas County.

ALTERNATIVES

Not support HSCCC through an adoption of a resolution.

ATTACHMENTS

1. Resolution for the Support of Homeless Solutions Coalition of Clackamas County (OCHSC) at the July 17, 2018 city council session.



COUNCIL RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, TYPE RECOGNIZING AND SUPPORTING THE EFFORTS OF THE HOMELESS SOLUTIONS COALITION OF CLACKAMAS COUNTY AS A COMMUNITY GROUP FUNCTIONING TO SEEK SOLUTIONS TO HOMELESSNESS.

WHEREAS, homelessness is a critical issue facing our nation, Oregon, and the Clackamas County region; and

WHEREAS, the dynamics surrounding homelessness are complex, impacting individuals, families with children, the mentally ill, victims of domestic violence, veterans, and many others; and

WHEREAS, community and civic leaders across the nation are seeking opportunities to expand temporary housing, affordable housing, emergency shelters, and other supportive safety-net services; and

WHEREAS, community leaders from Oregon City and the surrounding Clackamas County region have collaborated to seek solutions, address impacts, reduce homelessness in our region, and strive for independent living where possible; and

WHEREAS, the City Council recognizes the need for assistance to the homeless population and the provision of services to support independent living.

Now Therefore, Be It Resolved by the City Council of the City of Milwaukie, Oregon, that this City recognizes and supports the efforts of the Homeless Solutions Coalition of Clackamas County as a community group functioning with the purpose of seeking solutions to homelessness in the Clackamas County region.

Introduced and adopted by the City Council on **July 17, 2018**.

This resolution is effective immediately.

Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Scott Stauffer, City Recorder

City Attorney

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: June 27, 2018

Reviewed:

From: Alma Flores, Community Development Director

Subject: **Adopt Milwaukie Housing Affordability Strategy: 2018-2023**

ACTION REQUESTED

Adopt the Milwaukie Housing Affordability Strategy: 2018-2023 (MHAS) which directs staff to implement the plan.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[April 19, 2016](#): The City Council declared a housing emergency ([Resolution 46-2016](#)) in response to metropolitan area growth and increasing rents and approved a 90-day No Cause Eviction notification requirement ([Ordinance 2118](#)).

[March 7, 2017](#): The City Council held a work session to discuss whether to extend the housing emergency for an additional six months from the scheduled expiration date of April 19, 2017 and to maintain the 90-day no cause eviction provisions in MMC 5.60.

[April 18, 2017](#): The City Council adopted resolutions to extend the declared housing emergency for a period of six months, and to maintain the 90-day no cause eviction provisions in MMC 5.60.

[April 23, 2017](#): The City Council held a goal setting session and voted unanimously to bring forth actions toward achieving a housing affordability goal for the residents of Milwaukie.

[June 6, 2017](#): City Council discussion of the Housing Affordability Goal and Council's desired approach and strategy for achieving and implementing this goal.

[August 1, 2017](#): First update provided to Council on the actions taken to date on the development of the Housing Affordability Council Goal.

[October 3, 2017](#): Staff provided another update on efforts to date to prepare a Housing Affordability Strategy, in support of City Council Goal #1.

[December 5, 2017](#): The City Council adopted resolutions to extend the declared housing emergency for a period of six months, and to maintain the 90-day no cause eviction provisions in MMC 5.60.

[December 19, 2017/February 20, 2018](#): The City Council adopted [Resolution 101-2017](#), approving an intergovernmental agreement (IGA) with Portland State University (PSU) to assist in the preparation of a MHAS for the City. Updated on [February 20, 2018](#). City Council adopted [Resolution 11-2018](#)

[March 6, 2018](#): Staff provided an update on the status of the MHAS and solicited councilor feedback on elements they would like to see addressed in the plan.

May 1, 2018: Staff provided a first draft of the MHAS and received guidance on actions.

June 5, 2018: City staff presented the final draft of the MHAS after holding several meetings with subject matter experts in the field of housing, tenant rights, economic development, development, and financing to provide feedback and recommendations to the development of the MHAS.

ANALYSIS

In Summer 2017, the City created a Housing Affordability Working Group (HAWG) to help identify and understand issues related to housing affordability and to assist the City with developing goals and actions to inform the framework of the MHAS. The HAWG - comprised of subject matter experts on housing development, economic development, and tenant rights advocates. - met eight times over the past year and provided important feedback and review of the framework of the MHAS. A special thank you to:

- Ann Ober, City Manager
- Betty Dominguez, Home Forward
- Bridget Dazey, Clackamas Workforce Partnership
- Chuck Robbins, Clackamas County Housing and Community Development
- David Levitan, Senior Planner
- Denny Egner, Planning Director
- Kim Travis, Oregon Housing and Community Services
- Dr. Liza Morehead, PSU
- Luke Strait, Captain, Milwaukie Police
- Mary-Rain O'Meara, Housing Authority of Clackamas County
- Mike Andrews, Structure PDX
- Pam Phan, Community Alliance of Tenants
- Ryan Winterberg-Lipp, PSU
- Dr. Sheila Martin, PSU
- Stephen McMurtrey, Northwest Housing Alternatives
- Steve Bartol, Chief of Police, Milwaukie Police
- Vahid Brown, Clackamas County Health, Housing, and Human Services

Additional input was received from four focus groups and peer city research. Additional outreach will be part of the implementation as each action may require a working relationship with the council and the community impacted by potential policy decisions.

The plan includes three main goals: develop new units, prevent displacement and keep affordable units affordable, and connect people to existing affordable housing. These three goals mandated 31 actions that connects with the Community Vision of people, place, planet, and prosperity.

Subject to Council's adoption of the plan, staff intends to spend the first two years on the following Short-term (additional short-mid-term actions have been added should the short actions be accomplished) actions:

	ACTION	TERM	COST
1.1	Develop incentives/funding program(s) for affordable housing through the existing construction excise tax.	Short	\$0-\$
1.3	Explore incentivizing the development of affordable units through a local property tax exemption or other form of tax alleviation.	Short	\$
1.4	Create an internal culture that is friendly to developers.	Short-Mid	\$0-\$
1.11	Engage with Metro's Equitable Housing Program's pursuit of a general obligation bond for affordable housing and advocate for a Milwaukie project.	Short	\$0
1.12	Develop and maintain a database of available properties (all zones) to market to developers.	Short	\$0
1.13	Partner and support Clackamas County's affordable housing development and rehabilitation projects in Milwaukie.	Short-Mid	\$0-\$
2.1	Hire a Housing Coordinator	Short	Funded
2.4	Support and promote programs that provide financial assistance for seniors and low-income homeowners to remain in their homes.	Short-Mid	\$
2.5	Adopt policies to mitigate the impact of rental displacement. Explore a relocation assistance ordinance or similar type of tenant assistance policy.	Short-Mid	\$0-\$
2.6	Assist in eviction prevention by supporting Clackamas County's landlord-tenant mediation services.	Short	\$0
2.7	Research and market low-cost loans to property owners for maintenance, weatherization, and seismic upgrades.	Short	\$0-\$
3.1	Partner with nonprofits and employers to provide first-time homebuyer education and support.	Short	\$
3.2	Support and promote programs to certify renters and reduce their move-in costs.	Short	\$
3.3	Support and promote programs that streamline the rental application process and reduce application fees.	Short	\$
3.4	Develop a marketing campaign to educate and engage the community on housing affordability, density, and development realities in order to develop community capacity.	Short-Mid	\$0
3.5	Develop a financing and resource database.	Short	\$0
3.6	Partner with Oregon Individual Development Account (IDA) Initiative to help Milwaukie residents build financial management skills and build	Short	\$0

BUDGET IMPACTS

The Community Development Director has included \$35,000 in the 2019/2020 Biennial Budget for housing related policy actions identified in the plan and has reclassified the Economic Development Coordinator position into a Housing and Economic Development Coordinator to help implement the plan.

WORKLOAD IMPACTS

The Community Development Director has prioritized her time to work on this plan. David Levitan will spend 5-10 percent of his time in collaboration with the Director and the new Housing and Economic Development Coordinator toward implementation to ensure appropriate level of coordination with the Comprehensive Plan update.

COORDINATION, CONCURRENCE, OR DISSENT

The Community Development Director concurs with this staff report.

STAFF RECOMMENDATION

Adopt the Milwaukie Housing Affordability Strategy by resolution.

ALTERNATIVES

Not move forward with the adoption of the MHAS.

ATTACHMENTS

1. Final MHAS
2. Resolution for the adoption of the MHAS.



CITY OF MILWAUKIE

Milwaukie Housing Affordability Strategy (MHAS): 2018–2023 Action Plan



Acknowledgements

City Council

Mark Gamba, Mayor
Lisa Batey, Council President
Angel Falconer
Wilda Parks
Shane Abma

City of Milwaukie

Ann Ober, City Manager
Alma Flores, Community Development Director
Denny Egner, Planning Director
David Levitan, Senior Planner
Steve Bartol, Chief of Police, Milwaukie Police
Luke Strait, Captain, Milwaukie Police

Institute of Portland Metropolitan Studies

Liza Morehead
Sheila Martin
Ryan Winterberg-Lipp

Housing Advisory Working Group

Mike Andrews, Structure PDX
Vahid Brown, Clackamas County Health, Housing, and
Human Services
Bridget Dazey, Clackamas Workforce Partnership
Betty Dominguez, Home Forward
Stephen McMurtrey, Northwest Housing Alternatives
Mary-Rain O'Meara, Housing Authority of Clackamas
County
Pam Phan, Community Alliance of Tenants
Chuck Robbins, Clackamas County Housing and
Community Development
Kim Travis, Oregon Housing and Community Services

Adopted July 17, 2018

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Introduction

Context

On May 2, 2017, the Milwaukie City Council identified housing affordability as its number one priority for the 2017–2018 biennium. The Council directed City staff to “take every opportunity to address this housing crisis, including finding and working with partners to add new affordable units, and to encourage the private market to develop housing options that are affordable for Milwaukians at every income level and stage of life.” The City subsequently adopted a Community Vision in September 2017 that identifies availability of affordable housing as an integral component of an equitable, livable, and sustainable City.

Reflecting patterns seen across the region, housing prices in Milwaukie have risen sharply in recent years. Between April 2012 and April 2018, the median sale price for single-family homes in Milwaukie increased 92 percent. During the same period, the median sale price of small multifamily units increased 24 percent. Milwaukie homeowners and renters are increasingly housing cost burdened. The most recent Census numbers show that 32 percent of homeowners and 51 percent of renters are spending more than 30 percent of their income on housing.¹

Cost-burdened households often find themselves without sufficient funds for other necessities such as food, health care, transportation, childcare, clothing, and proximity to jobs (living wage and retail/services). Being able to afford quality housing close to quality schools, grocery stores, and parks is a struggle for many low-income families.

The high cost of housing also leads to housing instability and limits housing choice. Frequent moves, particularly between school districts, negatively affect children's academic success. Moving can be stressful and expensive. Families who are upsizing or downsizing are sometimes unable to find housing they can afford in the community they have called home for decades. Seniors and people with disabilities are disproportionately impacted.



Work To-Date

Milwaukie has taken steps toward increasing the amount of affordable housing in the City. In November 2017, the City approved a Construction Excise Tax (CET). The 1 percent tax on new construction or additions to residential, commercial, and industrial development over \$100,000 in permit value will be used to fund affordable housing programs. Milwaukie is also exploring ways to increase the amount of missing-middle housing in the City. Missing middle housing is generally two to fourteen units and includes duplexes, row houses, cottage clusters, and garden apartments. These dwellings can be more affordable than single-family homes and can be built at the same scale as large single-family homes so that they fit into established neighborhoods. Milwaukie is using a \$65,000 grant from Metro to explore cottage cluster feasibility.

In 2016, the City completed a Statewide Planning Goal 10, Housing and Residential Land Needs Assessment (also known as the HNA), in preparation for an update to the housing element of its comprehensive plan. The HNA outlines the supply of housing units by unit size, tenure, and price point that Milwaukie will need between 2016 and 2036 to meet projected demand. The HNA shows a need for over 800 homeownership units (which includes single family, middle housing options, and executive level housing) and 330 units of rental housing. The need for affordable housing is especially evident, as the HNA shows an existing deficit of units that is affordable for households making \$35,000 or less. It shows even more units needed for these income ranges over the next 20 years. Based on an affordability quotient of 30 percent, monthly housing costs higher than \$1,395 would make a household earning Milwaukie's median household income (\$55,800) cost burdened. Increased availability of housing for residents earning less than \$50,000 will be instrumental to the success of this plan. The HNA also identifies buildable parcels (vacant parcels and parcels suitable for redevelopment) that can help accommodate the city's projected housing needs.

As part of its Goal 10 work, the city also completed a Housing Strategies Report, which recommends code changes that aim to expand the range of permissible housing types in Milwaukie. The update to the housing element of the City's Comprehensive Plan (Goal 10)² will provide additional goal and policy language related to housing and housing affordability.² The relationships between these technical background reports, the Comprehensive Plan, the Community Vision, and the Milwaukie Housing Affordability Strategy (MHAS) are illustrated in Figure 1.

Planning Process

Over the course of eight months, the community development department worked with a group of subject matter experts in the housing, tenant, and economic development arena to identify strategies to improve housing affordability in Milwaukie. The housing affordability working group (HAWG) met nine times to brainstorm ideas/solutions/issues, developed a strength, weakness, opportunities, and threats (SWOT) matrix, and shared programs, financing tools, and resources currently available to the community. This group helped frame the issues and potential solutions across multiple disciplines and brought a positive attitude toward this all-too-important need. Midway, the community development director hired Portland State University's Institute of Metropolitan Studies (IMS) to provide guidance in the development of this plan. The result was a comprehensive look at peer cities and their policies, an

understanding of our current policies and constraints (mainly as identified in a recent Housing Strategies Report), and a series of focus groups with tenants, landlords, property managers, developers, and home owners. (One tenant focus group was developed for Spanish speakers.) The result is a strategy that will meet three main goals: **increase the housing supply, prevent displacement of existing residents, and connect people to existing resources.**

The MHAS is a blueprint for providing equitable affordable housing opportunities and is intended to help increase the amount of affordable housing in the City. It serves as an overarching framework, combining existing land uses, needs assessments, housing policy analysis, and an analysis of best practices from peer cities. The MHAS will be used to support the work in the Milwaukie Housing Strategies Report, a document created as background to the Comprehensive Plan Update and the HNA, and to create an Action Plan that prioritizes the policy changes recommended in the Milwaukie Housing Strategies Report.

In order to achieve this objective, the Council-approved actions identified in the MHAS will be implemented over the next five years. Progress of the MHAS will be monitored and actions adjusted periodically based on performance measures, new information, and established review timelines.

Milwaukie's Main Housing Goals

1. Develop new units
2. Prevent Displacement and Keep Affordable Units Affordable
3. Connect People to Existing Affordable Housing



The Community Vision and Housing

In September 2017, the City Council adopted a new Community Vision Statement and Action Plan following a year-long process called *Milwaukie All Aboard*. The intent of this Vision Statement and Action Plan is twofold: to describe what Milwaukie stakeholders want the community to be like in the year 2040, and to help guide City priorities and investments in the years to come.

The Community Vision was developed based on a quadruple bottom line approach to sustainability, with a focus on People, Place, Planet, and Prosperity. The vision statement is supported by a set of twelve goal statements, which were further synthesized into a set of five “super actions” for the purposes of organizing the Action Plan. The Action Plan provides a vehicle for translating the Vision Statement and Goal Statements into actions, which will be implemented through strategies such as the MHAS. Several action items specifically deal with housing affordability across a variety of housing types and income ranges.

The City of Milwaukie's Vision for 2040 is as follows:

In 2040, Milwaukie is a flourishing City that is entirely equitable, delightfully livable, and completely sustainable. It is a safe and welcoming community whose residents enjoy secure and meaningful work, a comprehensive educational system, and affordable housing. A complete network of sidewalks, bike lanes, and paths along with well-maintained streets and a robust transit system connect our neighborhood centers. Art and creativity are woven into the fabric of the City.

Milwaukie's neighborhoods are the centers of daily life, with each containing amenities and community-minded local businesses that meet residents' needs. Our industrial areas are magnets for innovation, and models for environmentally-sensitive manufacturing and high wage jobs. Our residents can easily access the training and education needed to win those jobs.

Milwaukie nurtures a verdant canopy of beneficial trees, promotes sustainable development, and is a net-zero-energy City. The Willamette River, Johnson Creek, and Kellogg Creek are free flowing, and accessible. Their ecosystems are protected by a robust stormwater treatment system and enhanced by appropriate riparian vegetation. Milwaukie is a resilient community, adaptive to the realities of a changing climate, and prepared for emergencies, such as the Cascadia Event.

Milwaukie's government is transparent and accessible, and is committed to promoting tolerance and inclusion and eliminating disparities. It strongly encourages engagement and participation by all and nurtures a deep sense of community through celebrations and collective action. Residents have the resources necessary to access the help they need. In this great City, we strive to reach our full potential in the areas of education, environmental stewardship, commerce, culture, and recreation; and are proud to call it home.

The Comprehensive Plan and the Housing Needs Strategies Policy Work

The Comprehensive Plan is a 20-year policy document that directs the city's growth. The city is underway with a Comprehensive Plan update and has solicited background reports. The Housing Strategies Report, for example, made several recommendations that will be made to align with the updates to the comprehensive plan.

Many of the code amendments will need to follow the comprehensive planning update track, but efforts within the community development department will be made to expedite amendments once that process is complete. Within the MHAS, there are several actions that relate to the Housing Strategies Report. For example, consider waiving or reducing system development charges (SDCs) for accessory dwelling units (ADUs). The city also passed a construction excise tax for affordable housing to help offset SDCs so programming will occur within the MHAS timeframe.

The Milwaukie Housing Strategies Report outlines 11 "recommended code amendments" to ensure a

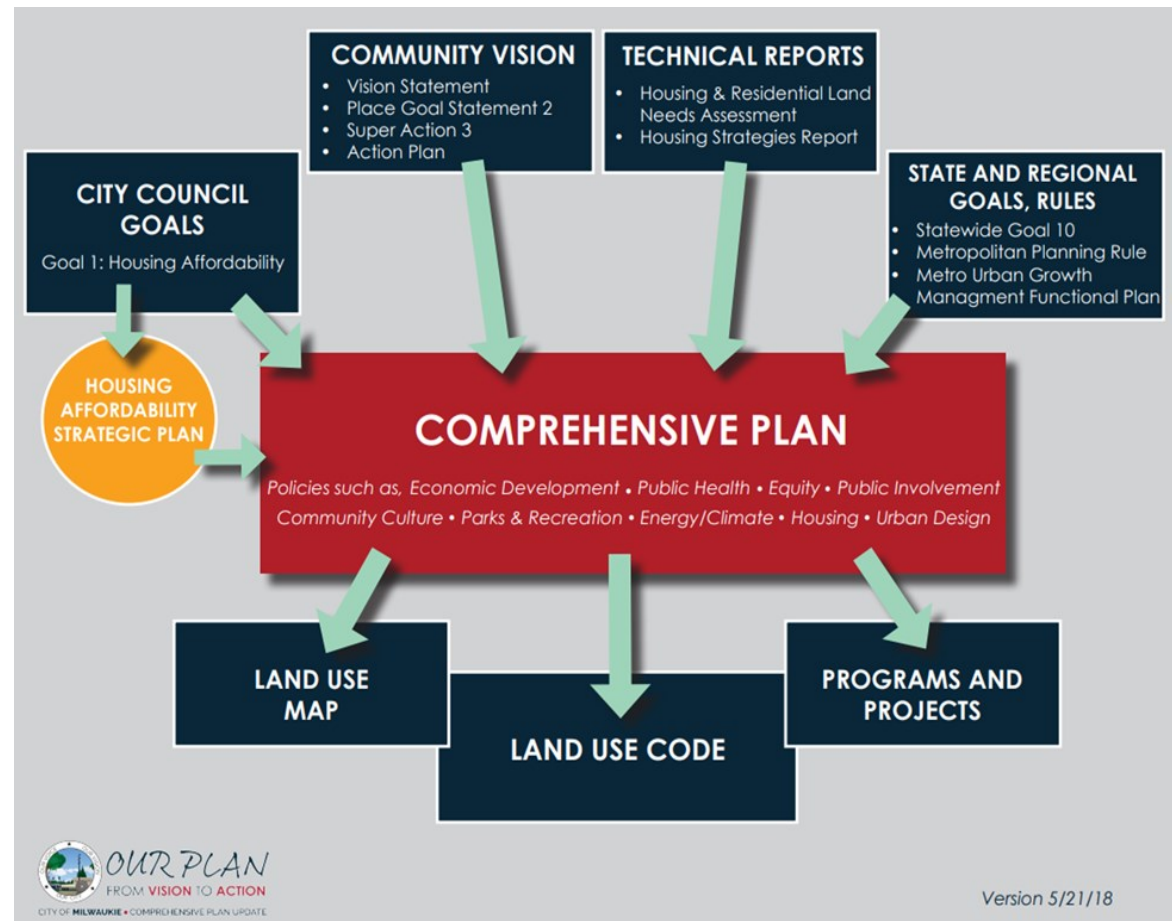


Figure 1. The intersections of the Comprehensive Plan and the MHAS

variety of housing types at different price ranges. Some of these identified code amendments emerged through the MHAS process, while others will require additional policy discussion during the Comprehensive Plan update process. Recommendations from the Milwaukie Housing Strategies Report align with the MHAS and future planning processes:

Strategies reinforced by the MHAS:

- Middle housing options like Cottage Cluster Housing: the Cottage Cluster Feasibility Analysis and code audit will further define the amendments that will be undertaken to encourage cottage cluster development along with appropriate incentives. The Analysis will begin in the summer of 2018 and is further supported by this Strategy.
- Accessory Dwelling Units: The MHAS also recommends revising development standards to facilitate ADU development, including right-sizing parking requirements and creating financial incentives and support.
- Parking Requirements: The MHAS supports the Strategies Report's recommendation to right-size off-street minimum parking requirements to encourage desired housing types, incentivize development in priority locations, and establish parking maximums in certain areas.
- Clear and Objective Standards for Needed Housing: The MHAS broadly recommends creating predictable, clear development standards, review procedures, and fee structures to support housing production, supporting the intent of the Strategies Report's specific recommendations.

Strategies best addressed through Comprehensive Plan policy setting:

- Live/Work Units: The MHAS does not address the appropriate locations and standards for Live/Work units, and the Strategies Report recommends expanding locations where they are currently permitted. The Comprehensive Plan may provide further direction to lead to implementation.
- Rowhouses (Single-Family Attached Housing): The MHAS recommends allowing and encouraging a variety of housing types, but does not address rowhouses specifically. The Comprehensive Plan could identify the types of housing units appropriate in Milwaukie's neighborhoods, to include attached products
- Co-Housing: The MHAS does not address co-housing models that provide for community living in homes and clusters of homes with shared spaces. Cottage cluster development may lend itself to co-housing living, but additional community conversations through the Comprehensive Plan will be necessary to provide adequate direction.



Cottage Cluster



Accessory Dwelling Unit



Multifamily Housing

- **Neighborhood Compatibility Standards:** The Strategies Report recommends reviewing and amending the zoning code to ensure appropriate infill development that is compatible with existing neighborhoods. The Strategies Report identifies some examples of amendments, but the Comprehensive Plan process will be an ideal time to define desired characteristics to inform subsequent amendments.

Strategies not addressed by the MHAS:

- **Transitional Housing and Residential Homes:** The MHAS does not address this recommendation, but specific actions are included in the Strategies Report. These amendments could be bundled with other zoning code amendments related to housing choice.
- **Inclusionary Housing:** The MHAS does not recommend inclusionary housing requirements.

Housing in Milwaukie Community Vision

Goal Statement, Place 2: Milwaukie invests in housing options that provide affordability, high quality development and good design, promoting quality living environments. It maintains the small neighborhood feel through creative use of space with housing options that embrace community inclusion and promote stability.

Super Action 3: Create Complete Neighborhoods that Offer a Range of Housing Types and Amenities and Enhance Local Identity and Character

Actions

Place 2.1: Aim to provide improved housing affordability and stability for all City residents, with a variety of housing types, price ranges, and subsidized units available in all neighborhoods

Place 2.2: Streamline permitting and examine ways to adjust system development charges to encourage creative uses of space such as Accessory Dwelling Units, Tiny Homes, and Cottage Clusters

Place 2.5: Create neighborhood plans that define neighborhood character, identify community needs and priorities, and develop strategies for better integrating infill housing into neighborhoods

Place 2.7: Update the Development Code to allow more “missing middle” housing types (duplexes, triplexes and cottage clusters, tiny houses) in established neighborhoods, and permit mixed-use buildings in neighborhood hubs

Goals

Goal 1: Develop New Units

Increase the amount of housing affordable to people across the income spectrum. Increase the number of affordable units and the total amount of housing to better meet market demand through financing and direct development.

Why is this important?

Families and individuals across the income spectrum want to call Milwaukie home. Households at lower and moderate incomes will benefit from new affordable units. Building market rate housing is an important part of the overall housing affordability strategy. New market rate units will not immediately increase the stock of existing units but they will help to keep existing affordable units affordable. When housing demand is high and the supply of for-rent to homeownership housing does not keep pace, prices increase. Decreased affordability is the result. Adding new units and potentially factoring in supportive housing or resident services helps to relieve the pressure on housing costs, including rental costs, and minimizes the threat of homelessness.

Financing, construction costs, local and state programs, building codes and land use regulation requirements can make it costlier to build housing of all types and can limit the supply.³ Changing requirements can reduce the cost of building housing, which in turn promotes more housing supply and long-term affordability.

Goal 2: Prevent Displacement and Keep Affordable Units Affordable

Stabilize and protect renters and homeowners by preserving existing affordable housing and increasing education and access to resources.

Why is this important?

Whether they are renters or homeowners, Milwaukians are deeply invested in the community. Increasing housing costs, including rents and property values, can cause displacement when



residents are priced out of neighborhoods. While some homeowners may choose to leave and profit from the sale of their property, others are involuntarily displaced. Actions that preserve existing affordable housing and help those who want to stay in their homes are an important part of the City's affordable housing strategy.

Goal 3: Connect People to Existing Affordable Housing

Help existing and potential residents find, qualify for, and access housing that is affordable and appropriate for their needs.

Why is this important?

Households who are ready to move into homeownership will benefit from education and support. Renters who need help overcoming barriers will also benefit from programs that help them overcome rental barriers.



Goals at a Glance

Goal 1: Develop New Affordable Units

- 1.1 Develop incentives/funding program(s) for affordable housing through the existing construction excise tax.
- 1.2 Explore the development of a community land trust (CLT) or another model that supports creative financing for a project (e.g., co-op model, communal living, etc.)
- 1.3 Explore incentivizing the development of affordable units through a local property tax exemption or other form of tax alleviation.
- 1.4 Create an internal culture that is friendly to developers by exploring ways to streamline permitting and planning; for example, hold more pre-development conferences.
- 1.5 Explore creative methods for leveraging fees (permits, system development charges infrastructure costs, etc.) to help incentivize affordable housing development.
- 1.6 Develop public lands policy to increase affordable housing development and workforce development opportunities for construction workers. Explore ways to leverage the Climate Action Plan elements that may impact the built form.
- 1.7 Partner with architects and builders to create base development plans to streamline the development process and reduce development costs.
- 1.8 Explore right-sizing parking requirements for ADUs, cottage clusters, tiny homes, etc.
- 1.9 Explore incentivizing/encouraging ADU and cottage cluster development.
- 1.10 Explore lean construction methods to bring down the cost of housing development and market those cost reducing methods to developers.⁴
- 1.11 Engage with Metro's Equitable Housing Program's pursuit of a general obligation bond for affordable housing and advocate for a Milwaukie project.
- 1.12 Develop and maintain a database of available properties (all zones) to market to developers.
- 1.13 Partner and support Clackamas County's affordable housing development and rehabilitation projects in Milwaukie.
- 1.14 Seek to adopt or modify existing land use policies to meet developer and community needs.

Goal 2: Prevent Displacement & Keep Affordable Units Affordable

- 2.1 Hire a Housing Coordinator to act as a dedicated liaison between homeowners, renters, and rental housing providers. The Coordinator will compile a database of information about existing resources and tools.
- 2.2 Partner with nonprofit organizations and housing agencies to fund the purchase of existing affordable multi-family housing to preserve it long term.
- 2.3 Consider developing an affordable housing trust fund or partnering with the County's efforts to do so.
- 2.4 Support and promote programs that provide financial assistance for seniors and low-income homeowners to remain in their homes.
- 2.5 Adopt policies to mitigate the impact of rental displacement. Explore a relocation assistance ordinance or similar type of tenant assistance policy.
- 2.6 Partner with the county mediation services to connect landlords to tenant mediation services.
- 2.7 Research and market low-cost loans to property owners for maintenance, weatherization, and seismic upgrades.
- 2.8 Partner with Clackamas Housing Authority to support new affordable units for Milwaukie renters.
- 2.9 Build community among rental housing providers.
- 2.10 Create an internal culture that is friendly to rental housing providers.
- 2.11 Build stronger alignment with the workforce development system.

Goal 3: Connect People to Existing Affordable Housing

- 3.1 Partner with nonprofits and employers to provide first-time homebuyer education and support.
- 3.2 Support and promote programs to certify renters and reduce their move-in costs.
- 3.3 Support and promote programs that streamline the rental application process and reduce application fees.
- 3.4 Develop a marketing campaign to educate and engage the community on housing affordability, density, and development realities in order to develop community capacity.
- 3.5 Develop a financing and resource database.
- 3.6 Partner with the Oregon IDA Initiative to help Milwaukie residents build financial management skills and build assets.

Goals and Actions: Implementation

Goal 1: Develop New Affordable Units

1.1 Explore program(s) for affordable housing through the existing construction excise tax (CET).⁵

- 1.1.1 Create an oversight committee for the establishment of the CET programming and create criteria for distributing the funds.
- 1.1.2 Develop a work plan for the programming and establish criteria for distribution (keep in mind regional initiatives and leverage opportunities).
- 1.1.3 Develop the marketing plan for the CET fund distribution.

Advantages

- Creates certainty in the process.
- Provides transparency.
- No cost to low cost option (\$) - mainly staff time.

Disadvantages

- May slow the use of funds if not properly designed.
- May not allow discretion to evolve if narrowly defined.

1.2 Explore the development of a community land trust (CLT) or another model that supports creative financing for a project (e.g., co-op model, communal living, etc.).⁶

- 1.2.1 In addition to other actions, partner with banks to have rent payments demonstrate responsibility that supports qualification for down payment loan assistance. (Community reinvestment act points could be leveraged.)

- 1.2.2 Further explore the co-op model or one that allows a first right of refusal for renters, and look at policies or incentives that the City could implement to encourage this action.⁷

- 1.2.3 Establish an inventory of foreclosed, short-sale homes and multi-family development to encourage the CLT platform or other model and market to mission-driven developers as a pilot project.

Advantages

- Permanent affordability addresses the "leaky bucket" concern where affordable units may be lost when their subsidies expire.
- The model makes homeownership available to families who would likely never be eligible in the private market.
- The model offers security for owners and the ability to generate equity.
- A flexible model can be scalable and tailored to the needs of the community, and can facilitate partnerships.
- Low to mid cost option (\$-\$) - staff time plus consultants.

Disadvantages

- Resale provisions that capture a portion of a home's appreciation to maintain affordability must be balanced to ensure that homeowners grow a reasonable amount of equity.
- Legal agreements may be complicated for homeowners and partners, and will require additional counseling and coordination with lenders.

1.3 Explore incentivizing the development of affordable units through a local property tax exemption or other form of tax alleviation.⁸

- 1.3.1 Explore a partnership with the Clackamas County Housing and Homelessness Task force.*
- 1.3.2 Hold education sessions with other taxing districts to leverage their support.*
- 1.3.3 Study the revenue impact and evaluate creative ways to replace the foregone revenue.*

Advantages	Disadvantages
• Tax exemptions are a common operating subsidy for affordable housing units, and many providers are familiar with them. • A local tax exemption is within local control and is not an up-front expenditure.	• Tax exemptions are foregone future revenue and will reduce funding available for public purposes. • County and other taxing districts control over 70 percent of the taxes. • Potentially high cost (loss of tax revenue for 10 years or more depending on program details (\$\$\$))

1.4 Create an internal culture that is friendly to developers by exploring ways to streamline permitting and planning. Developers need to know that Milwaukie understands and values their contribution to the City. Milwaukie should nurture a development-friendly culture and treat developers as partners in providing housing, not as adversaries.

- 1.4.1 Assign project managers to provide a consistent point of contact to coordinate among internal and external agencies, and to take ownership of a project to facilitate the development process.*
- 1.4.2 Charge consistent and predictable permit fees. Public-accessible information helps housing providers*

make informed decisions about their projects, while unforeseen changes can interrupt financing and delay the process.

- 1.4.3. Provide a predictable review process with early feedback to avoid costly delays and duplication, for City staff and housing providers. Predictability also provides transparency for community members and assists them in engaging and providing input.*
- 1.4.4. Identify zoning code fixes that could alleviate the time and cost of development.*
- 1.4.5. Explore how other cities in the region are streamlining their processes.*

Advantages	Disadvantages
• Process improvements can save staff time and money through increased efficiency. • Milwaukie can gain a reputation as a business-friendly community. • Increased and faster delivery of housing units • No cost to Low cost (\$)—staff time	• Regulatory streamlining can only go so far to improve the affordability of market-rate and regulated affordable units. • Time and resources will be needed to align departments and potentially hire new staff.

1.5 Engage with the development community to model the potential impact of incentives, such as changes to zoning or the structure of development fees.⁹

- 1.5.1 Continue to develop public-private partnerships to reduce the impact of development fees with the expectation of additional affordable housing development (e.g., development agreements for shared cost).*
- 1.5.2 Structure incentives to encourage universal design*

and age-friendly housing.

1.5.3 Incentivize sustainable design (energy efficiency measures) to reduce the cost of utilities to the tenants.

1.5.4 Explore a transportation impact fee exemption. Exempting or reducing affordable housing units from transportation impact fees can reduce the cost of development.¹⁰

Advantages	Disadvantages
• Implementing policy goals with fee structures is within local control. • There is the potential to impact the cost of housing by reducing development costs. • No to low cost option (\$)—staff time	• Lower fees may result in less revenue for public purposes. • An appropriate incentive system may be complicated, but must ensure predictability. • Over 70 percent of the SDCs are controlled by the county. • Bancrofting is a high cost to city to cover.

1.6 Develop public lands policy that supports the goal of increasing affordable housing while improving workforce development opportunities for construction workers. A predictable public lands policy that supports affordable housing preservation and creation is an effective way to leverage land as a city-owned resource. Public lands policies can establish a minimum percentage of sales revenues to be dedicated to affordable housing programs, minimum percentage of affordable units to be created on formerly publicly-owned lands, and other public interest objectives like wage standards and diversity goals.¹¹

1.6.1 Partner with Clackamas Workforce Partnership to leverage employees and recent high school graduates to explore the field of construction and the trades.

1.6.2. When negotiating public-private lands, consider

developing a policy to reach a certain percentage of units of varying sizes that are affordable.

1.6.3 Continue to find opportunities to land bank and perform necessary due diligence in property negotiations.

Advantages	Disadvantages
• Provides flexibility to reduce the cost of land and donate or sell land for revenue, where appropriate. • A lower land price can result in lower cost units. • Allowing increased density tied to provision of affordable housing could reduce the cost per unit. • No cost to low cost option (\$)—staff time	• There are a limited number of public properties. • Not all sites will be appropriate for housing. • Assessing the appropriate selling price or discount may be complex and will have tradeoffs for other public interests.

1.7 Partner with architects and builders to create base development plans. Develop template and pre-approved development plans that reflect the community's housing vision and reduce the time, expense, and risk of building housing. Milwaukie can work with architects and builders to create base plans that an owner can use to get a head start on the design process or replicate easily with less time-spent designing and less time for City staff to review.

1.7.1 Market/promote the designs of the Cottage Cluster Feasibility Analysis.

1.7.2 Research the Portland infill program and the design templates they created for skinny homes; consider a competition to encourage the design fields to develop prototypes specific to the character of Milwaukie neighborhoods.¹²

Advantages

- Preapproved plans reduce time and expense resulting in lowered housing costs.
- Preapproved plans will reduce staff review time.

Disadvantages

- Similar designs may detract from unique neighborhood character if not developed appropriately.
- Template plans may not work on all lot layouts or provide enough personal design flexibility.
- Pre-approved plans may not always comply with public funding sources for affordable housing.
- Mid cost needed up front to

1.8 Explore right-sizing parking requirements for ADUs, cottage clusters, tiny homes, etc. Thoughtful, right-sized off-street parking requirements for affordable housing can increase the financial feasibility of desired housing types. Parking maximums may also be appropriate in certain areas. Parking should be reduced for affordable units within the area of a major transit stop, to be defined based upon frequency of service, connectivity, and other factors.

Advantages

- Rightsizing parking requirements may advance other City goals, like multimodal transportation, climate objectives, and walkability, if paired with other investments.
- Parking reductions do not require a City expenditure and can reduce the cost of housing production.
- Rightsizing parking requirements provides flexibility for unit sizes (studios and family units have varying demands).
- No cost to low cost (\$)—staff time.

Disadvantages

- Parking ratios that do not reflect user patterns may create parking spillover into surrounding areas; comprehensive parking management may be necessary.
- Parking reduction tied to affordability will require compliance monitoring.
- Parking ratios that do not reflect user patterns may create parking spillover into surrounding areas; comprehensive parking management may be necessary.
- Parking reduction tied to affordability will require compliance monitoring.

1.9 Explore incentivizing/encouraging ADU and cottage cluster development. ADUs can provide an income stream for existing homeowners, increase the supply of affordable housing, and increase opportunities for residents to remain in their neighborhoods as their needs change. Milwaukee can reduce the barriers and costs associated with ADU development in exchange for provisions around use.

1.9.1 Implement the recommendations of the cottage cluster code audit (will be underway in the summer of 2018).

1.9.2 Explore what other cities have implemented and what our Housing Strategies Report (under the housing

assessment) recommended for easing the development requirements for ADUs, etc.

1.9.3 Partner with community banks or credit unions to create a loan product with favorable terms, like lower interest rates and lower fees (e.g., Network for Oregon Affordable Housing).

1.9.4 Provide community-approved template plans (in Goal 1.7).

1.9.5 Waive SDC fees.

1.9.6 Revise the zoning code and other development standards to facilitate creation of ADUs.

1.9.7 Market the results of the Cottage Cluster Feasibility Study and seek to implement one or two cottage cluster developments.

Advantages

- Increases overall housing supply.
- Provides an additional source of income for homeowners.
- Provides option for seniors or people with special needs to remain in their homes.
- Increases housing choices.
- Allows for multi-generational living.
- Work is already in process through the Metro Equitable Housing grant—low cost \$

Disadvantages

- Increased density might change neighborhood character.
- New housing might not be affordable.

1.10 Explore lean construction methods to bring down the cost of housing development and market those cost reducing methods to developers.

1.10.1 Research traditional construction costs against adding additional elements and sustainability efforts (cross-reference with the Climate Action Plan results) and consider programming/incentives to assist.

Advantages

- Aligning city review and permitting processes with lean construction approaches can create efficiencies for development review of all types.
- Milwaukie may be able to incentivize lean construction practices for housing providers by developing proactive best practices and methodologies.

Disadvantages

- Milwaukie may need to engage the assistance of technical experts to complete this work.
- The city may find it difficult to control costs (if incentivized or the market manipulated—high cost potential (\$\$\$).

1.11 Engage with Metro's Equitable Housing program to pursue a general obligation bond for affordable housing.

1.11.1 Continue to attend committee meetings to discuss how Milwaukie could use funds from a general obligation bond.

1.11.2 Continue to communicate with Clackamas County Housing Authority to advocate for Milwaukie's needs.

Advantages

- Opportunity to participate in a regional housing approach and leverage Milwaukie's and Clackamas County's resources.
- Potential flexibility in use of funds.
- No cost

Disadvantages

- Complexity of joint development

1.12 Develop and maintain a database of available properties (all zones) to market to developers.

1.12.1 Develop a website to promote the opportunity sites and explain the constraints and opportunities of the sites.

Advantages

- Highlights opportunities in Milwaukie for site selectors, brokers, and housing developers.
- No cost to low cost (\$)—staff time

Disadvantages

- Will require resources and efforts to keep up to date.

1.13 Partner and support Clackamas County's affordable housing development and rehabilitation projects in Milwaukie.

1.13.1 Attend the Clackamas County Housing and Houselessness Task force and advocate for Milwaukie needs.

1.13.2 Partner with Clackamas County on the rehabilitation of the Hillside Manor and the development of the master plan of the Hillside Manor.

1.13.3 Seek opportunities to leverage grants or programming to support additional resident services or

supportive housing services.

Advantages

- Provides opportunity to leverage Clackamas county's efforts and combine resources for greater impact.
- No cost to low cost (\$)—staff time

Disadvantages

- Diverts staff and monetary resources from other Milwaukie initiatives.

1.14 Seek to adopt new or modify existing land use policies to meet developer and community needs (coincides with the development of the housing element of the comprehensive plan or the Housing Strategies Report).

1.14.1 Be prepared to move forward with code/zoning changes that the housing element of the comprehensive plan will recommend in 2019.

Advantages

- Provides ability to leverage momentum of planning process to implement recommendations quickly after plan's adoption.
- Demonstrate to housing providers and communities that Milwaukie is committed to housing affordability through prompt action.
- No cost to low cost (\$)—staff

Disadvantages

- Not all development standards necessary to achieve Milwaukie's housing goals are within local control.

Goal 2: Prevent Displacement & Keep Affordable Units Affordable

2.1 Hire Housing Coordinator to help implement this strategy and to serve as a liaison to homeowners, renters, and rental housing providers. Have the coordinator provide information about existing programs to ensure that people understand their rights and responsibilities and have access to resources.¹³

Advantages	Disadvantages
• The Housing Coordinator will act as a centralized source of information. The Coordinator will users to connect community-wide resources and each other. • Already funded	• To be successful, the Coordinator will require longevity and deep knowledge.

2.2 Partner with nonprofit organizations and housing agencies to fund the purchase of existing, affordable multifamily housing to preserve it long term. (Leverage Clackamas County Housing Authority's existing program and develop a stronger relationship with financiers).

Advantages

- Purchasing and preserving existing affordable units may be a more cost-effective method of delivering affordable units than new construction.
- Provides potential to keep existing residents in place through acquisition and preservation.
- No cost to Low cost (\$)—existing staff time

Disadvantages

- Existing units may not have all desired qualities to align with city goals.

2.3 Consider developing an affordable housing trust fund or partnering with the County's efforts. Existing and potentially new impact fees or construction excise taxes on residential, commercial, and industrial development can capitalize a dedicated affordable housing trust fund to support housing affordability programs in a variety of ways depending on local need.

Advantages

- Dedicated funding offers a committed source for housing affordability efforts, insulated from annual budget allocations.
- Provides flexibility to design and modify program spending.

Disadvantages

- Sources of funding will fluctuate with the strength of the economy and construction.
- Potentially high cost (\$\$\$) to seed the program.
- New fees must not be excessive and negatively impact housing production and cost.
- Dedication of revenue to trust fund precludes it from other

2.4 Support and promote programs that provide financial assistance for seniors and low-income homeowners to remain in their homes. While homeownership may provide stability for many families, many residents may need additional support to ensure that their homes meet their needs over time and remain an affordable, safe option.¹⁴

Advantages	Disadvantages
• May be able to support the work of others and existing services for effective use of city resources. • Low cost (\$)—leveraging existing programs.	• New programs may need to be created by the city or in partnership with others where they do not exist, new territory for the city.

2.5 Adopt policies to mitigate the impact of rental displacement. Explore a relocation assistance ordinance or similar type of tenant assistance policy. Involuntary displacement can be a traumatic, disruptive event for families, and additional information and support can ease the impact on Milwaukie households.

2.5.1 Research and make policy recommendations related to other city's relocation assistance policies or other similar tools.

2.5.2 Conduct more targeted policy outreach to impacted stakeholders.

Advantages	Disadvantages
• Relocation assistance paid by landlord may encourage other solutions and collaboration with tenants. • No cost to low cost (\$)—staff time.	• Additional requirements on housing providers may disincentive making housing available for rent. • Potentially high cost for property owners, developers, etc.

2.6 Assist in eviction prevention by promoting Clackamas County's landlord-tenant mediation services, which can help housing providers and tenants navigate confusing and contentious issues, saving time, money, and anxiety for all parties.¹⁵

2.6.1 Partner with the county mediation services to connect tenants and landlords through mediation services.

2.6.2 Connect with organizations that provide training and resources for landlords and tenants and help to market their programs.

2.6.3 Explore monitoring and developing habitability standards that will be enforced through a property-owner database.

2.6.4 Explore a rental database to monitor available rentals and market rents.

Advantages	Disadvantages
• Mediation may prevent long-lasting detriments to renter's records and substantial losses to landlords. • Solutions may be developed without substantial legal fees and time. • No cost	• Mediation may be challenging for housing owners who are non-local. • Successful mediation requires good faith participation by all parties and cannot be mandatory.

2.7 Research and market low-cost loans to property owners for maintenance, weatherization, and seismic upgrades.

2.7.1 Support and promote rehab loans for multifamily buildings.¹⁶

2.7.2 Partner with agencies to provide low-income renters with emergency housing grants; leverage any

existing programs at the county, regional, or state level.

2.7.3 Develop and market a financial resource guide for tenants and property owners.

2.7.4 Consider developing a renter emergency fund. For households without a financial cushion, unexpected expenses can be the difference between staying in their homes or missing rent payments or sacrificing other important things, like childcare, food, and medicine.

2.7.5 Promote, when possible, career and technical trades to property owners and residents to help them learn the trades to maintain their own homes and understand the employment landscape potential.

Advantages	Disadvantages
• Encourages preservation of existing housing stock. • Can help keep tenants in their homes. • Relatively small amounts of funding can have substantial positive impacts on households. • Helping a household stay in their home with assistance will also benefit the housing provider who does not lose rental income. • Connects State workforce initiatives with the community. • Existing programs to leverage—Low cost (\$)	• Necessary funding allocations may be substantial, and creating a loan program will require staff and legal expertise. • Ensuring that units meet affordability goals after rehab will require compliance monitoring and may be challenging. • Compliance requirements will demand sensitivity. • Emergency assistance may help a limited number of circumstances and not underlying causes. • The fund will not reduce the cost of housing or create additional units. • Seed money may be needed (\$)

2.8 Partner with Clackamas Housing Authority to support new affordable units for Milwaukie renters.¹⁷

Advantages	Disadvantages
• Leverages and supports existing voucher programs. • No cost	• Requires that case management services and housing production by another agency are tied together. As a result, program may not be able to work in isolation.

2.9 Build community among rental housing providers. Renting out housing can be confusing, intimidating, and risky. Rental housing providers can build community among themselves, support each other, share information and best practices, and mentor new and small rental property providers to provide better services to the community and maintain the supply of rental units. Milwaukie can connect housing providers to existing networks and services, and provide support for these groups to enhance their efforts.

Advantages	Disadvantages
• Increase in information sharing may result in higher standards of service for tenants.	• Building community among rental housing providers won't result in the creation of new affordable units. • Will require seed money (\$-\$\$) to provide networking opportunities.

2.10 Create an internal culture that is friendly to rental housing providers. Rental-housing providers need to know that Milwaukie understands and values their contribution to the city.

2.10.1 *Provide consistent and reliable permit and license fees that are predictable.*

2.10.2 Send packets of information to rental housing providers who receive or renew a business license or permit.

Advantages	Disadvantages
• Public, accessible information helps housing providers make informed decisions about their investments. • Can leverage existing communication avenues, like license renewals. • Low cost (\$)	• May eliminate some discretion and flexibility in city standards and fees. • May not result in the creation of new housing units.

2.11 Build stronger alignment with the workforce development system. Through partnerships with Clackamas Workforce Partnership, WorkSource Clackamas, and the greater workforce system, community members will have access to both appropriate job placement and opportunities for skill building reinforcing the goal of stabilizing households living in Milwaukie to prevent displacement.

Advantages	Disadvantages
• Creates continuum of support with changing economy and job opportunities. • Provides opportunity for existing residents to advance in in-demand careers and pathways. • Financially stabilizing families will help mitigate the impact of rental displacement.	• Public funding is fairly volatile and will impact sustainability of services and resources. • Public housing residents may need resource-intensive wrap-around supports as they transition to market rate housing to ensure on-going success.

Goal 3: Connect People to Existing Affordable Housing

3.1 Partner with nonprofits and employers to provide information and support for prospective homebuyers as they navigate the home-buying process.¹⁸

Advantages	Disadvantages
• Can leverage existing resources and foster connections. • Low cost (\$)	• Will not increase the supply of housing or decrease housing expenses.

3.2 Support and promote programs to certify renters and reduce their move-in costs.

3.2.1 Promote the County's Rent Well program. Rent Well provides tenant education to give residents the support, knowledge, and expertise they need to become successful tenants.

Advantages	Disadvantages
• Renters who are not able to access appropriate housing will gain options. • Leverages existing program. • Both renters and landlords can benefit from the program.	• Does not create new affordable units or keep people in existing affordable units.

3.3 Support and promote programs that streamline the rental application process. The high cost of rental applications is a barrier to many households. Encouraging the use of programs that streamline the application process by matching prospective tenants to all appropriate and

available housing options using a single application and fee reduces the cost for tenants.

3.3.1 Research and promote program(s) that provide a one-stop application and fee process for renters (e.g. OneApp fee).

Advantages	Disadvantages
• With less time and expense, helps renters access appropriate housing and helps landlords find tenants. • Low cost-high impact option (\$)	• Does not create new affordable units or keep people in existing affordable units. • May need seed money (\$)

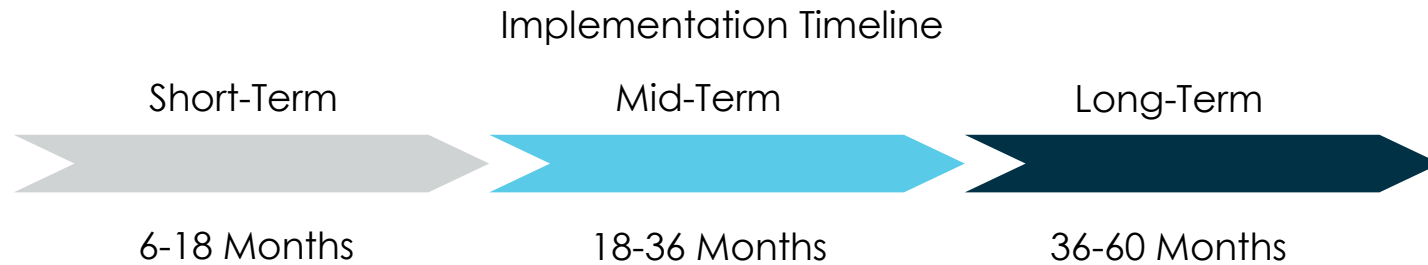
3.4 Develop a marketing campaign to educate and engage the community on housing affordability, density, and development realities in order to develop community capacity. (\$0)

3.5 Develop a financing and resource database. (\$0)

3.6 Partner with Oregon IDA Initiative to help Milwaukie residents build financial management skills and build assets. (\$0)

Implementation

The city will implement the MHAS over the next five years. City staff will work with the city council to prioritize the recommendations in MHAS. During implementation, the city will align efforts with existing programs, build new partnerships, and strengthen those already in place.



Action		Term	Cost	Partners
1.1	Develop incentives/funding program(s) for affordable housing through the existing construction excise tax.	Short	\$0-\$	
1.2	Explore the development of a community land trust or another model that supports creative financing for a project (e.g., co-op model, communal living, etc.)	Long	\$-\$	Existing nonprofit housing providers, philanthropic entities
1.3	Explore incentivizing the development of affordable units through a local property tax exemption or other form of tax alleviation.	Short	\$-\$ \$\$\$	Housing providers, Clackamas County
1.4	Create an internal culture that is friendly to developers.	Short-Mid	\$0-\$	
1.5	Explore creative methods for leveraging fees (permits, system development charges, infrastructure costs, etc.) to help incentivize affordable housing development.	Near	\$0-\$	Urban Land Institute, NAIOP Commercial Real Estate Development Association, Oregon LOCUS, individual housing providers

Action		Term	Cost	Partners
1.6	Develop public lands policy.	Long	\$0-\$	
1.7	Partner with architects and builders to create base development plans.	Long	\$\$	American Institute of Architects, Home Builders Association
1.8	Explore rightsizing parking requirements for ADUs, cottage clusters, tiny homes, etc.	Mid	\$	
1.9	Explore incentivizing/encouraging ADU and cottage cluster development.	Mid	\$	
1.10	Explore lean construction methods to bring down the cost of housing development and market those cost reducing methods to developers.	Long	\$\$\$	Association of General Contractors, university researchers
1.11	Engage with Metro's Equitable Housing Program's pursuit of a general obligation bond for affordable housing and advocate for a Milwaukie project.	Short	\$0	Metro
1.12	Develop and maintain a database of available properties (all zones) to market to developers.	Short	\$0	
1.13	Partner and support Clackamas County's affordable housing development and rehabilitation projects in Milwaukie.	Short-Mid	\$0-\$	Clackamas County
1.14	Seek to adopt or modify existing land use policies to meet developer and community needs.	Mid-Long	\$0-\$	
2.1	Hire a Housing Coordinator	Short	Funded	
2.2	Partner with nonprofit organizations and housing agencies to fund the purchase of existing, affordable multifamily housing to preserve it long term.	Long	\$0-\$	Clackamas County Housing Authority
2.3	Consider developing an affordable housing trust fund or partnering with the County's efforts.	Long	\$\$\$	Clackamas County
2.4	Support and promote programs that provide financial assistance for seniors and low-income homeowners to remain in their homes.	Short-Mid	\$	Clackamas County
2.5	Adopt policies to mitigate the impact of rental displacement. Explore a relocation assistance ordinance or similar type of tenant assistance policy.	Short-Mid	0-\$	

Action	Term	Cost	Partners
2.6 Assist in eviction prevention by supporting Clackamas County's landlord-tenant mediation services.	Short	\$0-\$	Clackamas County
2.7 Research and market low-cost loans to property owners for maintenance, weatherization, and seismic upgrades.	Short	\$0-\$	
2.8 Partner with Clackamas Housing Authority to support new affordable units for Milwaukie renters.	Long	\$0	Clackamas County Housing Authority
2.9 Build community among rental housing providers.	Mid	\$-\$	
2.10 Create an internal culture that is friendly to rental housing providers.	Mid	\$	
2.11 Build stronger alignment with the workforce development system.	Mid	\$0	Clackamas Workforce Development
3.1 Partner with nonprofits and employers to provide first-time homebuyer education and support.	Short	\$	Nonprofits
3.2 Support and promote programs to certify renters and reduce their move-in costs.	Short	\$	Clackamas County
3.3 Support and promote programs that streamline the rental application process and reduce application fees.	Short	\$	Nonprofits
3.4 Develop a marketing campaign to educate and engage the community on housing affordability, density, and development realities in order to develop community capacity.	Short-Mid	\$0	
3.5 Develop a financing and resource database.	Short	\$0	
3.6 Partner with Oregon IDA Initiative to help Milwaukie residents build financial management skills and build assets.	Short	\$0	Oregon IDA Initiative

Existing Programs

Support and promotion of existing programs is integral to the success of the MHAS. The City of Milwaukie and Clackamas County currently offer a variety of programs to help residents find and maintain an affordable place to live.

Program	Income Level Served	Administrator
Assistance to Residents		
<i>Affordable Housing Preservation</i> Preserves the long-term affordability of existing multifamily rental units. Under the program, HACC acquires large multifamily housing projects.		Housing Authority of Clackamas County (HACC)
<i>Assistance for Rental Modifications and Home Repairs</i>		Clackamas County Community Development
<i>Energy Assistance</i> Emergency energy assistance for low-income residents.	60% of area median income	Clackamas County
<i>Home Repair Loans</i> Home repair loans help low-income homeowners pay for needed and critical repairs. Our goal is to eliminate unhealthy or hazardous conditions, eliminate barriers to accessibility, improve safety for persons with physical disabilities and incorporate energy conservation measures that reduce energy costs and usage.	80% of area median income	Clackamas County Community Development
<i>Homebuyer Assistance Program</i> Loans provide cash for down payment and closing costs.	<i>Homebuyer Assistance Program</i> Loans provide cash for down payment and closing costs.	<i>Homebuyer Assistance Program</i> Loans provide cash for down payment and closing costs.

Program	Income Level Served	Administrator
<i>Landlord-Tenant Mediation</i> Eviction notices, noise complaints		
<i>Oregon IDA Initiative</i> Individual Development Accounts, or IDAs, are matched savings accounts that build the financial management skills of qualifying Oregonians with lower incomes while they save towards a defined goal. IDAs build pathways of opportunity and create models of economic success in Oregon communities.	Low income and modest net worth	
<i>Public Housing</i> Owns and maintains more than 545 units of public housing, ranging from single-family homes to multifamily apartments.	80% of area median income	Clackamas County Housing Authority
<i>Rent Well</i> Rent Well is a tenant readiness program that helps people who are homeless or at risk of homelessness find and keep housing.	No income requirements	Clackamas County Social Services
<i>Utility Assistance Program</i> The City of Milwaukie offers residential customers a low-income utility assistance program, which provides a reduced monthly charge for water, sewer, storm, and street utility charges.	50% of area median income	City of Milwaukie
<i>Voucher Program</i> The Housing Choice Voucher program (formerly Section 8) assists families that rent units in the private rental housing market.	50% of area median income	Clackamas County Housing Authority
<i>Weatherization and Energy Education</i> Weatherization program works throughout Clackamas County, helping residents to reduce their heating and cooling costs, and make their homes safer and more comfortable. The program provides free weatherization and energy education to		

Program	Income Level Served	Administrator
City Regulations and Incentives		
<i>Accessory Dwelling Units</i> ADUs are allowed in all residential zones except the downtown residential zone.		
City Regulations and Incentives		
<i>Accessory Dwelling Units</i> ADUs are allowed in all residential zones except the downtown residential zone.	No income restrictions	Milwaukie Planning Department
<i>Cottage Clusters</i> The City is working with a consultant to conduct a financial feasibility analysis and preliminary site design work for up to four sites to assess their potential to provide a cottage cluster development.		Milwaukie Community Development
Direct and Indirect Support		
<i>Construction Excise Tax</i> One percent construction tax on new or additions of residential, commercial, and industrial developments over \$100,000 in permit value to fund affordable housing initiatives.		Milwaukie Planning Department

Crosscutting Views

To achieve its goal of housing affordability, MHAS includes recommendations for the adoption of tools, programs, and policies that will affect developers, employers, homeowners, rental property developers, tenants, and potential landlords. The following chart shows the recommendations under each goal and which of these groups it will impact.

		Developers	Employers	Homeowners	Rental Property Providers	Tenants	Potential Landlords
	Goal 1: Develop New Units						
1.1	Develop incentives/funding program(s) for affordable housing through the existing construction excise tax.	X					
1.2	Explore the development of a community land trust or another model that supports creative financing for a project (e.g., co-op model, communal living, etc.)					X	
1.3	Explore incentivizing the development of affordable units through a local property tax exemption or other form of tax alleviation.	X					
1.4	Create an internal culture that is friendly to developers.	x					
1.5	Explore creative ways fees could be leveraged/reduced.	x					
1.6	Develop public lands policy.	x					
1.7	Partner with architects and builders to create base development plans.	x		x			

		Developers	Employers	Homeowners	Rental Property Providers	Tenants	Potential Landlords
	Goal 1: Develop New Units						
1.8	Explore rightsizing parking requirements for ADUs, cottage clusters, tiny homes, etc.	x		x			
1.9	Explore incentivizing/encouraging ADU and cottage cluster development.	x		x			
1.10	Explore lean construction methods to bring down the cost of housing development and market those cost reducing methods to developers.	x					
1.11	Engage with Metro's Equitable Housing program's to pursue a bond for affordable housing and advocate for a Milwaukie project.	x					
1.12	Develop and maintain a database of available properties (all zones) to market to developers.	x					
1.13	Partner with and support Clackamas County's affordable housing development and rehabilitation projects in Milwaukie.	x			x		
1.14	Seek to adopt or modify existing land use policies to meet developer and community needs.	x					
	Goal 2. Prevent Displacement and Keep Affordable Units Affordable						
2.1	Hire a Housing Coordinator.	x	x	x	x	x	X
2.2	Partner with nonprofit organizations and housing agencies to fund the purchase of existing affordable multifamily housing to preserve it long term.				x	x	
2.3	Consider developing an affordable housing trust fund or partnering with the County's efforts.	x			x		
2.4	Support and promote programs that provide financial assistance for seniors and low-income homeowners to remain in their homes.			x		x	
2.5	Adopt policies to mitigate the impact of rental displacement. Explore a relocation assistance ordinance or similar type of tenant assistance policy.				x	x	

		Developers	Employers	Homeowners	Rental Property Providers	Tenants	Potential Landlords
2.6	Partner with the county mediation services.				x	x	
2.7	Research and market low-cost loans to property owners for maintenance, weatherization, and seismic upgrades.			x	x		
2.8	Partner with the Housing Authority of Clackamas County to support new affordable units for Milwaukie renters.					x	
2.9	Build community among rental housing providers.				x		
2.10	Create an internal culture that is friendly to rental housing providers.				x		
2.11	Build stronger alignment with the workforce development system.	x	x				
	Goal 3. Connect People to Existing Affordable Housing						
3.1	Partner with nonprofits and employers to provide first-time homebuyer education and support.		x				
3.2	Support and promote programs to certify renters and reduce their move-in costs.				x	x	
3.3	Support and promote programs that streamline the rental application process and reduce application fees.				x	x	
3.4	Develop a marketing campaign to educate and engage the community on housing affordability, density, and development realities in order to develop community capacity.	x	x	x	x	x	X
3.5	Develop a financing and resource database.	x	x	x	x	x	X
3.6	Partner with Oregon IDA Initiative to help Milwaukie residents build financial management skills and build assets.					x	

Measuring Success

The City will monitor and evaluate outcomes tied to the MHAS. Monitoring acts as an early warning system if goals are not being met. It will help the City make decisions on where to allocate time and resources. Targets have not been set, but the plan aims to address the units needed to meet the Housing Needs Analysis, at minimum. Implementation monitoring will track the MHAS actions that have been completed and the extent to which the City is successful in building partnerships.

Performance monitoring will show whether MHAS actions are achieving the desired results. As part of the performance monitoring, IMS developed custom Community Profiles for eight of Milwaukee's nine neighborhoods. Using a combination of administrative and Census data, the Community Profiles focus on the existing housing stock and community demographics in each neighborhood. The profiles serve as a baseline to measure change moving forward and to support conversations with local residents, elected officials, developers, and City staff. Profiles are hosted on the Neighborhood Pulse website. See Appendix C. A biannual fiscal year report-out to council will be scheduled.

Strategy	Performance Indicator
Create more affordable units.	Number of new affordable units permitted and built.
Create more total units.	Number of total of new housing units permitted and built.
Prevent displacement.	Number of renters who avoid eviction through landlord-tenant mediation.
Keep affordable units affordable.	Total number of affordable housing units. Number of existing affordable apartments preserved. Number of households served by home repair, weatherization.
Connect people with existing affordable housing.	Number of Rent Well graduates who enter affordable housing.
Alleviate housing cost burden.	Number of households paying more than 30 percent of their income on housing.

Legislative Agenda

Current city regulatory frameworks enable some of the strategies recommended in the MHAS, and others will require policy amendments at both the municipal and state levels. Accordingly, Milwaukie should explore amendments to local policies through the legislative process, ensuring sufficient community engagement and a thorough exploration of options, or state enabling legislation, as appropriate. Coordination with other communities on common policy agendas, or engaging with lobbyists or advocacy entities like the League of Oregon Cities can facilitate legislative changes at the state level.

The MHAS recommends exploring local legislative amendments to provide the following:

- Property tax reductions for affordable units: Several jurisdictions in the Portland metro area, including Clackamas County, offer a local property tax exemption for units available to income-qualifying households. These property tax exemptions reduce operating expenses for affordable units to make them more financially viable. Income limits, the minimum term of affordability, limit on exemption amount, ownership entity of units, and application criteria can all be calibrated to Milwaukie's needs. Like all tax reductions, an affordable housing property tax reduction is forgone future revenue, so careful consideration should be given.
- Provisions and incentives for small housing solutions: ADUs, cottage clusters, middle-housing, and tiny homes provide a broader range of affordable housing choices. Zoning code amendments, amendments to other regulations, and re-zonings will provide the regulatory framework for increasing these housing choices. Milwaukie should undertake an analysis of barriers to these housing types and propose changes to local legislation, where necessary. For examples, tiny homes are often required to meet certain structural safety and public health requirements. Some tiny homes are designed to be mobile and are equipped with wheels; however, local standards often require that structures are affixed to the ground with permanent foundations. Milwaukie should identify the barriers to safe, healthy residential living in mobile tiny homes and make amendments to zoning, building, and health code standards, as appropriate. Regulatory and financial incentives for these desired small housing types may also require legislative approvals, and can be undertaken concurrently for easier public understanding.



- Priority for use of public lands to benefit affordable housing: A predictable public lands policy that supports affordable housing preservation and creation is an effective way to leverage land as a city-owned resource. Public lands policies can establish a minimum percentage of sales revenues to be dedicated to affordable housing programs, minimum percentage of affordable units to be created on formerly publicly-owned lands, and other public interest objectives like wage standards and diversity goals. The policy would define depth of affordability, units created, and where flexibility is possible. Considering if the sale price of land should be reduced to facilitate affordable housing development is also important and may require additional policy amendments.
- Protections for renters: Providing increased notice and certain protections for tenants for rent increases and evictions can increase housing stability.
- Fee systems that incentivize desired housing types: Calibrating permit fees, SDCs, and other impact fees can incentivize certain housing types by reducing expenses while ensuring that impacts are appropriately accounted for. A careful consideration of fee structures and budgetary impacts will be important to ensure desired outcomes through the legislative process.
- Zoning incentives and flexibility for desired housing types: The Milwaukie Comprehensive Plan's housing element will identify Milwaukie's policy direction regarding housing, and there will likely be implementation items that result. Amendments to the zoning code, department policies, and other regulatory frameworks should be undertaken to implement the policy direction of the MHAS and upcoming Comprehensive Plan update.
- Funding sources to support desired housing: Creation of an affordable housing trust fund, use of existing revenue sources, like the construction excise tax, or partnership with Clackamas County could provide important financial tools to create and preserve affordable housing units. Legislative action to establish this framework will likely be necessary, along with prioritization for how to allocate the resources. The financial structure should be accompanied by a clear plan that articulates how the money will be spent, what the income or unit goals are, and how to monitor the investments over time.



Developing the Housing Affordability Strategy

City Council guidance, the Housing and Residential Lands Needs Assessment, the Milwaukie Housing Strategies Report, public input, the community Vision, and the Housing Advisory Working Group informed development of the Milwaukie Housing Affordability Strategic Plan.

Community Vision

City Council adopted the Community Vision, *Milwaukie All Aboard*, in September 2017. The community-wide engagement process resulted in a Vision and Action Plan that guided development of the Housing Affordability Strategic Plan.

Housing Advisory Working Group (HAWG)

Milwaukie Community Development formed the Housing Affordability Working Group (HAWG) in 2017. In keeping with their role as technical experts, HAWG members were asked to serve based on their specific background and technical understanding of housing, financing, development and affordable housing issues. HAWG met nine times to review existing City of Milwaukie and Clackamas County affordable housing programs, identify and evaluate best practices from peer communities, strategize public outreach and input, review, refine, and prioritize potential actions, consider policy trade-offs and other issues for City Council to consider, and provide guidance on a final report for presentation to City Council.

Technical Analysis

To support HAWG's work, City staff and IMS analyzed the range of actions for each strategy, including legal considerations, coordination with existing programs, administrative ease, fiscal considerations, public/stakeholder support, and consistency with Milwaukie's Community Vision.



Public Engagement

Four groups were invited to share their experiences at focus groups: rental housing providers (landlords and property managers), housing developers, homeowners, and tenants. People who were unable to attend the focus groups were invited to share their thoughts and experiences through an online survey. For additional information about the focus groups see Appendix B.

City Council

Staff and consultants provided Council briefings and received guidance on a regular basis. All meetings were open to the public.



Notes

1. US Census, American Community Survey, Table DP04.
2. <http://www.oregon.gov/lcd/pages/goals.aspx>
3. See memo from Mike Steffan and Ed Sloop of Walsh Construction concerning "Current Market Conditions and Impacts on Construction Costs" dated June 2, 2017.
4. Milwaukie passed a CET in 2017 to provide incentives for affordable housing development.
5. CLTs can be established by cities, spun off from other affordable housing entities, or added to an existing entity. Depending on local needs, the CLT model could utilize tax-delinquent properties, vacant city-owned properties, or acquire sites for affordable housing development and preservation. CLTs also often partner with other development entities, nonprofits, or service providers to support their mission. This flexible model and others should be evaluated further, along with the City of Milwaukie's role in initiating, partnering with, or supporting a CLT.
6. The right of first offer or right of first refusal clause provides that, in the event that the landlord opts to sell the premises or lease an additional specified space, the tenant must be given the opportunity to purchase or lease the space.
7. A local property tax exemption could support the creation and preservation of affordable units in addition to the existing Clackamas County exemption by reducing expenses for housing providers.
8. Look for methods for structuring incentives, such as density bonuses and reduction in SDCs that will most likely result in desired housing types while ensuring that important public revenues are collected. The method for calculating fees—by unit, per square foot, by building, tiered by size—can influence the effectiveness of the incentive. A waiver or reduction of fees specifically for affordable units can also be considered. Bonuses for sustainable and affordable development of housing need to be explored further.
9. Such a fee reduction is often calculated on the number of affordable units in a building, regardless of the number of total units. A defined process for approval, as well as a procedure for enforcement will be important to ensure clarity and predictability over time.
10. The policy would define depth of affordability, units created, and where flexibility is possible. Considering if the sale price of land should be reduced to facilitate affordable housing development is also important and may require additional policy amendments.
11. Visit <https://www.portlandoregon.gov/bps/67728>
12. The coordinator could gather information, answer questions, connect people and groups, and disseminate important information to the public and other entities on an ongoing basis. For example, the role could provide rental-housing providers with information about social services and emergency support for tenants who are experiencing challenges, filling a critical gap in a tenant's ability to stay housed.
13. Milwaukie can support existing programs and services that promote housing stability for seniors and low-income homeowners to help them reach more residents, or encourage the creation of new and expanded services where they do not exist. For example, transportation assistance for those with mobility challenges, weatherization

upgrades to keep utility costs down, and home repair to provide accessibility and safety upgrades can be important tools to keep people in their homes. Property tax reductions and utility rate reductions for income-eligible residents are also helpful tools to make living in Milwaukie more affordable.

14. Disputes involving late payment of rent, evictions, deposits, repairs, damages, rental agreement violations, pets, noise, and neighbor relations are appropriate for mediation. Evictions and further legal actions can hopefully be avoided through such a service, keeping more Milwaukie families housed and more housing providers in business.
15. Low cost loans for maintenance and weatherization of qualifying multi-family units can ensure that the rental housing stock is safe and of good quality by assisting property owners with upgrades. The increasing cost of maintaining a building may lead to rent increases or encourage an owner to sell his or her building. Through lower cost financing, rental units may be preserved and enhanced and rents can remain attainable for area families.
16. Supportive services and case management are important for vulnerable households, and Milwaukie can help provide this support to keep people in their communities. Milwaukie and the Clackamas County Housing Authority can pilot a program where Milwaukie pays for case management in exchange for current Milwaukie residents receiving priority for preference of a Housing Choice Vouchers from the Housing Authority. Along with a new home, these residents will have better access to the tools they need to be successful in their community.
17. Services can include credit counseling.
18. Ibid.

Appendix A: Peer Cities

Milwaukie can learn from best practices in other up market cities. A review of successful implementation of housing strategies, including those identified in the Milwaukie Housing Strategies Report helped to inform development of the MHAS. The following chart includes descriptions of housing affordability tools and strategies used by other cities and why they might be useful to Milwaukie.

Bellevue, WA

Relevance to Milwaukie	Bellevue is a city in the booming Puget Sound region offering desirable amenities. Housing demand is growing regionally, while supply of affordable housing has not kept pace. Helping people "stay in affordable housing" is a major element of the 2016 plan along with the creation of new affordable housing and housing choices.
<i>Purchase and preservation of existing affordable multifamily units through partnerships</i> • Recommend partnering with King County Housing Authority, nonprofit organizations, and/or state of Washington. • Work with partners to identify and prioritize properties at risk or redevelopment or loss of market affordability.	https://bellevue.legistar.com/View.ashx?M=F&ID=5201317&GUID=1FA3F9EF-FEC5-4481-BAD3-CD5EB5E78C89
<i>Property tax exemptions for affordable units</i> • Existing voluntary local property tax exemption (12 years on all units) should be calibrated to increase participation/attractiveness. • Advocate to amend state tax exemption to include existing units, not just new units.	https://planning.bellevuewa.gov/planning/planning-initiatives/affordable-housing-strategy/multifamily-property-tax-exemption/MFTE-requirements/ https://bellevue.legistar.com/View.ashx?M=F&ID=5201317&GUID=1FA3F9EF-FEC5-4481-BAD3-CD5EB5E78C89
<i>Support for seniors to remain in their homes</i> • Support programs or provide technical assistance to services that support housing stability for seniors. • Transportation assistance, weatherization upgrades, virtual villages that create	https://bellevue.legistar.com/View.ashx?M=F&ID=5201317&GUID=1FA3F9EF-FEC5-4481-BAD3-CD5EB5E78C89

Bellevue, WA (cont.)

<i>Home repair and weatherization programs</i> •King County Housing Authority administers Bellevue Housing Repair program. •Provides loans for qualified low-income homeowners, often elderly and disabled. •Technical assistance for bids, supervision of work, and inspections. •King County has additional housing repair assistance for both owners and renters.	https://www.kcha.org/wx/ https://www.kingcounty.gov/depts/community-human-services/housing/services/housing-repair.aspx
<i>Property tax, utility rate, and utility tax exemptions for income-eligible residents.</i> •Program offers 75 percent off utility costs for low-income homeowners and renters. Includes rate reduction for those who pay directly or rebate if paid by others. •End of year rebate of portion of utility tax for low-income households.	https://utilities.bellevuewa.gov/pay-your-utility-bill/utility-rate-and-tax-relief
<i>Transportation Impact Fee Exemption</i> •Exemption of transportation impact fees for low and moderate-income housing. •Units affordable in perpetuity. •Created in the 1990s, and has been used in the production of 104 units.	https://bellevue.legistar.com/View.ashx?M=F&ID=5201317&GUID=1FA3F9EF-FEC5-4481-BAD3-CD5EB5E78C89 http://www.codepublishing.com/WA/Bellevue/html/Bellevue22/

Durham and Chapel Hill, NC

Relevance to Milwaukie	Durham has been a traditionally working-class city in the Triangle Region, and is now experiencing rapid increases in housing costs. Land trusts have a long history in North Carolina, and Durham Community Land Trust (DCLT) was founded in 1987. The Orange Community Home Trust was founded in 2000 and serves working families in a university community.
<i>Durham Community Land Trustees</i> •DCLT acquires existing homes and preserves them as affordable housing and develops new, permanently affordable housing. •Fifty-two single-family homes where DCLT retains ownership of the land on a ninety-nine-year ground lease. Owner pays small lease fee monthly. •Upon sale, DCLT retains an option to repurchase the home or assist finding another income-eligible buyer. Homeowner receives a portion of the appreciation based upon appraisal and formula.	https://www.dclt.org/

Durham and Chapel Hill, NC (cont.)

- DCLT owns and manages portfolio of 230 rental properties available to residents 60 percent AML, paying no more than 30 percent of income to rent.
- Funding from pass-through Community Development Block Grant and HOME grants and multiple partnerships.

Orange Community Home Trust (OCHT) acquires/preserves and creates new affordable units

- 255 homes in portfolio, including single-family, condo, and attached.
- Most homes are built by private developers as part of their inclusionary housing requirements and sold to OCHT for preservation and management.
- OCHT provides agent services at no commission, provides various subsidies to ensure no more than 30 percent of income goes towards housing. Provides low and no-interest financing.
- OCHT charges a ground lease and stewardship fee for capital improvements, coordinates sale of homes to qualified buyers. Appreciation to homeowner is based upon the median family income for a family of four.
- 58-unit rental property recently acquired

<https://communityhometrust.org/>

Oakland, CA

Relevance to Milwaukie

Oakland is a traditionally working-class city in the Bay Area with a strong focus on remaining diverse and preventing displacement in the face of rapid cost increases, both for renters and owners. Oakland's housing strategy was developed through the Housing Equity Roadmap through Policylink.

Public lands policy being developed for the creation of new affordable housing and dedication of sales revenue. Details not finalized

- Priority of public land sales to affordable housing development (as required by state law).
- Some percentage of affordable units required.
- Some portion of revenue from sale to the Affordable Housing Trust Fund.

<https://www.eastbaytimes.com/2018/02/23/oakland-advocates-to-offer-peoples-proposal-for-public-land-use/>

Reduction of minimum parking requirements for affordable housing and overall rightsizing, including parking maximums in certain areas

<http://www2.oaklandnet.com/government/o/PBN/OurOrganization/PlanningZoning/OAK030572>

Oakland, CA (cont.)

•Reduction to 0.5 spaces per unit for affordable units within one-half mile of a major transit stop. •Reduction to 0.75 spaces per unit for affordable units in other locations. •Parking must be unbundled from rent in all market-rate housing over ten units.	http://www2.oaklandnet.com/government/o/PBN/OurOrganization/PlanningZoning/OAK030572
<i>Impact fees to create dedicated funding for the affordable housing trust fund</i> •Impact fee on residential units or build off-site or in-site affordable units. Fee based on zones. •Impact fee on commercial development to account for increased demand of	http://www2.oaklandnet.com/government/o/PBN/OurOrganization/PlanningZoning/s/ImpactFee/index.htm
<i>Pilot partnership with nonprofits and tax collector to acquire tax-delinquent and blighted properties for affordable housing creation</i> •City and Alameda County mutually agree to release liens on properties to make them	http://www2.oaklandnet.com/government/o/hcd/s/AffordableHousing/index.htm
<i>Multiple renter protection provisions passed in 2016 through Measure JJ</i> •Extended existing just-cause eviction requirements to units created prior to 1995. Defined just causes. •Created process to require landlords to obtain approval before imposing rent increases exceeding cost of living adjustments. •Requires annual notice to all residents in applicable units of maximum permitted rent increases. •Amendments are being proposed.	https://ballotpedia.org/Oakland,_California,_Just-Cause_Eviction_Requirements_and_Rent_Increase_Approval,_Measure_JJ_(November_2016) https://www.eastbaytimes.com/2017/09/26/soaring-rents-evictions-tenants-rally-in-oakland-to-close-landlord-loopholes-in-
<i>Multiple affordable housing financing assistance tools</i> •Loan program for new construction and substantial rehabilitation, maximum of 40 to 50 percent of total cost. •Short-term acquisition and pre-development loans through affordable housing bond proceeds. •Loans to owners of multifamily rental housing for rehab. •Loans for acquisition, rehabilitation, and preservation of naturally occurring affordable housing.	http://www2.oaklandnet.com/government/o/hcd/s/AffordableHousing/index.htm

Roxbury, MA

Relevance to Milwaukie	A traditionally working-class community in the Boston metro area with long-standing and active land trusts.
<i>Dudley Street Neighborhood Initiative</i> •Community land trust that used the City's power of eminent domain to initially assemble and acquire sixty acres of vacant land in a neighborhood with redevelopment pressure. •Also acquires and operates land for commercial uses, urban farming, and preservation of open space.	
https://www.dudleyneighbors.org/ http://www.yesmagazine.org/issues/cities-are-now/how-one-boston-neighborhood-stopped-gentrification-in-its-tracks	

Arlington, VA

Relevance to Milwaukie	Arlington has been a relatively affordable location for DC metro households, but faces increasingly high costs and a strong housing market. Financial tools along with regulatory implementation and services
<i>Affordable housing density bonus and parking reductions</i> •Bonus floor area ratio (FAR) and height available for creation of additional affordable units beyond code requirements. •Parking reduction for affordable units in form-based zone district.	
https://housing.arlingtonva.us/development/land-use-zoning-tools/	

Portland, OR

Relevance to Milwaukie	Portland's population has grown rapidly in recent years, resulting in increasing housing costs. Residents who can no longer afford Portland's close-in neighborhoods are moving farther out and to surrounding cities, like Milwaukie. Portland's housing affordability initiatives are often viewed as the bellwether in the metro area, and conversely impact the regional housing market as investment and residents move around the area.
<i>Minimum notice to tenants</i> •Minimum notice of ninety days when increasing rents more than 5 percent or when evicting tenants without cause. •Required relocation expenses to tenants in no-cause eviction or when rents increased	
https://www.portlandoregon.gov/Citycode/28481	

Santa Cruz, CA

Relevance to Milwaukee	Santa Cruz has traditionally been a high-cost, smaller community in the Bay Area, but its lower scale density, town feel is relevant with incremental density increases.
<i>Loan program for the construction of new ADUs</i> • Loans of up to \$100,000 at 4.5 percent interest for construction through Santa Cruz Community Credit Union. • ADU must be rented to low-income tenants for a minimum of 15 years.	http://www.Cityofsantacruz.com/Home/ShowDocument?id=3700
<i>Manual and design prototypes</i> • Seven conceptual prototype designs available through partnerships with local architects. • Not suitable for construction documents, but may reduce cost in design services for homeowners.	http://www.Cityofsantacruz.com/government/city-departments/planning-and-community-development/programs/accessory-dwelling-unit-development-program/adu-prototype-architects
<i>Fee waivers for ADU in exchange for renting to a low or very-low income household in perpetuity</i> • Requires recording covenants and restrictions on the property • Typical fee on a 500-square-foot unit is almost \$14,000, and fee reductions are	http://www.cityofsantacruz.com/home/showdocument?id=53802
<i>Multiple revisions made to zoning code to facilitate creation of ADUs</i> • Permitted on smaller minimum lots. • Setback flexibility for creation of ADU on existing garage. • No parking requirement for ADUs in certain areas. • Administrative review of ADU permits. • Building and environmental code flexibility for sprinklers and septic systems.	http://www.cityofsantacruz.com/home/showdocument?id=59310 http://sccoplanning.com/PlanningHome/SustainabilityPlanning/AccessoryDwellingUnits.aspx

Denver, CO

Relevance to Milwaukee	Denver's population has grown rapidly, and it led the nation in home price growth within the last few years. Formerly affordable areas have seen dramatic increases in prices, and close-in neighborhoods with increasing transit investment have experienced pronounced changes, including economic displacement of residents. Denver's approach to housing affordability includes both supply and demand solutions, advocacy, and the creation of new funding sources, and its zoning code is based
------------------------	---

Denver, CO (cont.)

<i>Commercial and residential linkage fee and \$0.5 million dedicated property tax to support housing trust fund</i> •former inclusionary housing program repealed and replaced with linkage fee on residential and commercial development. •Capitalize a \$150 million fund over ten years to be allocated according to housing strategies report.	https://www.denvergov.org/content/denvergov/en/denver-office-of-economic-development/housing-neighborhoods/DenversPermanentFundforHousing.html
<i>Potential local housing voucher program—Low Income Voucher Equity</i> •Local program targeting households making 40 to 80 percent AML. •Proposed to calibrate rents based upon neighborhood. •Renter would pay maximum of 35 percent of income towards housing. •400 households initially proposed partnerships with employers and foundations to match funds.	https://www.denverite.com/denvers-live-program-faces-tough-questions-48994/
<i>Temporary Rental and Utility Assistance Program pilot</i> •Six months of assistance to low- and moderate-income residents facing the loss of a home or eviction. •Pilot of \$865,000 from Affordable Housing Fund and all resources exhausted by February 2018.	https://www.denvergov.org/content/denvergov/en/denver-office-of-economic-development/housing-neighborhoods.html https://www.denverpost.com/2017/10/10/denver-renters-facing-eviction-soon-could-receive-financial-aid-new-city-program/
<i>Landlord-tenant mediation services pilot</i> •Mediation before or after an eviction process is triggered. •Final outcome of mediation is binding on all parties. •New Landlord Tenant Guide provides additional information on rights and responsibilities.	https://www.denvergov.org/content/denvergov/en/mayors-office/newsroom/2017/denver-launches-new-services-to-help-renters-facing-eviction.html

Denver, CO (cont.)

West Denver Renaissance Collaborative Single Family + Initiative

- Nonprofit supported by City of Denver to align resources and support for homeowners to create wealth through ADU in traditionally working class and lower income minority neighborhoods.

<http://www.mywdrc.org/wdsf.html>

Park City, UT

Relevance to Milwaukie

Park City experiences housing shortages for seasonal workers, often employed in low-wage leisure and hospitality jobs. There are strong negative perceptions about affordable housing, however. The Mountainlands Community Housing Trust manages county-owned homes, which is a unique distinction,

Employer-assisted housing for Park City employees

- Down payment assistance loans and a monthly housing allowance for City employees
- Affordable rentals to employees in transition.
- Providing seasonal rental housing for City transit employees

<http://www.parkcity.org/home/showdocument?id=17001>

Mountainlands Community Housing Trust

- Manages deed-restricted homes on behalf of the county.
- Mutual Self Help Program takes sweat equity approach where future homeowners contribute labor to reduce the price of the home by 20 percent.

http://www.housinghelp.org/own/mutual_self_help_program

Appendix B: Focus Group Summaries

IMS held five focus groups to understand the needs, concerns, and viewpoints of community members. The five groups were population specific. We met with rental property providers, homeowners, tenants, and developers. A Spanish-speaking rental focus group was set up and outreach occurred, but no one attended. The following is a summary of each group, including the questions we used to prompt discussion and the policies and programs, which most closely align with what we heard. The policy and programs are organized by short term, near term, and long term based on how long it would take City staff to implement them.

Rental Home Providers (landlords and property managers) (4/3/2018)

The rental home providers focus group included 17 attendees from 16 properties within the city of Milwaukie boundaries. Attendees included landlords and rental property managers for a variety of buildings both large and small across Milwaukie. Two landlords in attendance rent out just one unit, one is a single family house and the other is half of a duplex. At the other end of the spectrum, several rental property managers in attendance manage buildings with hundreds of units. Both subsidized and market rate rentals were represented. Several rental property managers were not able to attend the focus group but did complete surveys.

Focus Group Questions:

1. How long have you been a Milwaukie landlord?
2. Do you own or manage the properties?
3. How many properties do you operate? Are they single or multifamily?
4. Is being a landlord now different than it was when you started? Please elaborate.
5. Have the recent changes in the housing market affected your business? Increased rents?
6. Are you aware of new policies around rentals in surrounding communities?
7. How do you view your role as a landlord in the community? (Providing a service? Operating a business? Other?)
8. How do you get information about city or county programs?
9. Are you interested in expanding your business?
10. How long do you plan to continue to offer rentals?
11. What will make you stop? (Money, i.e. bring able to sell for a certain amount or decrease in profitability? Retirement? Other?)
12. What do you want the City of Milwaukie to know?

Short Term

Create an internal culture that is friendly to rental housing providers. Rental housing providers need to know that

Milwaukie understands and values their contribution to the city.

Build Community Among Rental Housing Providers: Rental-housing providers expressed a desire to build community amongst themselves, including support, information sharing, and mentorship for new and small rental property providers.

Rental Housing Provider Education and Resources: Provide rental-housing providers with information about support services, including services like Legal Shield and training by the Clackamas County Housing Department and the Milwaukie Police Department. In addition to information provided by knowledgeable city staff, information should be maintained on a frequently updated website and distributed to rental property providers via email.

Connect Rental Housing Providers with Social Services Support for Tenants: Rental housing providers need resource in order to help struggling tenants. Could the city have a liaison and help rental housing providers connect tenants to support with nonprofits, what's available to help tenants?

Provide Tenant Education: Tenants could receive information about their rights and responsibilities as part of their move-in paperwork. Additionally, this information should be provided on a frequently updated website.

Mid Term

Rental Housing Provider-Tenant Mediation: Provide mediation for rental property providers and tenants who wish to resolve conflicts outside of the court system.

Long Term

Emergency Rent Fund: Establish an emergency rent fund for tenants who need just one or two months of rent.

Local Housing Choice Voucher Grants: Create a fund to provide low-income families with vouchers to help pay for housing in the private market.

Legalize Bootleg Apartments: Grandfather existing multifamily and illegal apartments make them legal. (Apartments would need to meet all fire, life, and safety codes.)

Developers (4/5/2018)

The developer focus group included seven attendees from seven companies who are currently developing or are interested in developing properties within the city of Milwaukie boundaries. The developers present represented both large and small companies. One boutique developer is interested in expanding her business building duplexes and rowhouse to Milwaukie. Another was focused on a large, mixed-use buildings in the city center.

Focus Group Questions:

1. What type of developments do you build?
2. Have you built in Milwaukie before?
3. How flexible are you as to your product? Would you change your business model if the city incentivized a particular development type?
4. What is a bigger barrier: regulatory uncertainty, process uncertainty, or financial uncertainty?
5. How can the city partner with developers to achieve the desired housing mix?
6. Where have you successfully worked with other cities and what did the cities do to facilitate the partnership?
7. Would you rather have additional costs upfront or restrictions on use over a number of years?
8. What opportunities could exist that haven't been leveraged yet?

9. What do you want the city to know about development in Milwaukie?
10. What should be on the city's legislative agenda?

Short Term

- Create an internal culture that is friendly to developers. Developers need to know that Milwaukie understands and values their contribution to the city. Milwaukie should nurture a development- friendly culture where developers are treated as partners, not adversaries.
- Identify and Advertise Development Opportunities: Developers need to know what opportunities are available in Milwaukie. What are the city's development priorities? Large greenfield, smaller scale infill? Affordable housing? Once priorities are established, the city can tailor partnership and incentives to the project and find project specific developers.
- Consistent and Reliable Customer Service: Developers want to build a relationship with a single person at the city. They want a consistent project liaison to maintain institutional memory about their project. Feedback from city agencies should be consistent and non-contradictory when provided to the developer. When developers talked about success stories in other jurisdictions, consistent, warm, and reliable relationships with city staff were central to their experiences. Often, these relationships lasted for many years or even decades.

Provide Information: The city can help developers by researching and providing information about grants and assistance (i.e. energy efficiency). In addition to information from knowledgeable city staff, the information should be maintained on a frequently updated website.

Facilitate Partnerships: Help developers develop

partnerships with commercial real estate brokers and other professionals whose work aligns with future development. (In the future this may include employers interested in providing housing for their workers or land owners with developable land.)

Mid Term

- Consistent and Reliable Permit Fees: Development and review fees should be clearly articulated. They should not change during the course of a project.
- Predictable Review Process with Early Feedback: A consistent, predictable, and transparent review process allows developers to move quickly and avoid costly redesign. Design requirements should be transparent and well documented and should not change during the course of a project.
- Priority for Preapproved Designs: Developers can save time and money using designs pre-approved by the city. (This might be particularly useful for ADU development.)
- Review Code Requirements for Alignment to Development Goals

Long Term

- Pair Regulations with Incentives: Restrictions on development or building use should be paired with a bonus or benefit for developers. For example, developers subject to inclusionary zoning would receive vertical tax credits.
- Prepare Sites for Development: Supplying or partnering to provide utilities, sidewalks, landscaping, ROW improvements can be a good source of assistance.

Homeowners (4/10/2018)

The homeowner focus group included 14 attendees from 12 properties within the city of Milwaukie boundaries. Many of the homeowners who attended have lived in Milwaukie for decades. They represented multiple neighborhoods in the city.

Focus Group Questions:

1. How long have you lived in Milwaukie? What do you value about the city?
2. How long do you plan to stay in your current home?
3. What type of housing will you be looking for next? (upsizing, downsizing, apartment, etc.)
4. If you move, will you look for another home in Milwaukie? Why or why not?
5. Are you currently or do you anticipate feeling financial pressures associated with homeownership? Please elaborate.
6. What would help you remain in your current home?
7. Are you interested in building or converting part of your home to an ADU?
8. What would incentivize you to build one?
9. How do you get information about city or county programs?
10. Where do you get information about community or homeownership issues?
11. What do you want the City of Milwaukie to know about homeownership?

Short Term

- Connect Home Owners with Information about existing

programs: Weatherization, foreclosure, etc.

Mid Term

- Incentivize ADU Development: ADUs provide additional housing while providing additional income for existing homeowners. Design guidelines should allow for development of ADUs that do not detract from neighborhood character.

Long Term

- Home Repair Loans: Offer no interest loans to fund home repairs (a leaky roof, electrical, plumbing, etc.). Eligible homeowners will meet guidelines, including income.

Tenants (4/12/2018 & 4/17/2018)

There were two tenant focus groups, one in English and one in Spanish. No one attended the Spanish focus group. The English homeowner focus group included 13 attendees from 12 properties within the city of Milwaukie boundaries. Tenants represented both market rent and subsidized buildings.

Focus Group questions:

1. How long have you lived in Milwaukie? What do you value about the city?
2. How long do you plan to stay in your current home?
3. What type of housing will you be looking for next? (Upsizing, downsizing, apartment, etc.)
4. If you move, will you look for another home in Milwaukie? Why or why not?
5. Are you currently or do you anticipate feeling financial pressures associated with being a renter? Please elaborate.
6. What would help you remain in your current home?

7. How do you get information about city or county programs?
8. Where do you get information about community or renter issues?
9. What do you want the City of Milwaukie to know about renting a home in Milwaukie?

Short Term

- Provide Tenant Education: Tenants could receive information about their rights and responsibilities and the rights and responsibilities of landlords as part of their move-in paperwork. Additionally, this information should be provided on a frequently updated website.

Encourage the use of OneApp: OneApp allows renters to see which units they qualify for with one refundable application fee. It covers Milwaukie.

Mid Term

Prioritize current Milwaukie Renters: Establish a database of current Milwaukie renters to use for future anti-gentrification assistance.

Long Term

Fund for Moving Costs: Moving costs are a large barrier to renters seeking to move into better or more appropriate housing. Many renters are able to pay rent but are unable to afford move-in costs. Income and residency requirements would apply.

Appendix C: Affordable Housing Definitions

AFFORDABLE HOUSING: As defined by the US Department of Housing and Urban Development (HUD), this is any housing that costs an owner or renter no more than 30 percent of gross household income, including utilities.

AREA MEDIAN INCOME: Calculated by HUD annually for different communities. By definition, 50 percent of households within the specified geographic area earn less than Area Median Income (AMI), and 50 percent earn more. AMI is adjusted based on household size and used to determine the eligibility of applicants for federally and locally funded housing programs.

- Low-income: Describes households earning at or below 80 percent AMI.
- Very Low-income: Describes households earning at or below 50 percent AMI.
- Extremely low-income: Describes households earning at or below 30 percent AMI.

COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG): Federal funding to help entitled metropolitan cities and urban counties meet their housing and community development needs. The program provides annual grants on a formula basis to carry out a wide range of activities directed toward neighborhood revitalization, economic development, and improved community facilities and services for low and moderate-income people.

COMMUNITY LAND TRUSTS (CLTS) Independent, nonprofit corporations that provide permanently

affordable housing, both ownership and rental, and can take on a variety of tasks to advance that purpose. They often work within a specific geography, are governed by a board of directors, and supported by local governments through financial support or through property donations.

CONSTRUCTION EXCISE TAX: A tax collected on residential and commercial building projects that is used to help fund affordable housing programs; typically, a percentage of the permit value. Must be adopted and implemented at the local level.

COST-BURDENED: Describes households spending more than 30 percent of gross household income on monthly housing and utility expenses.

DEVELOPMENT SUBSIDY: A financial incentive provided to a housing developer for the construction, acquisition, or rehabilitation of housing, usually resulting in rents below market rate.

ELDERLY OR SENIOR HOUSING: Housing where (1) all the units in the property are restricted for occupancy by persons 62 years of age or older, or (2) at least 80 percent of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or older and the housing is designed with amenities and facilities designed to meet the needs of senior citizens.

EVICTION: The removal of a tenant from a rental unit due to a court order resulting from a landlord-initiated legal process.

HOUSELESSNESS/HOMELESSNESS: (1) Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for an individual who is exiting an institution where he or she resided for ninety days or less and who resided in an emergency shelter or a place not meant for human habitation immediately before entering that institution; (2) Individuals and families who will imminently lose their primary nighttime residence; (3) Unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition; or (4) Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member.

HOUSING AND TRANSPORTATION INDEX: Provides a comprehensive view of affordability that includes both the cost of housing and the cost of transportation at the neighborhood level.

HOUSING AUTHORITY OF CLACKAMAS COUNTY

(HACC): Provides affordable rental housing and housing assistance for residents of Clackamas County. HACC owns and manages nearly 625 rental units, is a tax partner for another 264 units, and administers 1,664 HUD (Section 8) vouchers.

HOUSING CHOICE VOUCHER (SECTION 8): The federal government's major program for assisting very low-income families, the elderly, and persons with disabilities to afford decent, safe housing in the private market. Eligible households may not have income exceeding 50 percent of AMI. Participants are free to choose any housing that meets the requirements of the program (i.e., they are not limited to units located in subsidized housing projects).

HUD: US Department of Housing and Urban Development.

INCLUSIONARY ZONING: A policy that requires developers to make a percentage of housing units in new residential developments available to low- and moderate-income households. Mandatory inclusionary zoning must be adopted and implemented at the local level, and jurisdictions are required to provide developer incentives to make projects financially feasible. As an alternative to mandatory inclusionary zoning, some jurisdictions provide incentives (e.g., density bonuses, zoning variances, or expedited permitting) to encourage developers to include affordable units in new developments.

JUST CAUSE EVICTION: A policy that lists allowed reasons for a landlord to terminate tenancy with or evict month-to-month tenants. Landlords must also state the reason in writing when serving a termination notice. Defined in ORS 90.392.

LOW INCOME HOUSING TAX CREDIT: Oregon Housing and Community Services allocates these credits to for-profit and nonprofit developers to build or rehabilitate low-income housing. Large corporations and financial institutions invest in the housing to gain tax credits and reduce their income tax obligations. Projects funded through this source must serve residents below 60 percent of AMI and must accept Section 8 vouchers.

MARKET-RATE RENTAL HOUSING: Privately-owned housing with rents determined by the owner or landlord.

NO CAUSE EVICTION: A termination of a rental agreement for any reason not listed as a cause for termination in the State of Oregon's Residential Landlord and Tenant Act. Per Milwaukie Municipal Code (MMC) Section 5.60, Milwaukie landlords must provide ninety days' notice prior to a no cause eviction.

OREGON HOUSING DEVELOPMENT GRANT (“TRUST FUND”):

Aims to expand Oregon's housing supply for low and very low income families and individuals by providing funds for new construction or to acquire and/or rehabilitate existing structures.

PUBLIC HOUSING: A specific category of rental housing for low-income households that is owned and managed by a local Public Housing Agency.

SUBSIDIZED HOUSING: Housing in which a publicly financed incentive is provided in the form of a direct payment, fee waiver, or tax relief to the housing developer, property owner, or individual renter to create affordable units. Subsidized housing may be publicly or privately owned.

SUPPORTIVE HOUSING: evidence-based housing intervention that combines non-time-limited affordable housing assistance with wrap-around supportive services for people experiencing homelessness, as well as people with disabilities.

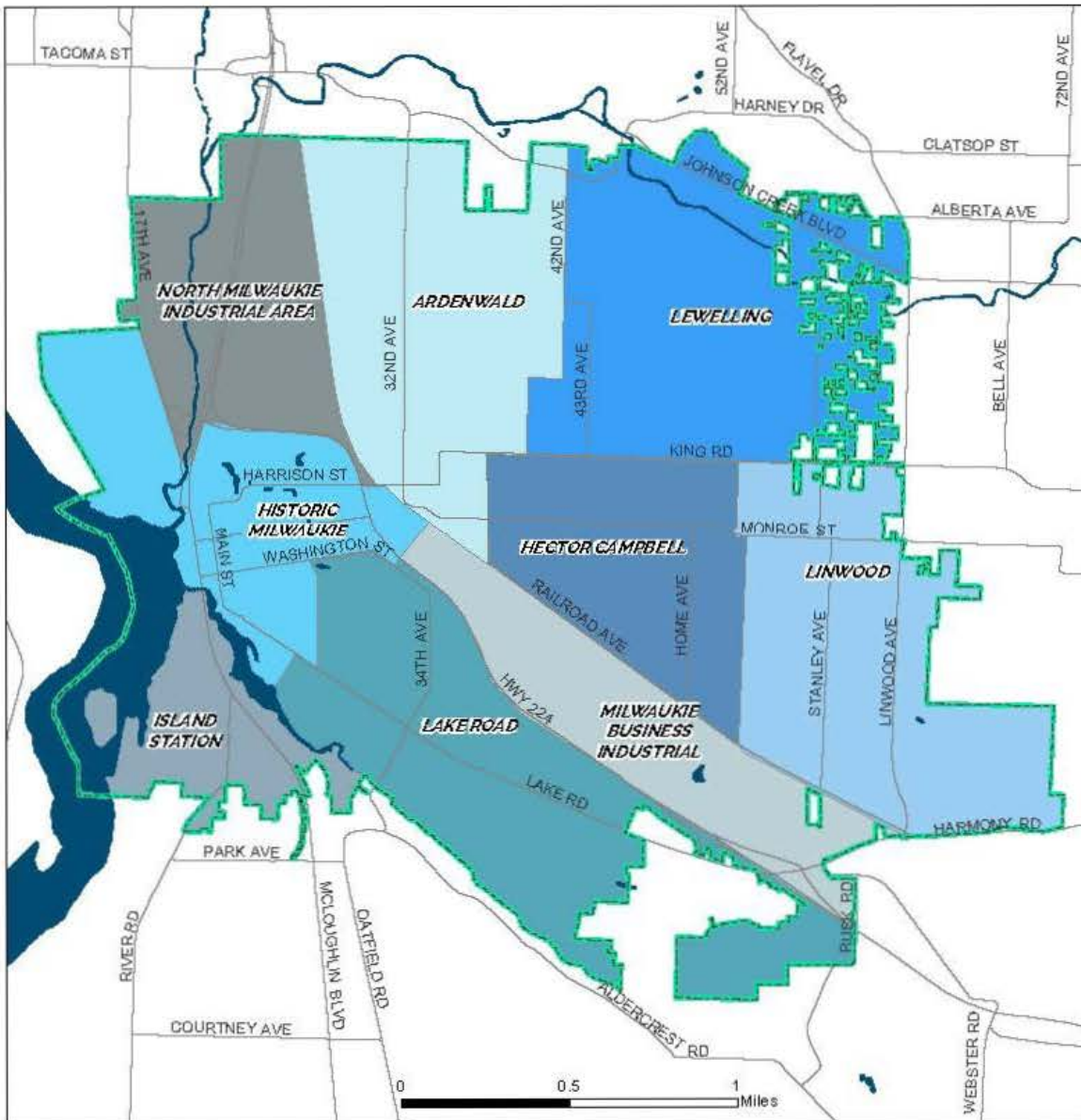
RENTAL ASSISTANCE: A subsidy provided to a property owner or low-income household to make the cost of renting affordable. Assistance is issued by a public entity such as a city, county, or local housing authority.

SINGLE ROOM OCCUPANCY UNITS (SROs): The traditional SRO unit is a single room, usually less than 100 square feet, designed to accommodate one person. Amenities such as a bathroom, kitchen or common areas are located outside the unit and are shared with other residents.

SOURCE OF INCOME: Lawful, verifiable income paid directly to a tenant or to a representative of the tenant.

TENANCY TERMINATION: Occurs when a landlord ends a rental agreement and asks the tenant to vacate the rental unit.

WORKFORCE HOUSING: Housing that is affordable to households earning between 60 percent and 120 percent of AMI. These households do not qualify for rental assistance subsidies, but their incomes are generally too low for market-rate rents to be affordable.



Milwaukie Neighborhood Districts

- Milwaukie City Limits
- Ardenwald
- Hector Campbell
- Historic Milwaukie
- Island Station
- Lake Road
- Lewelling
- Linwood
- Milwaukie Business Industrial
- North Milwaukie Industrial Area



Data Sources: City of Milwaukie GIS,
Macro Data Resource Center

Thursday, June 28, 2018

The information depicted on this map is for general reference only.
The City of Milwaukie cannot accept any liability for errors, omissions,
or additional accuracy. There are no warranties, expressed or implied,
including the warranty of merchantability or fitness for a particular
purpose, accompanying this product.
However, notification of errors would be appreciated.

GIS Coordinator
City of Milwaukie
6101 SE Johnson Creek Blvd.
Milwaukie, OR 97136
(503) 796-7498

Appendix D: Neighborhood Pulse Profiles

The Portland State University [Neighborhood Pulse](https://neighborhoodpulse.imspdx.org/neighborhood-resources/319-2) website showcases the Milwaukie neighborhoods. An example of the Ardenwald neighborhood is provided in this report.

Visit <https://neighborhoodpulse.imspdx.org/neighborhood-resources/319-2>

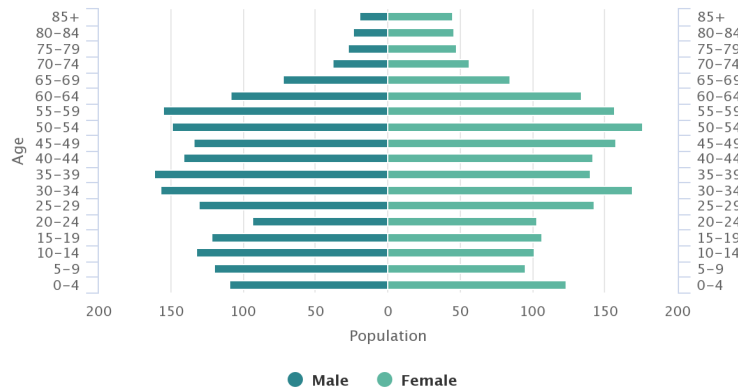
Neighborhood profiles will help City staff track change over time.

Ardenwald

Total Population: 3,919
Housing Units: 1,679
Employment: Primary Jobs: 960
 Residents: 1,837
 Work/Residents ratio 0.52
Per Capita Wages \$61,499.36

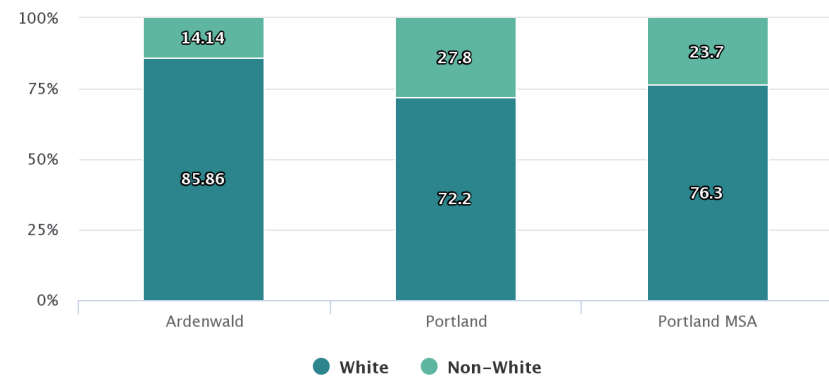
Population distribution by age and sex, Ardenwald, 2010

Source: Population Research Center



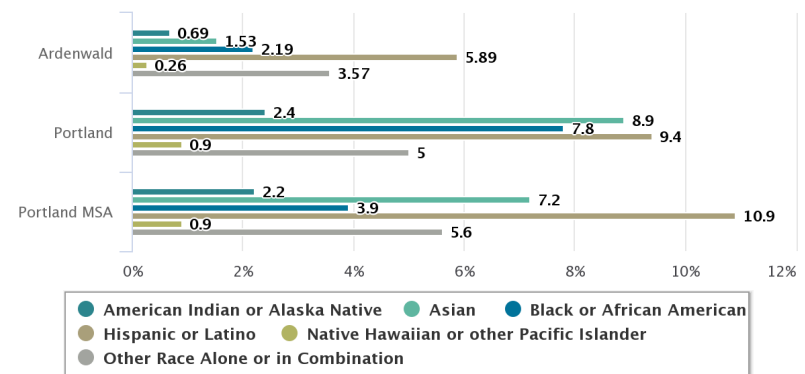
Percentage white (alone) and non-white population, Ardenwald, 2010

White alone refers to people who reported White and no other race group and did not report being of Hispanic Origin.
 Source: Population Research Center

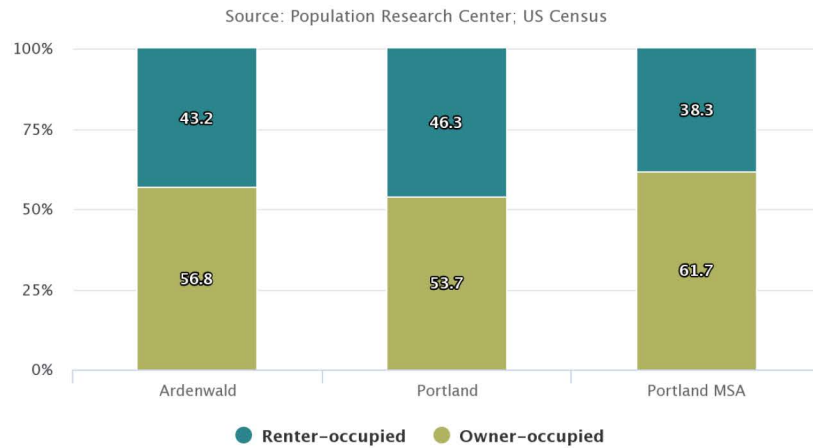


Non-white populations by race alone or in combination and Hispanic origin of any race, as a percent of the total population, Ardenwald, 2010

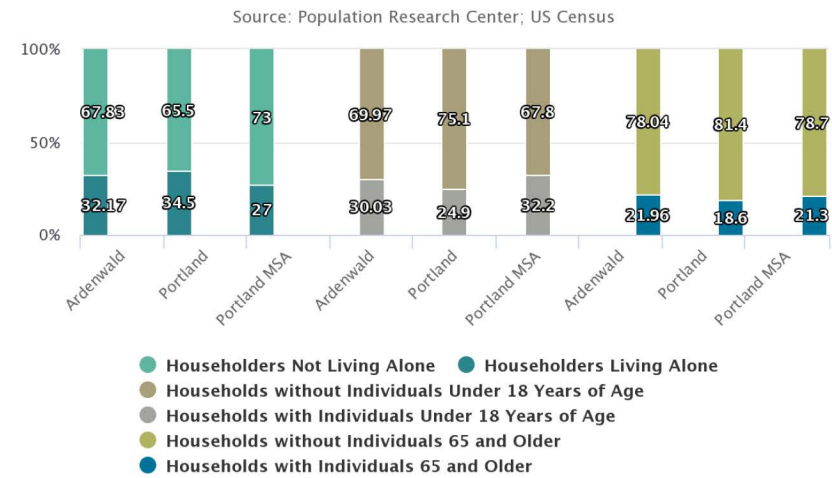
Source: Population Research Center; US Census



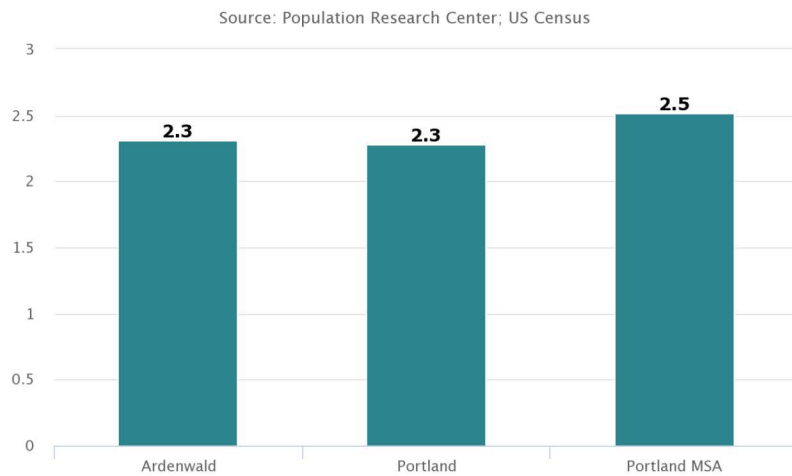
Percentage owner-occupied and renter-occupied housing units, Ardenwald, 2010



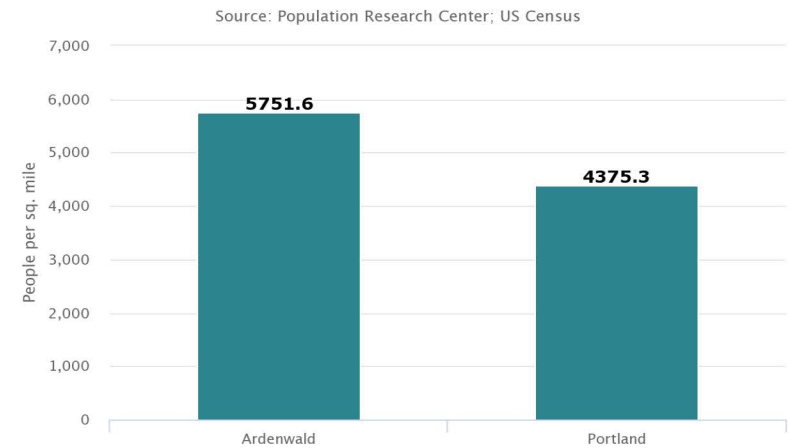
Household characteristics, Ardenwald, 2010



Average household size, Ardenwald, 2010



Population density, Ardenwald, 2010







COUNCIL RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ADOPTING THE MILWAUKIE HOUSING AFFORDABILITY STRATEGY (MHAS): 2018-2023.

WHEREAS, on [April 23, 2017](#) the City Council held a goal setting session and voted unanimously to bring forth actions toward achieving a housing affordability goal for the residents of Milwaukie; and

WHEREAS, on [June 6, 2017](#) the City Council held a discussion of the Housing Affordability Goal and the desired approach and strategy direction for achieving and implementing this goal; and

WHEREAS, on [June 5, 2018](#) City staff presented the Milwaukie Housing Affordability Strategy: 2018-2023 (MHAS) after holding several meetings with subject matter experts in the field of housing, tenant rights, economic development, development, and financing to provide feedback and recommendations to the development of the MHAS; holding several focus groups with tenants, landlords, developers, and property owners.

Now, Therefore, be it Resolved that the MHAS: 2018-2023 be adopted by City Council for the Community Development department to implement.

Introduced and adopted by the City Council on _____.

This resolution is effective on _____.

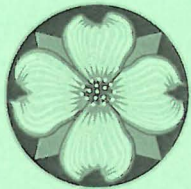
Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Scott Stauffer, City Recorder

City Attorney



CITY OF MILWAUKIE
CITY COUNCIL

10722 SE Main Street
P) 503-786-7502
F) 503-653-2444
ocr@milwaukieoregon.gov

Speaker Registration

The City of Milwaukie encourages all citizens to express their views to their city leaders in a **respectful** and **appropriate** manner. If you wish to speak before the City Council, fill out this card and hand it to the City Recorder. Note that this Speakers Registration card, once submitted to the City Recorder, becomes part of the public record.

Name: Stephen McMurtry

Organization:

Address: 18319 SE McLoughlin Blvd.

Phone: 503-654-1007 x122

Email: mcmmurtry@nwhousing.org

Meeting Date: 7/17/18

Topic:

Affordable Housing Bond

Agenda Item You Wish to Speak to:

☒ #4 Audience Participation

☐ #5 Public Hearing, Topic:

☐ #6 Other Business, Topic:

You are Speaking...

☒ in Support

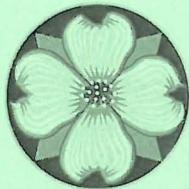
☐ in Opposition

☐ from a Neutral Position

☐ to ask a Question

Comments:

3. D.



CITY OF MILWAUKIE
CITY COUNCIL

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Name:

Mary Zellhauer

Address:

Phone:

Email:

Organization:

Meeting Date:

7/2/18

Topic:

Affordable Housing

Agenda Item You Wish to Speak to:

☒ #4 Audience Participation

☐ #5 Public Hearing, Topic:

☐ #6 Other Business, Topic:

You are Speaking...

☒ in Support

☐ in Opposition

☐ from a Neutral Position

☐ to ask a Question

Comments:

B.D.



YES
FOR Affordable
HOUSING



Rent & home costs are skyrocketing in our region.

Across the metro region, from Northeast Portland to Milwaukie, Saint Johns to Forest Grove, families are being forced to move further away from their communities, doubling or tripling their work commutes, and often forcing parents to change their kids' schools.

Teachers, service workers, first responders, nurses, construction workers and many others are finding they can no longer afford to live here and raise a family on their salaries.

Far too many people are facing homelessness, or the possibility of homelessness, for the first time in their lives.

Vote **YES** this November to make an impact:



Locally. The regional bond will fund affordable housing for up to 7,500 low-income families, seniors, veterans and people with disabilities in the greater Portland region. The housing bond will make it possible to build or renovate homes to keep housing costs affordable, creating homes for those in need of safe, stable housing now and in the future.

Statewide. The constitutional amendment would make affordable housing bond dollars go farther by allowing local governments to partner with non-profit and private housing providers. This will maximize the impact of the regional measure, growing the number of low-income people served to nearly 12,000.

\$1,132 current fair-market rent of a one-bedroom in the Portland metro area

\$21.77 hourly wage needed to afford a one-bedroom apartment in the Portland metro area

49 HOURS/WEEK the average minimum wage hours needed to afford a one-bedroom apartment in the Portland metro region

An affordable solution to our affordability problem:

The regional bond will cost the average homeowner only \$5 per month, or \$60 per year.



7,500 people served if the Regional Housing Bond passes alone

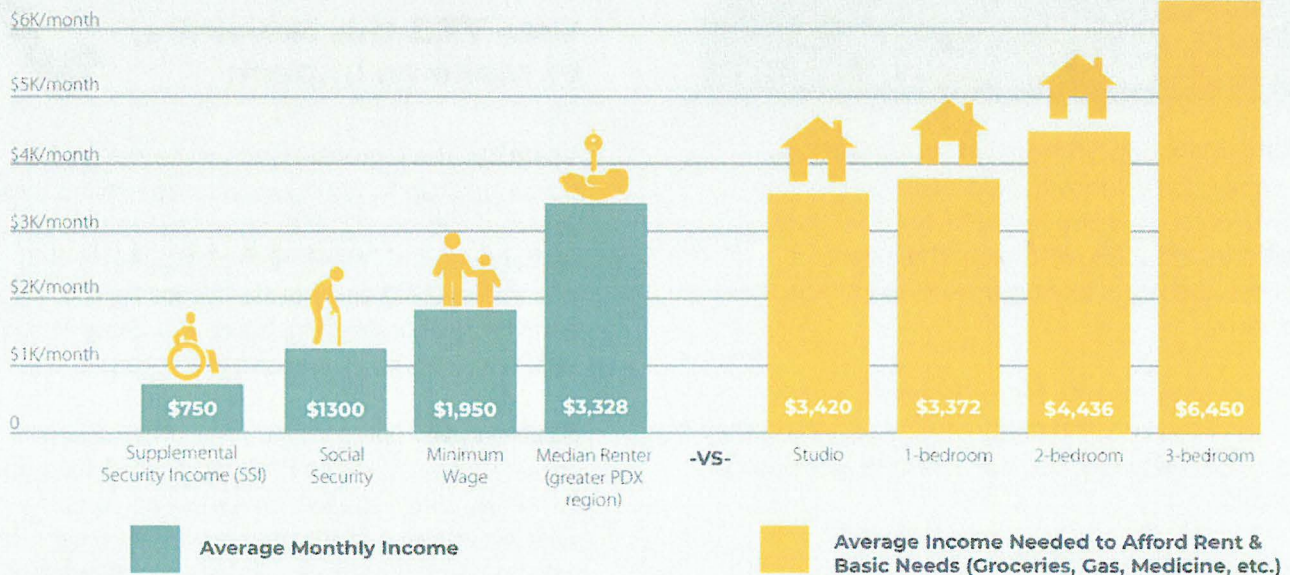


12,000 people served if the Statewide Constitutional Amendment also passes



YES
for Affordable
HOUSING

Area rents have outpaced incomes in the greater Portland metro region.



How YOU can make a difference:

- ☐ **Stay connected!** Text **HOUSING** to **38470** to receive campaign updates and learn how you can help.
- ☐ **Spread the word.** Follow @YesForHousing and #HomesWeNeed on Facebook, Twitter, and Instagram!
- ☐ **Register to vote.** Register or update your voter registration online: bit.ly/VoterRegOR.

YES for Affordable Housing is proudly supported by...





Regional Investment Strategy

Affordable homes for greater Portland

Metro Chief Operating Officer Recommendation

June 7, 2018

oregonmetro.gov/housing

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This version updated to reflect Metro Council direction.

Stakeholder Advisory Table

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Anneliese Koehler Oregon Food Bank	



A stable, affordable home provides a foundation for a lifetime of opportunity and well-being.

Greater Portland is changing. Fast.

Whether we have sought it or not, change has remained a constant throughout the history of greater Portland. The economy has boomed, busted and boomed again. Our population has grown and become significantly more diverse. Floods, storms, fires and even volcanic eruptions have disrupted thousands of lives and reminded us of the importance of respecting our natural surroundings.

Through it all, the people of this region have proven resilient. They have repeatedly reassessed and realigned their priorities, learning from experience and innovating in response to changing circumstances and new imperatives. This region has remained focused on a greater purpose: ensuring that our decisions and actions will benefit our children, and our children's children.

Even during the Great Recession, the people of greater Portland doubled down on their long-term vision and continued to invest in the future. Today, hundreds of people move to the region every week, attracted by a lively urban center, thriving neighborhoods and suburban communities, ample economic opportunity, a vital and creative cultural scene, and an unmatched natural setting that encourages an active lifestyle.



Six desired outcomes for greater Portland

Equity The benefits and burdens of growth and change are distributed equitably across the Portland region.

Vibrant communities

People live, work and play in vibrant communities where their everyday needs are easily accessible.

Safe and reliable transportation

People have safe and reliable transportation choices that enhance their quality of life.

Economic prosperity

Current and future residents benefit from the Portland region's sustained economic competitiveness and prosperity.

Clean air and water

Current and future generations enjoy clean air, clean water and healthy ecosystems.

Leadership on climate change The Portland region is a leader in minimizing contributions to global warming.

Greater Portland's economy is remarkably strong today. But not all boats have been lifted by the rising economic tide. Rapid growth and change have exposed and exacerbated longstanding economic and racial inequality, inundating many in our community and threatening to undermine the broader benefits of economic revival, as well as our quality of life.

Moreover, we increasingly recognize our obligation to redress longer-term inequities that have prevented too many members of our community from fully enjoying the benefits of living here. This need is intensifying as greater Portland grows more racially and ethnically diverse.

As we take stock of where we are and look forward to the decades ahead, it is time to reaffirm our commitment to working with the people of the region to create communities that give everyone the opportunity to fulfill their potential and to feel a part of this place we call home.

- **We must address a historic housing crisis affecting thousands of families and individuals.** Middle-income jobs lost during the recession have failed to reappear or have been replaced with jobs at lower wages. Meanwhile, residential construction ground to a halt during the recession, even as people continued to move here – meaning our supply of homes has not been able to keep pace. It's up to us to respond.
- **We must reform our approach to funding transportation.** Inconsistent federal investment in roads and transit, combined with population and job growth, have led to chronic traffic congestion that chokes the economy, pollutes our air and plays havoc with people's lives. Meanwhile, thousands of our residents – particularly communities of color – still await safe streets and access to reliable transit.
- **We must continue to protect critical natural areas and provide better access to these treasured places for communities of color and low-income residents.** Rapid population growth heightens the urgency of this work.

This is a time for shared action. Metro is uniquely positioned to lead on these critical issues.

Working closely with partners throughout the region, we envision a strategy that will ensure the promise of a livable region endures and extends to all – today and for generations to come.

Communications and storytelling

In addition to direct engagement, Metro shared information and raised awareness to a wide range of regional residents including monthly Interested Parties email updates that reached more than 750 people. Staff posted regularly on Facebook and Twitter, and published several Metro News stories describing the process to develop a housing measure framework and sharing the lived experiences of those impacted by the housing crisis in our region.

An online Regional Snapshot on Affordable Housing was published in late April. The Regional Snapshot provided information on the current supply and shortage of affordable homes throughout the region and who is most at risk for housing displacement or homelessness. The Regional Snapshot also provided a tour of modern affordable homes throughout the region and shared personal stories of individuals and families who have struggled or are experiencing challenges finding affordable homes.

Metro staff engagement

The project team also held opportunities for Metro staff to be engaged through lunchtime discussions on the root causes of homelessness, details on the process to develop the housing bond measure, and presentations of this COO recommendation.



Low-income families, the elderly, and people with disabilities receive housing assistance primarily through two different means. They may be able to rent an apartment with rent limits; or they may receive a voucher that helps them bridge the gap between what they can afford and the cost of apartments in the private market.

Waiting lists to get a regulated apartment or a voucher are years long.

In the tri-county area, nearly 11,500 individuals or families are on the waiting lists for regulated housing. That's more households than there are in the entire city of Tualatin.

People in dire circumstances may receive priority, but most could expect to be waiting anywhere from one to 14 years for an apartment.

Connect with staff and decision makers
Metro Councilors and staff attended many of the events hosted by community partners to help build relationships and share up-to-date information on the work to develop a regional affordable housing bond framework. In addition partners were invited to present to Metro Council and the Stakeholder Advisory Table. Members from Unite Oregon's BOLD program and Community Health Workers with Rosewood Initiative coordinated small group discussions with Metro Councilors.

Informing key elements of the framework
Information gathered from the partnerships activities above was shared with advisory tables and Metro staff. In addition, the Welcome Home Coalition engaged its 80 members in monthly phone calls, survey and in member meetings on key steps of the bond development process.

Opt In online survey
More than 2,660 people responded to an online Opt In survey between April 30 and May 18. The survey sought to generate feedback on housing priorities identified in the draft housing measure framework and to inform implementation of the housing measure should it be approved by voters. While non-scientific, the survey results provide valuable insight into the priorities, concerns and expectations of area residents. Nearly two-thirds of respondents described investments in affordable housing as "very important." Most also prioritized creating homes for those in most need, and creating affordable homes in well-established communities with good access to transportation, jobs, community centers and other opportunities.

A report on the survey's findings will be posted at oregonmetro.gov/housing.

Public partner engagement
Metro sought regular, open engagement with local jurisdictions, housing authorities and other public agencies that will be key partners in implementing a regional investment in affordable homes. Early in the process, Metro staff presented at more than a dozen public meetings, including MPAC, city councils, county commissions and coordinating committees. Staff also individually briefed many other local elected officials and agency staff members. Metro heard concerns and opportunities raised at these conversations and worked to incorporate them into the draft measure framework released in late April.

After the draft framework's release, Metro staff presented and heard feedback at more than a dozen public meetings, including MPAC, numerous city councils, all three county commissions, and all three county coordinating committees. Metro staff also presented and heard feedback through individual briefings with elected officials and staff from key partner jurisdictions.



Patti Jay felt "exhausted with having to move again" after she received a no-cause eviction. She's grateful she found a place to live close to her son's high school, which means he didn't have to switch schools.

Recommendation: Affordable homes for greater Portland

In this report I am recommending that the Metro Council take immediate action to address an urgent challenge facing our region.

Everyone deserves a safe, affordable home. Yet across greater Portland, thousands of people and families, especially communities of color, are unable to afford the high cost of housing and still have enough money for groceries and other necessities.

We must create new housing opportunity for families and individuals for whom the private market will never be able to provide affordable homes. That's why, after years of collaboration through the Equitable Housing Initiative, the Metro Council directed staff in late 2017 to work with partners to develop a potential regional investment framework that would create affordable homes throughout the region.

Emerging from the voices of partners and stakeholders, this recommendation is built upon shared priorities and common goals. It defines specific goals for people to serve and homes to create in places that provide opportunity and prevent displacement. It ensures accountability and community oversight through an implementation structure advancing shared goals while providing local flexibility. Most of all, it sets us on a path to create affordable homes for people who need them.

An affordable home, along with nearby nature and transportation choices, is part of the full life each of us deserves. By looking at the big picture and working together, we can ensure



these critical qualities are available to everyone in our community long into the future.

I am pleased to present this recommendation to you as a major milestone in our ever-renewing commitment to the people of the greater Portland region.

Let's get to work.



After years spent in low wage careers, the disappearance of pension funds, and the devastation of the Great Recession, many Baby Boomers are entering their senior years vulnerable to housing instability. Elsie Johnston lived on the streets before finding a home at The Knoll, an apartment community in Tigard created and maintained by Community Partners for Affordable Housing

The big picture and the richness of community

The people of the Portland metropolitan region established Metro to think about the big picture – not only by adopting policies that transcend city and county lines, but also by considering the impacts of the decisions we make today on the place our children will inherit tomorrow. By adopting a charter directing us to plan for the future, the people of the region acted on some of Oregon's most deeply held values: fairness, a voice in community decisions, and the need to serve as responsible stewards of our environment.

A quarter-century later, our values remain constant. However, as the needs and demands of our communities have evolved, so have Metro's specific activities and responsibilities. We now provide four categories of service to the region [see box, next page]. Within each service, we make specific decisions, deliver discrete projects, and purchase and manage individual public assets. We do all this in a constant conversation with our partners in local government, as well as the businesses, community groups, and people of the region.

"We, the people of the Portland area metropolitan service district, in order to establish an elected, visible and accountable regional government that is responsive to the citizens of the region and works cooperatively with our local governments; that undertakes, as its most important service, planning and policy making to preserve and enhance the quality of life and the environment for ourselves and future generations; and that provides regional services needed and desired by the citizens in an efficient and effective manner, do ordain this charter for the Portland area metropolitan service district, to be known as Metro."

Metro Charter November 1992

Metro-funded community partnerships

Metro sought to hear directly from communities impacted by the housing crisis, particularly communities of color. Metro also sought to increase the capacity of community-based organizations to conduct engagement and create awareness of housing need and opportunity.

Seven community partner organizations were selected to receive more than \$110,000 to implement projects that advanced Metro's broader engagement goals. The funded projects engaged a diverse range of cultural communities in each of greater Portland's three counties, including Latinos, African Americans, Native Americans, Asian Pacific Islanders, mobile home park residents, immigrants and refugees, seniors and low-income renters. Activities supported by these funds included community discussion groups, forums and workshops, leadership development, door-to-door engagement and home visiting, community education and mobilizing organizations and individuals to engage in affordable housing efforts (more detail below).

Six partners were selected through a competitive application process in February. Two additional partners were selected in early May to conduct further targeted engagement.

Metro staff worked with each partner to create opportunities for the input and feedback received to be directly connected to project stakeholders and decision makers. Funded groups included:

- Asian Pacific American Network of Oregon
- Black Parent Initiative
- Latino Network
- Native American Youth and Family Center
- Rosewood Initiative
- Unite Oregon
- Verde
- Welcome Home Coalition

Activities funded through the partnerships included the following:

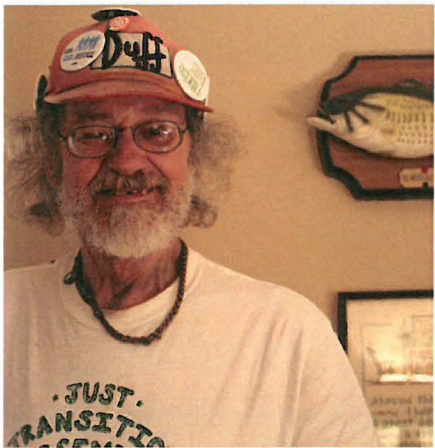
Leadership development and training

Three partners leveraged existing leadership development groups to build members' capacity to understand and engage in regional housing work. Verde worked with its Cully Housing Action Team (CHAT) and Mobile Home Repair and Organizing group through monthly meetings and an all-day leadership training to build skills on canvassing, phone banking, giving public testimony and meeting facilitation. Participants in Unite Oregon's BOLD leadership program (Beaverton Organizing and Leadership Development) held a small group discussion to share their ideas with Metro Councilors and integrated affordable housing policy into their ongoing leadership curriculum. Rosewood Initiative hosted Guerreras Latinas members for a leadership development workshop to build skills on housing outreach and advocacy.

Community discussions

Several partners held multiple discussion groups and led door-to-door outreach to share resources and learn more about affordable housing barriers and solutions from those experiencing the greatest challenges.

Culturally-specific discussion groups facilitated by Latino Network, NAYA, Rosewood Initiative, Verde and the Black Parent Initiative were held in Tigard, Gresham, Portland, Cornelius and Hillsboro. Verde leaders and Community Health Workers from Rosewood Initiative visited with residents of the Cully neighborhood and East Multnomah County to gather their ideas about housing needs and community wellness.



Keith Schulz was born with cerebral palsy, which affected his ability to find living-wage work. He describes his job prospects as limited and said his Social Security Disability checks would not have covered rent in an apartment building in the private market. After his wife died, Schulz lived with his in-laws while he raised his young son.

Schulz applied for a Section 8 housing voucher when he was ready to move out on his own. He waited about a year for his voucher. "It's helped out immensely," he said. He wants to get more involved advocating for affordable housing, after he received a no-cause eviction last year, which put him on the verge of homelessness.

committee considered the priority values, technical input and community feedback to discuss who would be served by the measure and what type of housing would be built. The group also heard presentations and gave input and reactions to proposals for distribution formula, oversight and implementation considerations.

The committee reviewed a draft framework in early May and had dialogue and specific recommendations for the number and size of homes that could be created, income level targets, and distribution of new home versus purchase of existing properties.

At the committee's last meeting on May 21, the Stakeholder Advisory Table discussed refinements to the measure framework and shared hopes and advice for implementation with Metro's chief operating officer and staff. The committee also shared suggestions for local implementation strategies and next steps.

Technical Advisory Table

More than 20 representatives of local jurisdictions, housing agencies and housing developers participated in a Technical Advisory Table from January to May 2018. The committee advised Metro staff, consultants and stakeholders on technical and operational components of the housing measure framework, as well as capacity and tools and next steps for successful implementation.

In January and February, the committee grounded their work in examples from other jurisdictions, discussed the values articulated by the Stakeholder Advisory Table, and made recommendations for important data sources to include in the process. At meetings in March and mid-April, the committee provided feedback on the assumptions and inputs used to create draft scenarios, and made recommendations to refine draft scenarios for consideration. The committee also reviewed and recommended approaches for distributing housing resources throughout the region.

At the group's final meetings in late April and May, discussion continued about specific elements of the draft and refined measure framework.

But while Metro's services necessarily are organized within distinct categories, they are connected by their roots in the land and natural resources of our corner of the world. Each service plays a role in protecting and shaping the region's built and natural environment, and each is informed by an ethic of caring for both place and people over the long term.

Nor is it always clear where one category of service ends and another begins: A closed solid waste landfill becomes a natural area, a trail serves both commuters and nature lovers, a creek is clean because of the care we take in disposing of toxic chemicals, a convention center and a performance hall are models of sustainability.

In this way, Metro's work reflects the way people experience our dynamic region. Life is lived not in discrete categories of activity, but in the spaces where home, work, school, shopping, civic life, culture and the outdoors overlap and collide to create the richness of community. It is up to those of us who serve the public to remember that no matter how we structure our work, our job is to improve the everyday experience of the people we work for, in the places where they live their lives.

While our region's vision of how we will live, grow and prosper over the long term still resonates, it needs to be updated to embrace the complexity of people's lives – as well as the concerns of those who have not been included in the past.

As we prepare to propose significant new public investments help achieve the region's desired outcomes, we will engage the community in a conversation about the challenges we face so we can make conscious choices together about how best to move forward.

That's why Metro is renewing and refreshing its commitment to the people of greater Portland.

Metro's service areas

Land and transportation

To meet the challenges of growth, Metro ensures land is available for homes and jobs where it makes sense, and provides choices in where we live and how we get around.

Garbage and recycling:

To minimize our environmental impact, Metro manages the garbage and recycling system and helps people to reduce and safely dispose of waste.

Parks and nature

To protect clean air and water, restore fish and wildlife habitat and connect people to nature, Metro manages 17,000 acres of parks, trails and natural areas, as well as the Oregon Zoo.

Arts and events

To enrich our communities and support our economy, Metro operates the Oregon Convention Center, Portland Expo Center and Portland's Centers for the Arts.



A Metro employee waves a garbage truck forward at Metro Central transfer station.

Making the most of what we have

For decades, our region’s approach to growth has been based on the common-sense premise that it is better to plan for growth than to react to it.

We have not followed the typical path of unchecked urban expansion and endless highway construction. Instead, we have built a region that attracts talented and determined people by investing in our communities: creating walkable neighborhoods that support human-scale interaction, building a variety of housing options, providing land for employment within our existing urban footprint, and connecting it all with choices in how to get around, including a robust transit system.

In addition to enhancing the health of our main streets and the stability of our neighborhoods, this approach has protected clean air and water. This, in turn, benefits not only public health, but also our economy.

Focusing on our existing communities also helps to get the best value for the public’s hard-earned dollars. Efficient use of land means we do not have to spend as much money connecting pipes and pavement to far-flung areas. Good planning also ensures that regional investments are coordinated with each other, as well as with the goals and investments of local communities.



What affordable housing looks like in greater Portland: Creekside Woods

Creekside Woods houses a vibrant senior citizen community. The thriving affordable-living community is tucked in the lush, verdant woods of Wilsonville. Behind the community is a small valley leading to Boeckman Creek. Murase Plaza Park is across the street and offers winding trails, picnic areas and an amphitheater. Many there live on fixed incomes and would not be able to afford market-rate rent.

Engagement summary

An issue as fundamental as creating affordable homes merits a thorough public conversation. From the establishment of the Equitable Housing Initiative in 2015, Metro has convened and engaged many partners to understand housing need and potential solutions. Creating this measure recommendation continued this commitment.

Since early 2018, Metro heard and incorporated input from a variety of stakeholders, jurisdictions, housing and service providers, and the public. Additional information and input received will be available at oregonmetro.gov/housing.

Developing a strategy and key goals

In January Metro staff identified an approach and set of activities to effectively engage and raise awareness among a broad range of regional geographic and cultural groups. Metro focused on engaging communities of color and lower income populations who have faced greater systemic barriers to finding safe, affordable housing.

During this time, two discussions were held with community partners active in advancing racial equity throughout the region, many of whom partner with Metro on a variety of initiatives. These discussions shaped the overall engagement goals and approach, and gave specific input into the structure of the community partnership grant program.

Engagement and communications goals included:

- Inclusive engagement to inform key decisions
- Elevate historically marginalized groups
- Build and strengthen relationships and trust with decision makers
- Build capacity of the community to engage on housing issues
- Inform and engage the public to raise awareness and share knowledge
- Coordinate with other Metro engagement



Dawn Swan, pictured here with her daughter in their home in Beaverton, waited nearly a decade to get a Section 8 housing voucher.

Advisory Tables

Two advisory tables convened by Metro staff provided essential insight and advice about values and considerations that should be incorporated in the recommended measure framework. The tables’ members are listed on pages 24 and 25. This recommendation is considerably stronger thanks to their time, experience and energy.

Stakeholder Advisory Table

Nearly 30 members representing a variety of perspectives on housing need, opportunity, development and community served on a Stakeholder Advisory Table from January to May 2018. The group’s provided input to Metro staff on key elements of the housing measure framework by articulating community values to guide program activities and providing feedback on program scenarios.

During the first two meetings in January and February the group focused on collectively developing priority values that the group wanted to guide the development of the framework. These values were employed throughout stakeholder discussions to help the group evaluate possible investment scenarios.

At the March and April meetings the committee reviewed draft investment scenarios. The

Expectations for local implementation

Metro needs to ensure that local investments reflect adopted Metro Council policy, and that we incorporate feedback from community partners to advance racial equity and other key values.

Metro will include such values and policies in intergovernmental agreements with participating jurisdictions. Jurisdictions will reflect their intentions to achieve these values in their implementation strategies.

- Project selection and decision-making structures will include consideration of racial equity and affirmatively furthering fair housing.
- Local implementation and regional oversight will include impacted

- communities.
- Bond-funded investments will include screening criteria that reduce barriers for vulnerable communities to access housing opportunities.
 - Partnerships with culturally specific organizations and community groups will inform project selection, design, marketing and service. Marketing plans will seek to help immigrants and communities of color access affordable homes created through the bond.
 - Regional and local partners will have targets for equitable construction contracting and workforce participation in developing and operating homes created through the bond.
- These will be further refined after additional conversation with stakeholders and partners.

Next steps

A great deal of conversation, feedback and engagement has shaped this framework. If the Metro Council decides to refer a bond measure to the region’s voters, it will initiate further steps to prepare regionally and locally to begin creating affordable homes.

Families, seniors and vulnerable members of our community need affordable homes to be created as soon as possible. Should the region’s voters approve a regional housing measure, Metro and partners will move quickly to complete local implementation strategies, identify investments and create affordable homes. That said, we will also be diligent to ensure our strategies and investments reflect the specific desires and needs of people and communities we seek to serve.

As such, we propose these next steps moving forward:

June 2018
Metro Council consideration of a resolution to refer a bond measure to regional voters on the November 2018 ballot

June to November 2018
Metro staff provide public information about the measure; work with local jurisdiction partners to pre-develop IGAs, local implementation strategies and community engagement plans for post-election; maintain ongoing dialogue with community partners

November 2018 to February 2019
Regional community oversight committee appointed; local implementation strategy development, including community engagement; community oversight committee appointed by the Metro Council

March 2019
Local implementation strategies reviewed by oversight committee and incorporated into final intergovernmental agreements approved by local governing bodies and the Metro Council

April 2019
Implementation begins

Protecting and creating special places

Our relationship with our surroundings remains at the heart of every resident’s experience of life in this evolving region. The places that enrich our lives may be at the edges of the region or right around the corner. They may be different for one person than they are for another. But taken together, they define our sense of ourselves and our place in the world.

Since its creation, Metro has worked to prevent urban development from spilling unnecessarily onto the irreplaceable farm and forest lands that surround the region.

For more than two decades, the people of the region have also directed Metro to purchase and restore important natural areas to protect water quality and wildlife habitat in perpetuity, as well as to invest in local and regional parks and trails to provide our residents access to nature.

Because of these efforts, our region does not resemble most other large urban areas in America. The ability to actually see where city ends and country begins, or to find a natural

respite in the middle of a bustling urban area, provides a tonic to our souls and a boost to our collective prosperity.

Other Metro activities contribute to distinctive places of a more urban character. Our innovative transit-oriented development program supports investments that have provided homes and business opportunities in bustling town centers around the region. Cultural facilities like the Portland’s Centers for the Arts provide opportunities to engage with artists and thinkers from around the globe. The Oregon Zoo’s educational mission provides fun even as it enables people to support a better future for wildlife in the Pacific Northwest and worldwide.

With this recommendation, I am calling on Metro to elevate our commitment to making the most of what we have and protecting the region’s special places by making transformative new investments that will improve the lives of the people we serve.



Putting down roots

Several years ago Richard and Linda Edwards and their two young children experienced homelessness after the house they were renting went into foreclosure. With help from the nonprofit JOIN, the Edwards family eventually found an apartment that’s protected from rent increases. “The kids run around playing... free to be children,” Linda Edwards said. “I love being here. I think this is probably one of the most happiest (sic) times in my life.”

Focusing our investments through the lens of racial equity

As we dedicate ourselves anew to achieving a better future for the people of the region, we must acknowledge a major fault that has tarnished such efforts in the past: their failure to recognize or redress discrimination and racism.

Historically, decision makers created laws and policies that hurt and excluded people of color. We have articulated and pursued a vision in which many of our neighbors, especially communities of color and people with low incomes, do not see their lives reflected.

As a result, communities of color do not have the same opportunities for health, prosperity and education as many of their neighbors. People of color have less access to neighborhoods with good schools and nearby nature, fewer safe and reliable transportation choices, and often longer commutes. They are also more likely to live in parts of the region with poor air quality and unsafe streets.

As the region grows more diverse, these gaps in opportunities and outcomes hamper our ability to achieve any of the region's desired outcomes.

It is time for that to change.

A decade ago, Metro and the region committed to pursuing a future where the benefits and burdens of growth and change are shared equitably among residents and communities. This principle – one of the six desired outcomes for a successful region – constituted an important statement of intent.

Addressing the many disparities that stem from institutionalized inequity and exclusion will require much more than aspirational statements. That's why, in 2016, the Metro Council approved its Strategic Plan to Advance Racial Equity, Diversity and Inclusion.



Leading with racial equity improves opportunities and outcomes for all historically marginalized communities in greater Portland.

The strategic plan acknowledges that inequity takes many forms; many of the barriers faced by people of color also affect other groups, including people with disabilities, the LGBTQ community, people with low incomes, women, seniors and young people.

But because those barriers most deeply affect people of color, removing them for communities of color will also effectively benefit other disadvantaged groups. The Strategic Plan recognizes that leading with racial equity is the cornerstone of good governance that can ensure the success of everyone.

Moreover, because past and current government actions contribute directly to the ongoing disparities faced by people of color, it is critical that we explicitly pursue policies and investments that will reverse these dynamics.

For these reasons, I am directing Metro staff to lead with racial equity and include communities of color in all investment decisions, from planning and oversight through execution and evaluation.

Ensuring equitable access to the opportunities provided by these investments and making sure we leave no one behind is central to Metro's mission and to our region's future success.

Intergovernmental agreements

Intergovernmental agreements will provide clarity and certainty for each partner. Following a Metro Council referral of the bond measure, participating jurisdictions will begin preliminary discussions to develop Intergovernmental Agreements with Metro. These agreements will identify eligible program activities, funding needed to achieve the local share of regional housing targets, and a local strategy for implementation that advances regional policies and goals, including racial equity, community engagement and inclusive decision-making.

Regional accountability and oversight

Greater Portland does best when we bring together diverse voices to monitor and advance shared goals. Metro is also committed to accountability to the region's taxpayers, to ensure that progress is made on regional outcomes.

If voters approve the bond measure, the Metro Council will appoint a regional community oversight committee in early 2019. The oversight committee's diverse membership will include people with experience in affordable

housing finance, construction and need, as well as members of communities we are seeking to serve. The oversight committee – from member recruitment to committee action – will adhere to the policies, recommended actions and practices derived from Metro's Strategic Plan to Advance Racial Equity, Diversity and Inclusion.

The oversight committee will make recommendations to Metro and participating jurisdictions to help ensure that local investments build up to regional goals and desired outcomes. Participating jurisdictions will present progress reports to the oversight committee annually. With input from the oversight committee and the Metro Council's approval, local strategies and regional targets may be amended annually to respond to changing circumstances and opportunities.

If a participating jurisdiction is unable to create homes consistent with the targets described in its implementation strategy and defined in intergovernmental agreements, the Metro Council, with input from the oversight committee and the Metro COO, may decide that other partners be identified to create affordable homes to advance regional goals.



What affordable housing looks like in greater Portland: Sunset View Apartments

Every apartment at Sunset View serves residents in need of affordable housing. In this case, people earning at or below 60 percent of the area median income; \$44,820 for a family of four. Sunset View houses tenants with Section 8 and project-based vouchers. These programs help people who make less than 30 percent of the area median income, or \$22,410 for a family of four.

Partners in each county will create homes according to local needs and opportunities, while also advancing regional outcomes and goals. Under the current Oregon Constitution, the three public housing authorities are best positioned to achieve these goals by developing, owning and operating affordable homes within their respective counties. Other public partners, including cities, may also develop this capacity and thus could be eligible for bond funds. If the constitutional amendment passes, cities that have more than 50,000 residents and that administer their own federal community development block grant allocations will be eligible to help create affordable homes through gap financing for construction, acquisition and renovation of affordable homes in partnership with private and nonprofit entities.

In addition to local action, a strategic regional approach to acquiring land for affordable homes will help create housing opportunity in neighborhoods where affordability is scarce or threatened by rapidly rising land prices. With its unique experience in land acquisition, transit planning and transit-oriented development, Metro will establish a strategic regional land acquisition program. Through this program, Metro will purchase land for affordable homes, including in areas with current or planned frequent service transit, in collaboration with local jurisdictions. This program will be subject to the same community oversight as local implementation, described below.

Ten percent of the bond’s programmatic funds will be dedicated to this regional program.

Long-term benefit: implementation and oversight

A regional housing measure will be guided by regional goals and oversight, but implemented primarily through the expertise of local jurisdictions. Local jurisdictions are best able to listen to their communities and create affordable homes that meet their unique needs. Successful implementation requires flexibility for local jurisdictions to create and nimbly

pursue strategies that make sense for them. At the same time, regional oversight must monitor commitments to the region’s voters as well as Metro’s fiduciary obligations, so these local strategies and actions can together advance desired regional outcomes and goals.

Local implementation strategies

Implementation will be focused at the local level. Each participating jurisdiction will produce an implementation strategy focused on their community’s affordable housing needs and development opportunities. Strategies will outline local goals and commitments to achieve regional targets, and identify local opportunities, needs and location priorities.

Participating local jurisdictions must describe how they will advance regional racial equity and affirmatively further fair housing – that is, ensure that homes created help provide new opportunity to people of color, people with disabilities, seniors and others who have experienced historic discrimination in the housing markets. Jurisdictions will also describe their project selection and approval process, including community and Metro input.

If regional voters approve the bond measure, participating local jurisdictions will conduct community engagement beginning in November 2018 to inform the development of their local implementation strategies. By March 2019, strategies will be reviewed by a community oversight committee described below, and incorporated into intergovernmental agreements between Metro and jurisdictions.

Once this process is complete, participating jurisdictions will begin identifying potential investments to create affordable homes. Investments that comply with the local implementation strategy, bond financing rules, and regional goals will be eligible to receive bond funding. Participating jurisdictions will have access to a pool of funding necessary for their share of the regional targets, as described in the distribution section above.

Transformative investments for an equitable, prosperous and sustainable future

Those of us fortunate enough to live here today benefit not only from the foresight of our predecessors, but from the prudent investments they made to build a community they would be proud to pass on to those who followed.

Like the investments of earlier generations, our actions today must create a better future for ourselves and our children. Our world is immeasurably more complex than that of our forebears, but the fundamentals still apply: we all need stable and affordable homes, safe and

reliable ways to get around, and a natural environment that nourishes and sustains our bodies and souls.

Without any one of these factors, our prospects are diminished, both individually and collectively; with them, we can advance the fairness, livability and economic health of our entire community.



What affordable housing looks like in greater Portland: Ritzdorf Court

In the heart of Portland’s Buckman neighborhood lies the Ritzdorf Court apartments. The five-story, tan and coral brick building provides a refuge of affordable housing amidst a sea of skyrocketing rents. Ritzdorf Court houses people who are transitioning out of homelessness or have experienced homelessness within the last two years. It is more than just a stable place to stay, it provides social services to enable residents to keep their housing and eventually transition out. The community offers 90 units of housing, mostly studios, which are rented for \$427 per month.

Creating affordable homes: eligible activities

Through our investment, affordable homes will be created in several ways. Clearly, partners may build new affordable homes. They may also acquire, renovate and protect existing low-cost housing on the market which is at risk of spiraling rents and displacement of current residents. Finally, local partners and Metro may purchase land on which to build affordable homes. These activities will work together to help achieve our desired outcomes.

If the constitutional amendment does not pass, all homes created through the bond would need to be owned by public entities, such as housing authorities. If the amendment does pass, affordable homes created through the bond could also be owned by nongovernmental entities, such as non-profit community development corporations. If the amendment passes, affordable homeownership programs would also be eligible as part of local implementation.

The purpose and singular focus of this regional investment measure is to create affordable homes. A general obligation bond must only be spent on capital costs. However, some costs of bond administration and oversight, including transaction costs of buying land and buildings, will occur through regional and local implementation. To focus bond dollars on creating the most homes possible, we propose that no more than 5 percent of bond dollars be used for administration, oversight and transaction costs at the regional and local level. This cap is incorporated into the distribution described below.

Opportunity throughout greater Portland: distribution

A regional bond measure presents a unique opportunity to create affordable homes for people throughout the region, helping people find affordable homes in communities where they have historically been scarce. At the same time, the regional investment can enhance communities’ cultural and social capital by countering displacement that has disrupted too many communities in the region, especially communities of color.

Recognizing the spread of need and opportunity throughout the region, we propose that affordable homes created by the bond be distributed region-wide based on assessed value of each of greater Portland’s three counties within the Metro district .

This means that approximately 45 percent of homes created through the bond would be in Multnomah County, 34 percent in Washington County and 21 percent in Clackamas County.

About the proposed constitutional amendment

The Oregon Legislature recently referred a constitutional amendment to statewide voters for consideration on the November 2018 ballot. If this amendment passes, a regional affordable housing bond measure can leverage additional funding and partnerships with cities and nongovernmental entities, such as nonprofit housing providers. If Oregon voters do not approve the proposed amendment, only government agencies could own affordable homes built and acquired with proceeds from a regional bond measure.

A regional housing bond measure would be implemented differently based on the outcome of the statewide vote on this constitutional amendment. Either way, the measure can create affordable homes for thousands of people.



A stable, safe and affordable home has helped Cheranda Curtis find employment and tackle health and addiction challenges. She's saving to buy a home – something she never imagined.

This April marks Curtis' two-year anniversary in her studio apartment – the longest she's ever lived in one place since she was a teen. She calls it her "sanctuary."

These are common incomes for preschool teachers, carpenters and families with two minimum wage earners. Rents in these units can help provide additional services or offset some of the public investment needed to support residents in the very low income units. All affordable homes created through the measure will be for households making 80 percent of median family income or less.

We are grateful for the preliminary commitment of 400 rental assistance vouchers to help support deeper affordability of bond-funded homes in Clackamas and Washington counties.

We recognize that further local operating subsidy will be needed to reach the affordability goals outlined in this framework. Creating homes affordable for those with the lowest incomes is a goal shared among all jurisdictions in Oregon, and Metro is committed to working in partnership to achieve these outcomes.

Creating housing opportunity for people with very low incomes can require greater long-term attention and coordination with supportive services to help people keep their home and use it as a springboard to further success.

Metro is committed to working with our partners on coordinating housing investments with supportive services over the long term. These members of our community deserve no less.

Ultimately, the homes we create must be accessible to the people we seek to serve. Additional actions through local implementation and regional oversight will seek to reduce barriers to finding and securing affordable homes created by our investment, particularly for communities of color. These are described in the "long-term benefit" section below.

The right scale: measure scope

We seek to create affordable homes swiftly, tangibly and efficiently. In short, we want to serve as many people as we can, as quickly as we can.

Informed by local capacity and opportunity around the region, **a \$652.8 million general obligation bond provides strong confidence that our targets are achievable and realistic, and can be accomplished within five to seven years.** Through collaboration with partners and the community, we can do this.

A bond of this size would present an average annual cost to Portland-area homeowners of roughly \$60 per year.

Core values

Our regional investment can create thousands of affordable homes for people who need them. We must build from a foundation of strong values. Metro started the conversation with our stakeholders and partners by focusing on values. We also looked to existing Metro policies, heard input from jurisdictional partners, and applied lessons learned from past regional and local investment measures.

Through these efforts, we found remarkable consensus around the values that should be reflected in a regional housing investment, from creating an investment framework to building homes and helping people access them. These values are described below.

Lead with racial equity.

Leading with racial equity benefits all of us, regardless of our family background or the unique challenges we have faced. Through this investment, we can take a major step to improve racial equity across the Portland region – which strengthens and enriches our entire community.

Across the region, communities of color struggle disproportionately with unaffordable housing costs, displacement and homelessness. The history of housing in America, and greater Portland, is marked by systemic, ongoing racism and discrimination. We are grappling with the legacy of decades of policy designed to prevent people of color from finding affordable, quality homes in livable neighborhoods. Over time, these policies have concentrated poor people of color, reduced public investment in neighborhoods where they live, and in many cases then displaced them.

Metro's racial equity strategy explicitly includes stable and affordable housing in its definition of racial equity: "Our region is stronger when all individuals and communities benefit from quality jobs, living wages, a strong economy, stable and affordable housing, safe and reliable

transportation, clean air and water, a healthy environment and sustainable resources that enhance our quality of life."

To advance racial equity, our regional housing investments will:

- Focus on deep affordability for those most vulnerable and least likely to be served by the market
- Emphasize family sized and multi-generational homes
- Invest to serve those experiencing or at risk of homelessness
- Create homes in places where communities of color live today to prevent further displacement
- Create homes in neighborhoods historically not accessible to communities of color, reflecting Metro's intention to affirmatively further fair housing under federal policies
- Ensure diverse representation of impacted community members in all oversight and ongoing implementation activities of the bond.



People with disabilities may live on low fixed monthly incomes that can easily be outpaced in a heated rental market. After his mother died, Murray Ruhland was unable to remain in the apartment they had shared in east Portland. Murray and his dog, Jenny, spent close to a year living in his car in a WalMart parking lot before his sister helped him find a permanent affordable home.

Recommended housing bond framework

The next section contains my recommendations for the targets, commitments, implementation guidelines and next steps that should guide our work going forward.

These recommendations were developed through close collaboration with many stakeholders, jurisdictions, housing providers and other partners. Following the release of a draft measure framework in April 2018, staff further refined this framework based on additional input from partners and stakeholders.

Regional impact

Most importantly, we are taking action as a region to create impact for people – families, seniors, communities of color, people living with disabilities, and others who have been left behind in a period of intense growth and demand for housing. Our first attention, then, is to the people we will serve.

Our goal is to create affordable homes for about 12,000 people if a constitutional amendment is approved by Oregon voters in 2018, or 7,500 people if the amendment is not approved.

This means we seek to create approximately 3,900 affordable homes with the constitutional amendment, or 2,400 homes without.

For the people who can find a home because of our investment, this is life-changing. For our communities, it's a major investment in stability and opportunity. For our region, it's a clear statement of our values and ambitions.

Our investment will focus particularly on people and families for whom even traditional affordable housing sources often fall short.

We have a unique opportunity through a general obligation bond to serve these most vulnerable members of our community, those who earn less than 30 percent of area median income – about \$24,400 for a family of four or \$17,100 for a single individual. These are often people with disabilities, seniors on fixed incomes, or families on the brink of homelessness. People of color are disproportionately represented in this income bracket as a result of decades of systemic job and housing discrimination.

Our goal is to see approximately 1,600 homes created for households with 30 percent of area median or less if the constitutional amendment passes, or 1,200 homes for these households if the amendment does not pass.

Our investment will also create housing opportunity for families.

Our goal is that at least half of the affordable homes created through the bond will have two to five bedrooms.

These will create safe, stable homes for parents, children and often other extended family members who wish to live together. For these families, the benefits of such a home will multiply through school achievement, improved health, and stable neighborhoods.

A small portion of affordable homes created through the bond will be available to residents with more moderate incomes who also struggle to find quality affordable homes.

Our goal is that a maximum of 10 percent of the regional investment's affordable homes for people with 60 to 80 percent of area median income.

Create opportunity for those in need.

The private housing market is best equipped to serve families who earn average or above-average incomes. But the market is unable to create affordable homes for many with low or very low incomes.

Our regional investment will seek foremost to serve people currently left behind in the region's housing market, especially:

- Communities of color
- Families with children and multiple generations
- People living with disabilities
- Seniors
- Veterans
- Households experiencing or at risk of homelessness
- Households at risk of displacement

The framework reflects a firm commitment to these members of our communities.

Create opportunity throughout the region.

A home is more than rooms and a front door. It is part of a community – and the communities where we live determine much of our ability to access quality education, good-paying jobs and personal well-being. Metro's investments will create more opportunities to live in vibrant communities.

Through our investments, we aim to:

- Increase access to transportation, employment, education, nutrition, parks and natural areas
- Create affordable housing opportunities across the region
- Invest in mixed-income communities and a variety of housing types
- Prevent displacement in changing neighborhoods



Ensure long-term benefits and good use of public dollars.

The impacts of our investments go beyond the life of this bond – and beyond any of our lifetimes. A number of values will be further reflected throughout implementation of the bond measure. These include the following:

- Create high-quality homes with permanent affordability
- Ensure that investments are financially sound and make good use of public dollars
- Allow flexibility and efficiency in responding to local needs and opportunities throughout the region, as long as local strategies contribute to measurable progress toward regional goals and targets
- Include many partners and types of expertise in implementation decision-making and oversight, including housing providers and builders, culturally-specific organizations, nonprofits and business representatives, and impacted residents
- Be accountable to the region's taxpayers through community oversight that monitors impacts, assesses changing circumstances and confirms measurable progress is made toward regional goals and key values
- Require regular public reporting and annual auditing

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: July 12, 2018

Reviewed: Charles Eaton, Engineering Director
From: Jennifer Garbely, Assistant City Engineer

Subject: **2017 Clay Sewer Pipe Replacement (CIP-2017-X10)**

ACTION REQUESTED

Adopt a resolution authorizing the City Manager to sign a contract for the construction of the 2017 Clay Sewer Pipe Replacement with Landis & Landis Construction, LLC and establish the construction authorization.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

This program was created to ensure the replacement of all remaining Vitrified Clay Pipe (VCP) throughout the City. Vitrified Clay Pipes are susceptible to chemical attack at their joints, are brittle, and due to their short lengths and numerous joints, are more prone to infiltration. This is the last section in the program required to be replaced besides the Waverly Heights area.

This contract includes both the 2017 and 2018 projects indicated within the 2017-2022 Capital Improvement Plan. The previous projects were completed in 2013 and 2015.

ANALYSIS

The project scope includes replacement of the sanitary sewer pipeline along SE 23rd Avenue, SE 24th Avenue, SE Lake Road, SE Willard Street, SE 27th Avenue and SE 28th Avenue; and storm sewer improvements to SE Lake Road and SE 24th Avenue.

The project went through a competitive bidding process per Chapter 40 of the City's Public Contracting Rules (PCR). Four bids were received by the City before the July 10th, 2018, 2:00 pm deadline. The following table is a summarization of all bids received:

	Contractor	Bid Amount
1	Landis & Landis Construction, LLC	\$1,032,105.00
2	Canby Excavating, Inc.	\$1,173,320.00
3	Emery & Sons Construction Group, LLC	\$1,218,072.00
4	K & R Plumbing Construction Co., Inc.	\$1,314,260.00
	Engineer's Estimate	\$1,063,031.00

A contingency of approximately 10% of the bid amount is deemed appropriate for any deviations in project quantities and anticipated work, which results in a total requested authorization amount of \$1,135,000.

BUDGET IMPACTS

This project is included within the FY 2019-2020 budget of \$1,270,000.

WORKLOAD IMPACTS

Storm sewer work has an earlier completion date to ensure coordination with the High School and Northwest Housing Alternatives development projects.

COORDINATION, CONCURRENCE, OR DISSENT

Finance concurs with staff recommendation.

STAFF RECOMMENDATION

The staff is recommending award of 2017 Clay Sewer Pipe Replacement to Landis & Landis Construction, LLC with a budget authorization of \$1,135,000.00.

ALTERNATIVES

1. Award the project as presented.
2. Reject the bid in the public interest and direct staff to revise and rebid the project during a more favorable period.
3. Reject the bid in the public interest.

ATTACHMENTS

1. Resolution



COUNCIL RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ACTING AS THE LOCAL CONTRACT REVIEW BOARD, APPROVING THE AWARD OF A CONTRACT FOR THE CONSTRUCTION OF THE 2017 CLAY SEWER PIPE REPLACEMENT (CIP-2017-X10) TO LANDIS & LANDIS CONSTRUCTION, LLC.

WHEREAS, the City of Milwaukie has identified the 2017 Clay Sewer Pipe Replacement within the capital improvement plan; and

WHEREAS, these improvements are contained within the 2019-2020 biennium budget; and

WHEREAS, a formal competitive bid process following Public Contracting Rule 40 was completed.

Now, Therefore, be it Resolved that the City of Milwaukie authorizes the City Manager to execute a contract with Landis & Landis Construction, LLC for the construction of the 2017 Clay Sewer Pipe Replacement project, waive any irregularities, and authorize the Engineering Director to administer the project in accordance with the project specifications with a project authorization of \$1,135,000.00.

Introduced and adopted by the City Council on _____.

This resolution is effective on _____.

Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Scott Stauffer, City Recorder

City Attorney

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: June 20, 2018

Reviewed: Alma Flores, Community Development Director

From: Samantha Vandagriff, Building Official

Subject: **Milwaukie/Happy Valley Intergovernmental Agreement (IGA)**

ACTION REQUESTED

Renewal of the IGA allowing shared resources for personnel coverage between the City of Happy Valley and City of Milwaukie Building Departments.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

The previous IGA was signed on [July 7, 2015](#). The term of the IGA was for 3 years, concluding on July 31, 2018.

ANALYSIS

The Milwaukie Building Department has participated in an IGA with the City of Happy Valley Building Department to assist with staff shortages and/or vacations. The current 3-year contract is set to expire July 31, 2018. The only change to the IGA is an addition of an Inspector/Plans Examiner rate in the City of Milwaukie hourly rates.

BUDGET IMPACTS

The budget for coverage for fiscal year 2018 is set at \$77,000. This amount for fiscal year 2019 and fiscal year 2020 has increased to \$107,000 each year due to the increase of building activity in Milwaukie.

WORKLOAD IMPACTS

None.

COORDINATION, CONCURRENCE, OR DISSENT

The City of Happy Valley has reviewed and concurs with the terms of the IGA.

STAFF RECOMMENDATION

Staff recommends renewal.

ALTERNATIVES

The alternative would be to not accept the IGA and to cease using Happy Valley to provide coverage for the Building Department as needed, which can cause a delay in inspections when City staff is absent.

ATTACHMENTS

1. Milwaukie / Happy Valley IGA for Building Permit and Inspection Services
2. City of Milwaukie hourly rates
3. City of Happy Valley hourly rates
4. Resolution

Intergovernmental Agreement for provision of Building Inspection/Plan Review (BI/PR) Services

This Agreement is entered into by and between City of Milwaukie (an Oregon municipal corporation and the City of Happy Valley (an Oregon municipal corporation).

RECITALS

- A. ORS 190.010 authorizes and allows the parties to this Agreement to perform the functions and activities that another party to this Agreement has authority to perform.
- B. Each of the parties employ staff members that provide BI/PR services for their respective jurisdictions.
- C. With the fluctuations in development and construction activity in the Greater Portland Metropolitan Area the parties have experienced variations in demand for BI/PR services over the course of the last few fiscal years and the parties believe it may be more cost effective and better serve the public to share experienced staff of another jurisdiction rather than independently hiring additional staff.

AGREEMENT

Now, therefore, based on the foregoing, the signatories agree as follows:

- 1. Definitions. As used herein, the following words and phrases mean:
 - 1.1. “Borrowing Party” is the governmental entity requesting and obtaining staff assistance from another signatory to this Agreement.
 - 1.2. “Building Inspection/Plan Review Services” (BI/PR) services are services related to the issuance of permits under the provisions of ORS Chapters 197, 215, 227 or 455.
 - 1.3. “Originating Party” is the entity loaning one or more of its employees to another signatory for staff assistance related to BI/PR services.
 - 1.4. “Reimbursement Costs” are those charges related to a Shared Employee as set forth in a fee schedule adopted by an Originating Party. The charges shall be set out as an hourly rate, including but not limited to, costs relating to salary, payroll and other taxes, medical, dental and other insurance for said Shared Employee, employer-paid retirement contributions for said employee, vacation, sick leave and other benefit(s) which are part of the compensation package for the Shared Employee(s) for the Originating Party.
 - 1.5. “Shared Employee” is the Originating Party’s employee loaned to a Borrowing Party under this Agreement.
- 2. Requested Use of Shared Employees. Each Party to this Agreement shall make available its employees providing BI/PR services, to the extent these employees are (in the opinion of the Originating Party) available for loan. The Borrowing Party shall inform the Originating Party, that it desires staff assistance related to BI/PR services from of the Originating Party stating the

number of positions and the minimum qualifications of the staff requested. The request shall also set out when the Shared Employee would be needed and an estimate of the duration for the need.

3. Response to Request for Use. The Originating Party shall promptly provide Borrowing Party with the name(s) of employee(s) that are available and a brief description of the employees' qualifications. It shall be in the sole discretion of the Originating Party to select the employees subject to this Agreement. This process is to be quick and responsive such that a Borrowing Party may make a request in the morning and be lent a Shared Employee that same day.
4. Payment for Use of Shared Employee. Payment shall be at the current hourly rate (including overhead) of the employee classification used for BI/PR services, and shall include travel time between jurisdictions. The Originating Party shall provide to the Borrowing Party an accounting of hours spent performing work for the Borrowing Party. This information shall be provided daily and may be provided via e-mail or fax. Each party shall keep a running total of the hours worked by each party for the other. Payment shall be made at the end of each quarter based on the difference between the reimbursement costs owing to and by each party for the work. The party with the obligation to pay reimbursement costs shall prepare an accounting and pay all reimbursement costs, after deducting any reimbursement costs owed to the paying party, within 10 days of the end of each calendar quarter.
5. Duration of Use of Shared Employee. Borrowing Party shall attempt to use Shared Employee for the duration specified in its request. If a Shared Employee is requested for a period longer than one month and is not needed for the entire period, Borrowing Party shall give Originating Party seven calendar days' notice of its intent to return Shared Employee. In that case, Borrowing Party shall be liable for Shared Employee(s)' Reimbursement Cost for the seven day notice period, unless the two parties otherwise agree. A Borrowing Party shall not retain a Shared Employee longer than six consecutive months under this Agreement.
6. Status of Shared Employee. A Shared Employee shall:
 - 6.1. Account for the number of hours in service to a Borrowing Party;
 - 6.2. Remain an employee of the Originating Party continuing to be paid and receiving employee benefits therefrom without entitlement or claim to any salary, compensation or other benefits from the Borrowing Party;
 - 6.3. Continue working the number of hours specified in his or her contract of employment with the Originating Party while loaned to a Borrowing Party, unless the Originating Party, Borrowing Party and the Shared Employee agree otherwise;
 - 6.4. In the event of any dispute between the Shared Employee and Borrowing Party about the performance of services under this Agreement, Shared Employee shall be subject to the exclusive direction and control (including personnel actions and discipline) of the Originating Party.
7. Obligations of Borrowing Party. If the Shared Employee does not meet the needs or is otherwise not satisfactory to Borrowing Party, Borrowing Party's sole recourse shall be the return of Shared Employee to Originating Party. The Borrowing Party shall provide a written explanation

to the Originating Party for the return of the Shared Employee(s). Borrowing Party shall provide a Shared Employee with all material(s) and work space necessary to perform the requested BI/PR services.

8. Obligations of Originating Party. In addition to its other obligations set out elsewhere in this Agreement, the Originating Party shall be responsible for provision of any official motor vehicle necessary for performance of services by a Shared Employee.
9. General Provisions.
 - 9.1. Compliance with Laws. Every party shall comply with all applicable federal, state and local laws, including those related to discrimination in employment because of race, color, ancestry, national origin, religion, sex, sexual orientation, marital status, age, medical condition or disability and all applicable laws and regulations regarding the handling and expenditure of public funds.
 - 9.2. Oregon Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Oregon.
 - 9.3. Time is of the Essence. Time is of the essence in the performance of this Agreement.
 - 9.4. System Access. The Borrowing Party agrees to provide the Originating Party access to the Borrowing Party's permitting system. The Borrowing Party reserves the right to limit user access to the permitting system to those actions needed to adequately perform duties assigned.
 - 9.5. Default. A party shall be deemed in default if it fails to comply with any provision of this Agreement. A non-defaulting party shall provide defaulting party written notice of the default and an explanation thereof and allow the defaulting party thirty (30) days within which to cure.
 - 9.6. Indemnification. Each Entity in its capacity as an Originating Party hereby agrees to indemnify, defend and hold harmless those entities acting as Borrowing Parties (including their officers, employees and agents) from and against all claims, demands and causes of actions and suits of any kind or nature made by a third party for personal injury, death or damage to property arising out of the service(s) performed by the Originating Party its, officers, employees(including Shared Employees) and agents pursuant to the terms of this Agreement. Each party shall give the other parties to this Agreement notice of any claim made or case filed that relates to this Agreement or services performed hereunder
 - 9.7. Insurance. Each party agrees to maintain liability and workers compensation insurance in accordance with statutory requirements at levels necessary to protect against liabilities allowed by law. Each Originating Party shall maintain workers compensation coverage for any Shared Employee loaned under this Agreement.
 - 9.8. Modification. No waiver, consent, modification or change of terms of this Agreement shall be binding unless in writing and signed by all parties.

- 9.9. Dispute Resolution. The parties shall first attempt to informally resolve any dispute concerning this Agreement. A neutral party may be used to facilitate those negotiations. In the event of an impasse, the issue shall be submitted to the governing bodies or a recommendation or resolution.
- 9.10. Enforcement. Subject to the provisions in paragraph 9.8, any party may institute legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation of this Agreement.
- 9.11. Excused Performance In addition to the specific provisions of this Agreement, performance by any party shall not be in default where delays or default is due to war, insurrection, strikes, walkouts, riots, floods, drought, earthquakes, fires, casualties, acts of God, governmental restrictions imposed or mandated by governmental entities other than the parties, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulation, litigation or similar bases for excused performance that are not within the reasonable control of the party to be excused.
- 9.12. Termination. A party may terminate its participation in this Agreement, with or without cause and at any time, by providing 30 days' written notice to the other parties to this Agreement.
- 9.13. Severability. If any one or more of the provisions contained in this Agreement is invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of the Agreement will not be affected or impaired in any way.
- 9.14. Entire Agreement. This Agreement is the entire agreement of the parties on its subject and supersedes any prior discussions or agreements regarding the same subject.
10. Term of Agreement. This Agreement is for a term of three years from the date of the parties' execution of the Agreement.
11. Appropriations Clause. The obligations of the parties are subject to appropriations by their governing bodies. This Agreement is subject to the debt limitations in Oregon Constitution, Article XI, Section 10 and any debt limitations contained in a city charter
12. Notices. All notices or other communications required or permitted under this Agreement shall be in writing, and shall be mailed or sent by scanned document (e-mailed) or faxed with hard copy to follow by post, addressed as follows:
- To: City of Happy Valley
Building Official
16000 SE Misty Drive
Happy Valley, OR 97086
- To: City of Milwaukie
Building Official
6101 SE Johnson Creek Blvd
Milwaukie, OR 97206

IN WITNESS WHEREOF, the respective parties have caused to be signed in their behalf to make and enter into this Agreement this _____ day of _____, 2018.

CITY OF HAPPY VALLEY

By _____
Jason A. Tuck, City Manager

Date _____

CITY OF MILWAUKIE

By _____
Ann Ober, City Manager

Date _____

Attachment 2

City of Milwaukie Hourly Rates for Billing Purposes 2018

Position	Hourly Rate
Building Division Building Official	\$ 100.00
Building Inspector/Plans Examiner	78.00
Permit Tech	60.00

City of Happy Valley
Hourly Rates for Billing Purposes 2018

Position	Hourly Rate
Building Division Building Official	\$ 134.00
Asst Bldg Official/Structural Eng	126.00
Chief Plumbing Inspector	91.00
Plans Examiner	97.00
Building Inspector	78.00
Building Inspector	76.00
Building Inspector	74.00
Permit Tech	66.00
Permit Tech	63.00
Permit Tech	60.00



COUNCIL RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, TO UPDATE AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF HAPPY VALLEY FOR SHARING OF EMPLOYEES FOR BUILDING INSPECTION/ PLAN REVIEW SERVICES.

WHEREAS, The City of Milwaukie currently has an Intergovernmental Agreement with the City of Happy Valley; and

WHEREAS, ORS 190.010 authorizes a unit of local government to enter into a written agreement with any other unit or units of local government for the performance of any or all functions and activities that a party to the agreement, its officers or agencies, have authority to perform; and

WHEREAS, The past 12 years of the existing Intergovernmental Agreement have been mutually beneficial such that all parties support the continuance of the relationship.

Now, Therefore, be it Resolved that City Council approves the renewal of an Intergovernmental Agreement with the City of Happy Valley to continue to provide mutual services as needed between the jurisdictions until June 30th, 2021 and granting the City Manager approval to sign the Agreement.

Introduced and adopted by the City Council on _____.

This resolution is effective on _____.

Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Scott Stauffer, City Recorder

City Attorney



To: Mayor Gamba and Milwaukie City Council

Through: Ann Ober, City Manager

From: Steve Bartol, Chief of Police

A handwritten signature in black ink, appearing to be "S. Bartol".

Date: June 20, 2018

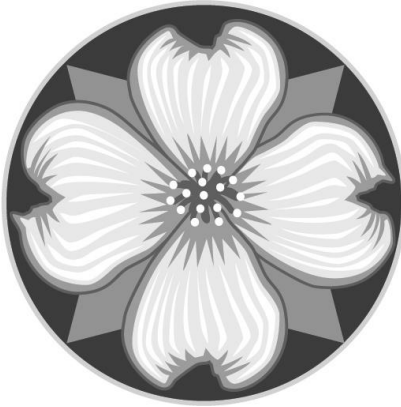
Subject: OLCC Application – Spirits on Jefferson – 2037 SE Jefferson Street, Milwaukie, OR 97222

Action Requested:

It is respectfully requested the Council approve the OLCC Application from Spirits on Jefferson. 2037 SE Jefferson Street, Milwaukie, OR 97222

Background:

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



RS Agenda Item

4

Audience Participation



**CITY OF MILWAUKIE
CITY COUNCIL**

10722 SE Main Street
P) 503-786-7502
F) 503-653-2444
ocr@milwaukieoregon.gov

Speaker Registration

The City of Milwaukie encourages all citizens to express their views to their city leaders in a **respectful** and **appropriate** manner. If you wish to speak before the City Council, fill out this card and hand it to the City Recorder. Note that this Speakers Registration card, once submitted to the City Recorder, becomes part of the public record.

Name: Norman Scott **Address:**

Organization: Norman Scott Investments **Phone:**

Email:

Meeting Date: 07-12-12 **Topic:** Grant St Reimburse

Agenda Item You Wish to Speak to:

☒ #4 Audience Participation

☐ #5 Public Hearing, Topic:

☐ #6 Other Business, Topic:

You are Speaking...

☒ in Support

☐ in Opposition

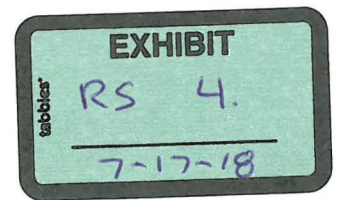
☐ from a Neutral Position

☒ to ask a Question

Comments:

ALREADY PASSED
QUESTIONS

more
Dist



Front Street Road Reimbursement District

Cost of the road.....\$87,940.58

Amount that was approved for reimbursement.....\$70,749.29

Amount that has not beet approved for reimbursement.....\$17,191.29

1. City of Milwaukie permit.....\$5434.00
2. Carlson testing (compaction).....\$495.00
3. Central Geotechnical Services.....\$2270.50
4. Geo Pacific (Water table and soil drainage).....\$1950.00
5. Sisul Engineering.....\$8500.00
6. SW Land Survey.....\$7776.00

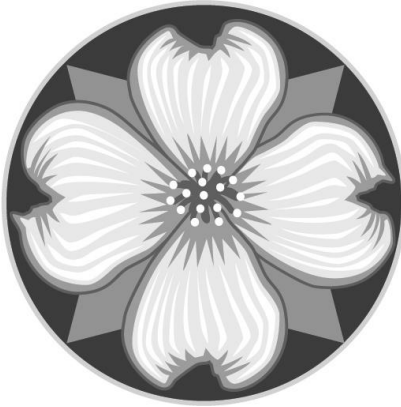
Total.....\$26,425.50

Amount allowed for engineering costs: \$8415.11

13.5% of overall construction costs 13.30.040

Administrative costs (Norm Scott to run and over see the project).....\$3000.00

A license is not required of a land developer).



RS Agenda Item

5

Public Hearing

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: July 11, 2018

Reviewed: Alma Flores, Community Development Director, and Denny Egner, Planning Director

From: Brett Kelter, Associate Planner

Subject: **Appeal of Planning Commission's Decision to Approve Master Land Use File# CSU-2018-001 – Lake Road Sports Complex**

ACTION REQUESTED

The Council is being asked to either confirm, modify, or reverse the Planning Commission approval of the Community Service Use application requested by the North Clackamas School District (NCSD) for the Lake Road Sports Complex at 2905 SE Lake Rd (land use applications CSU-2018-001, VR-2018-003, and P-2018-001). The hearing is “on the record,” so new evidence is not permitted.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

- **April 24, 2018:** The Planning Commission held a public hearing to review the land use application for improvements to the Lake Road Sports Complex. The Commission took testimony and continued the hearing to May 8, 2018. The link to this public hearing can be found here: <https://www.milwaukieoregon.gov/bc-pc/planning-commission-5>.
- **May 8, 2018:** The Planning Commission approved applications CSU-2018-001, VR-2018-003, and P-2018-001. The Planning Commission's Findings of Approval are in the Notice of Decision dated May 9, 2018. The link to this public hearing can be found here: <https://www.milwaukieoregon.gov/bc-pc/planning-commission-6>.
- **June 19, 2018:** The City Council held a public hearing to consider the appeal of the Planning Commission's approval of CSU-2018-001, VR-2018-003, and P-2018-001. The Council took testimony and continued the hearing to July 17, 2018, with direction to staff to prepare a draft Final Order to uphold the Commission's approval but with revisions to the conditions of approval to address specific issues. The link to this public hearing can be found here: <https://www.milwaukieoregon.gov/citycouncil/city-council-regular-session-230>.

PROCESS

Since the June 19 hearing, staff has met with the attorneys from both sides as well as the City Attorney to develop findings and conditions that satisfy both parties. All agree that there is no interest in delaying construction any further, though the appellants understandably want to ensure that their concerns about parking management are satisfactorily addressed. All parties have agreed that the proper land use procedure is for the Council to conditionally approve the proposed community service use for construction but not for operation, pending the outcome of the subsequent Type III hearing focused on the TDMP. This will allow the applicant to proceed with construction at its own risk and would provide the appellants with the assurance that the site will not be used until the applicant demonstrates what level of use is allowable given the way it proposes to manage parking.

Attachment 1 is the working draft Final Order, which includes the Council's findings and a clean version of the conditions of approval that have been revised. Attachment 2 is a marked-up version of the conditions that highlights the revisions requested by Council.

KEY ISSUES

At the June 19 hearing, the Council identified 3 issues that needed to be addressed and directed staff to prepare revisions to the Commission's conditions of approval and to update relevant findings.

A. Intensity of Use of the Site

The Council agreed to specify not just that the field lights would be turned off at 9:00 p.m. but that sponsored events would end at 9:00 p.m. as well. The pathway lights could remain on until 9:30 p.m. as per the Planning Commission decision, to give participants time to safely leave the fields, but a 9:00 p.m. curfew would be established for organized activities on the site.

B. Pathway Lighting

The Council agreed with the applicant's original proposal to use pole-style lighting for the pathways instead of bollard lights. To increase the compatibility of the pathway lighting with the surrounding neighborhood, the Council recommended a condition to use LED lights with a color temperature selected to reduce glare. The councilors are encouraged to review the proposed language of the revised condition to see if it achieves the desired effect and to notify staff in advance of the July 17 hearing if adjustments are needed.

C. Parking

The Council agreed that the applicant had not sufficiently demonstrated that the proposed off-street parking arrangement would limit impacts to adjacent neighbors and the surrounding neighborhood. The Council recommended there be signage aimed at deterring parking in fire lanes and no-parking areas, with a warning about towing for violators and contact information for reporting problems.

The Council thought the required Transportation Demand Management Program (TDMP) should further analyze parking demand for the proposed use and demonstrate more convincingly that the proposed off-street parking would indeed be adequate; otherwise, the applicant should adjust the proposal or the site plan as needed. The Council emphasized that the TDMP should be reviewed and approved by the Planning Commission prior to final inspection and approval to use the site. The review should be conducted using the Type III land-use review process, with public notice and a public hearing, and subject to the approval criteria for community service uses and parking determinations. A draft of the TDMP should be presented for review at a public meeting in advance of the hearing. Once approved, the TDMP should be reviewed in 2 years and adjusted or revised as needed.

STAFF RECOMMENDATION

Staff recommends that the City Council affirm the Planning Commission Decision, with revisions to the conditions of approval as addressed above and to the corresponding findings as set forth in the Final Order.

ATTACHMENTS

1. Draft Final Order for AP-2018-002
2. Revised Conditions of Approval (with revisions marked in ~~strikeout~~/underline format)

BEFORE THE CITY COUNCIL OF THE CITY OF MILWAUKIE
COUNTY OF CLACKAMAS, STATE OF OREGON

In the appeal of an application to
approve a major modification to
a Community Service Use,
Variance, and Parking
Determination for the North
Clackamas School District

File Nos. AP-2018-002 (appeal); CSU-2018-
001, VR-2018-003, P-2018-001 (proceedings
below)

LAND USE ORDER

I. INTRODUCTION AND PROJECT BACKGROUND

This is an appeal of a decision by the Milwaukie Planning Commission ("Commission") approving in part and deferring in part applications filed by David Hobbs on behalf of the North Clackamas School District ("Applicant") for proposed improvements at the Milwaukie High School's Lake Road Sports Complex on the property located at 2905 SE Lake Rd in the Residential R-7 Zone. In addition to a request for approval of a major modification to the existing community service use (land use file CSU-2018-001), the application submittal included a variance request (VR-2018-003) to allow field-lighting poles to exceed the maximum height of 50 ft and a parking determination (P-2018-001) to establish the required number of off-street parking spaces for the modified use.

II. HEARINGS AND PROCESS

On April 24, 2018, the Commission held a public hearing on the applications. The Commission received oral and written testimony from the Applicant and from persons both in support of and opposed to the applications. The Commission continued the hearing to May 8, 2018, with a request that the Applicant provide additional information about several issues related to the proposal, including lighting, parking, public access, and anticipated use. At the continued hearing on May 8, 2018, the Commission accepted additional oral and written testimony related to the new information. The Commission approved the applications on a vote of 5 members in support, 0 opposed, 1 abstaining, and 1 absent. The Commission's Notice of Decision was mailed on May 9, 2018.

On May 24, 2018, Michael Martin and Benjamin Brody ("Appellants"), identified Interested Parties, timely filed a notice of appeal. Pursuant to MMC Table 19.1001.5, the City Council was identified as the Appeal Authority, and the City mailed written notice of the public hearing. On June 19, 2018, the City Council conducted a public hearing and designated a record. After receiving oral and written testimony from the Appellants, from the Applicant, and from persons both in support of and opposed to the applications, the City Council continued the hearing to July 17, 2018, with direction that City staff prepare specific revisions to the Findings and Conditions of Approval. On July 17, 2018, the City Council voted unanimously to approve the draft final written decision.

This Order is the City's final written decision.

III. LIMITATIONS ON EVIDENCE

Under the City Council's standard of review for its appeal hearing, parties were limited to the evidence presented to the Commission but were free to make new arguments to City Council regarding this evidence.

Comments were received from several property owners within 300 ft of the subject property, as well as from other Interested Parties and from the Appellants. Some of those comments did contain new facts, which were identified by the City Attorney and City staff, and were not considered or relied on by City Council. City Council incorporates the specific discussions from the hearing, as evidenced in the videotape of the hearing, as to the determinations made on individual items.

IV. APPLICABLE CRITERIA AND FINDINGS AND CONDITIONS OF APPROVAL

1. The appeal application has been processed and public notice provided in accordance with MMC Section 19.1006 Type III Review. Public hearings on the appeal were held on June 19, 2018, and July 17, 2018, as required by law.
2. As findings supporting its decision, the City Council incorporates the May 9, 2018, Notice of Decision issued by the Commission as modified through these supplementary findings and conclusions contained herein. The City Council also incorporates the April 20, 2018, and May 1, 2018, Staff Reports prepared for the Commission hearing, and the June 11, 2018, and July 10, 2018, Staff Reports prepared for the City Council hearing. In the event of any inconsistency between the supplementary findings and conclusions herein and in the incorporated materials, the matter herein controls.
3. The following are the supplementary findings and conclusions of the City Council based upon its review of the record and the arguments and issues presented in the appeal process:

A. Sidewalk

The Appellants stated that the City should take steps to ensure that a sidewalk connection is built along the driveway between Lake Rd and the parking lot for the sports fields. Condition of approval 1-c(4) from the Commission's decision requires that a sidewalk to be constructed. The Appellants also requested that this sidewalk be ADA accessible. Due to the grade of the driveway, it would be infeasible for the Applicant to construct the sidewalk to ADA standards. However, there is one other ADA compliant access throughout the project, which is the access from the bus stop on Lake Rd. The Appellants cite no code provision that requires all access to be ADA-accessible. Given that an ADA-accessible access for the project will be provided, City Council finds this to be sufficient for pedestrian access and circulation.

B. Off-Street Parking and Loading

The Appellants argued that MMC Subsection 19.602.3 applies to the application, because under MMC Subsection 19.602.3.B.1 the proposed

major modification "will increase the structure footprint by over 100%." (May 24, 2018, Basis of Appeal.) First, the Commission's findings do not state that MMC 19.602.3 does not apply and those findings address that provision. Second, the Appellants misread MMC 19.602.3.B.1. That provision requires that existing off-street parking and loading areas be brought closer into conformance with the standards of MMC Chapter 19.600 when development occurs that results in an increase of *less than* 100% of the existing floor area. Reviewing the evidence in the record submitted by the Applicant, the structure footprint will increase by approximately 20%. As noted in the Commission's decision, the proposed development will bring many aspects of the existing parking situation, including parking quantity, parking lot landscaping and paving closer to full conformance with the code. Therefore, MMC 19.602.3 is met.

The Appellants also argued that the application did not include information relevant to all components of MMC Subsection 19.605.2.C.1. To resolve this alleged deficiency, the Appellants ask that the City require the Applicant to (1) undertake a parking demand analysis of similar ballfields and a comprehensive review of the requirements of other jurisdictions, and (2) have an on-site supervisor on the property to resolve issues such as parking when the fields are in use but the schools are not open. The Commission's decision and Staff's June 11, 2018, Staff Report to City Council contain detailed discussion and findings regarding off-street parking and loading, including addressing the criteria in MMC 19.605.2.C. However, the Commission's decision also includes a condition of approval requiring that the Applicant prepare and submit to the Commission for approval a Transportation Demand Management Program (TDMP) to ensure, among other things, that parking-related impacts to surrounding properties are minimized. Given community concern and because the Applicant will be required to prepare a TDMP, the condition shall be modified to explicitly require as part of the TDMP a supplemental analysis consistent with the criteria of MMC 19.605.2.C.1, including an analysis of parking demand for the proposed use, a demonstration that the proposed parking is reasonable based on parking demand for similar uses in other locations, parking quantity requirements for the use in other jurisdictions, and professional literature.

The Appellants and others also expressed concern that there be enough on-site signage to deter parking in the fire lanes, landscape areas, and other no-parking zones on the site, including a notice about towing and the phone number of a contact for parking issues. City Council agrees that this type of signage should be required and a condition is included for that purpose.

The Commission shall review the TDMP through a Type III process, as outlined in MMC Section 19.1006, and prior to the public hearing the Applicant shall make the draft TDMP available to the public. Through the TDMP, the Applicant may be required to provide one of any number of possible solutions to ensure that parking requirements are enforced. City Council finds that, at a minimum, there should be available to all neighbors and the

public a posted contact number for parking issues and enforcement. The TDMP should explore the establishment of a good neighbor agreement, which could include a requirement that the Applicant attend one meeting of the Historic Milwaukie Neighborhood District Association (NDA) and one meeting of the Lake Road NDA each school year to discuss any TDMP issues and work toward mutually agreeable solutions. It would be premature for the City Council to specify and require a particular solution beyond the posted contact number, as the Appellants request. The Type III process required for the TDMP gives the Appellants and other neighbors adequate protections and opportunities to make a case for their desired solutions in the context of a more comprehensive analysis.

City Council finds the evidence in the record to be sufficient to conclude that the Applicant can provide a compliant TDMP, and if that analysis and public process indicates that additional work needs to be done or additional conditions must be imposed, that can occur as part of the process. Also as part of the TDMP condition of approval, the Applicant shall be required to meet with City planning staff within two years of approval of the TDMP to review the Applicant's compliance with and the effectiveness of the TDMP.

At the appeal hearing, the Appellants' attorney requested that the City require approval of the TDMP prior to issuance of any building or other permits for the use. City Council denies that request. The TDMP must be completed prior the issuance of a certificate of occupancy or final inspection.

Accordingly, because the applicant has not shown that it has met the criteria regarding parking, resolution of this issue is deferred to the process contemplated by the condition of approval.

C. Appropriate Community Service Use

The Appellants contended that the standards for the appropriate community service use were not applied to the application. The findings in the Commission's decision and Staff's June 11, 2018, Staff Report to City Council adequately address the standards. City Council adopts as its own code interpretation that interpretation set forth by staff and the Commission.

Given the deferral of the parking determination as noted above, City Council finds that the community service use is conditionally approved for construction (at the Applicant's own risk) but not for operation. The subsequent review and approval of the TDMP will determine the allowable level of usage for the site.

D. Hours of Use

The Appellants argued that the condition of approval in the Commission decision limiting the hours of operation of the sports fields is not consistent with the discussion before the Commission wherein the Applicant agreed to a time limitation on field use, not just use of lights and the public address (PA) system. To address this, the condition of approval will be modified to require scheduled events to end by 9:00 pm, all field lights to be off by 9:00

pm, and pathway lights turned off at 9:30 pm.

E. Transportation Demand Management Program (TDMP)

Several of the Appellants' issues are related to the required TDMP. As explained above, the Applicant is required to prepare and submit for City approval a TDMP. The TDMP condition of approval has been revised to clarify the process and be more specific about content. City Council believes that the revised condition provides an adequate avenue for concerns related to parking to be addressed and reviewed.

F. Pathway Lighting

The Appellants requested that the pathway lighting be changed to require the Applicant to provide lower, bollard style lamps to light the pathways instead of the proposed overhand lighting in order to reduce light pollution. The Commission reviewed the site lighting plans submitted by the Applicant that demonstrate that the proposed lighting complies with City lighting requirements, including those related to light spillage. Although the Appellants argued that the Applicant's lighting plans are not sufficient because they are not diagrammed based on topography, there is no evidence in the record to indicate that topography would make a difference. The City's standard is based upon light output measured at the property boundary, and the Applicant's study shows that the light at the property boundary is well within the City's limits for that light.

The Appellants also argue that MMC Subsection 19.904.5 allows the City to impose suitable conditions to assure compatibility of the use requesting approval with other uses in the vicinity, including limiting the manner in which the use is conducted by minimizing such environmental effects as glare. The Commission's decision does impose such a condition (1-(c)(6)), and although the City Council finds that the Applicant's lighting plans meet the applicable code standards, the applicable condition of approval will be amended to require that LED lights be used for the pathway lights if necessary to reduce any glare onto and ensure compatibility with adjacent properties. Compatibility can be ensured through adjustments to the color temperature of the lights.

G. Variance

The Appellants argue that the approval criteria set forth in MMC Subsection 19.911.4 were not met. The findings in the Commission's decision and Staff's June 11, 2018, Staff Report to City Council adequately address this issue. City Council adopts as its own code interpretation that interpretation set forth by staff.

F. Public Benefits

The Appellants and several others at the appeal hearing argued that in various ways the public benefits of the Applicant's project do not outweigh the negative impacts on the neighborhood. Various reasons for this were argued before the Commission, and one new reason, i.e., the fields are proposed to be fenced, which will decrease full access through them at

many different points, was brought up at the appeal hearing. The findings in the Commission's decision and Staff's June 11, 2018, Staff Report to City Council adequately address the issue of public benefits. City Council also finds that while the fields will be fenced, there are still public pathways through the site with defined access points, which provide public benefits that outweigh the ability of other property users to access and cross wherever they wish.

4. As described in Finding 1, public notice of the appeal hearing was mailed to parties as identified in the Milwaukie Municipal Code: properties within 300 ft of the subject site, Interested Persons, the Appellants, the Applicant, the Commission, and the Historic Milwaukie and Lake Road Neighborhood District Associations. Written responses were received as follows:

- Britt McConn: concerns about the use of artificial turf
- Bill Kabeiseman, legal counsel for the Appellants: further explanation of Appellants' concerns and proposal of potential conditions of approval
- Gabe Storm: in support of the application
- Jennifer Nichol: in support of the application
- Lloyd Wolfe: concerns about loss of public green space and increased intensity of use
- Tory & Yvonne McVay: in support of the application
- Charles Dean: in support of the application
- Nicole Perry: in support of the application
- Antonio Johnson: in support of the application

The following persons provided oral testimony at the June 19, 2018, City Council Hearing:

- David Hobbs, the Applicant
- Andrew Tull, the Applicant's Representative
- Gabe Storm, in support of the application
- Pete Cooper: in support of the application
- Eric Hutchison: in support of the application
- Michael Martin and Benjamin Brody, the Appellants
- Carrie Richter, legal counsel for the Appellant
- Ray Bryan, in support of the appeal
- Matt Menely, in support of the appeal
- Gordon Neuman, in support of the appeal
- Patti Lange, in support of the appeal
- Lloyd Wolfe, in support of the appeal

V. CONDITIONS OF APPROVAL

The City Council has requested the following modifications to the conditions of approval from the Commissions' Notice of Decision dated May 9, 2018 (new language is underlined):

- Condition 1-c(6) – As per Findings 9-e and 11-c, the plans shall demonstrate that the pathway and field lighting, respectively, in fact limit light trespass on adjoining properties as demonstrated in the application. If necessary to accomplish this, the pathway lights shall utilize LED

technology with a color temperature selected to reduce glare onto adjacent properties.

- Condition 2-d – As per Finding 6-c-4, develop a Transportation Demand Management Program (TDMP) to limit parking-related impacts to surrounding properties. At a minimum, the TDMP shall publicize the availability of the elementary school parking lot (including after-hours contact information), evaluate locations for signage with contact information for the Applicant, promote carpooling or busing of players, discourage improper parking, explore establishment of a good neighbor agreement, address impacts to adjacent and nearby city streets, and provide good-neighbor tips for on-street parking. Communication with the adjacent residents and the surrounding neighborhood is important. If established, a good neighbor agreement should consider including a requirement that the Applicant will attend one Historic Milwaukie Neighborhood District Association (NDA) meeting and one Lake Road NDA meeting each school year to discuss any TDMP issues and work toward mutually agreeable solutions to any such issues.

The TDMP shall provide a clear plan for ongoing parking management, which shall be reviewed and approved by the Commission through the Type III review process outlined in MMC Section 19.1006 (including public notice) prior to issuance of a certificate of occupancy or final inspection. The criteria for approval of the TDMP shall be the approval criteria for community service uses as established in MMC Subsection 19.904.4, as well as the approval criteria for parking determinations established in MMC Subsection 19.605.2.C-1. In particular, the TDMP shall address and analyze parking demand for the approved use and shall demonstrate that the proposed parking arrangement is reasonable based on parking demand for similar uses in other locations, parking quantity requirements for the use in other jurisdictions, and professional literature.

At least two weeks prior to the public hearing with the Commission, the Applicant shall make the draft TDMP available to the public (particularly the neighbors immediately adjacent to the site). Within two years of approval of the TDMP, the Applicant shall meet with City planning staff in a meeting open to the public and noticed to adjoining property owners to review the Applicant's compliance with and the effectiveness of the TDMP.

- Condition 3 – As per Finding 6-c-3, neither the field lighting nor the public-address system shall be used past 9:00 p.m., and use of the site for sponsored or scheduled events shall be limited to no later than 9:00 p.m. Pathway lighting shall not be used past 9:30 p.m.
- Condition 4 - Install and maintain signage that provides after-hours contact information for the School District, including a contact number(s) to request towing of vehicles, report blocked driveways, fire hydrants, fire lanes, and other no-parking areas. Signage shall include notice that violators may be towed.

The City Council incorporates by reference the other conditions of approval included in the Commission's Notice of Decision dated May 9, 2018.

VI. CONCLUSION

The City Council concludes that, subject to the identified conditions of approval, CSU-2018-001, VR-2018-003, and P-2018-001 should be approved in part and deferred in part. The proposed development is approved for construction (at the Applicant's own risk) but not for use, pending the outcome of the condition related to the TDMP.

VII. ORDER

Based upon the findings set forth above, the Milwaukie City Council orders that the decision of the Commission be affirmed in part and deferred in part. CSU-2018-001, VR-2018-003, and P-2018-001 are approved subject to the identified conditions of approval.

DATED this 17th day of July, 2018.

Mark Gamba, Mayor

ATTEST

Ann Ober, City Manager

APPROVED AS TO FORM:
Jordan Ramis PC

City Attorney

ATTACHMENT 2
Revised Conditions of Approval—~~Strikeout~~/Underline Version
File #AP-2018-002 (Appeal of CSU-2018-001)
Lake Rd Sports Complex

1. At the time of submittal of the associated development permit application(s), the following shall be resolved:
 - a. Final plans submitted for development permit review shall be in substantial conformance with the plans approved by this action, which are the plans stamped received by the City on March 5, 2018; and with the proposal as described in the submittal materials stamped received by the City on March 5, 2018, and amended by the applicant's materials stamped received on May 1, 2018; except as otherwise modified by these conditions of approval.
 - b. Provide a narrative describing all actions taken to comply with these conditions of approval. In addition, describe any changes made after the issuance of this land use decision that are not related to these conditions of approval.
 - c. The modifications required by these conditions of approval include the following revisions to all relevant plan sheets:
 - (1) As per Finding 6-c, revise the plans to show that public access to the pedestrian path along the perimeter of the athletic fields shall be ungated and ADA accessible. This includes ensuring ungated pedestrian access between the Lake Rd parking lot and the elementary school site.
 - (2) As per Finding 6-c, revise the plans to reconfigure the on-site driveway to the Lake Rd parking lot and/or the driveway approach so that they are aligned and one is not wider than the other.
 - (3) As per Finding 8-e, revise the plans to provide an ADA-accessible connection between the Milwaukie Elementary School parking lot and the existing pathway to the junior varsity (JV) softball field. The revisions shall be configured in such a way as not to cause the existing nonconforming perimeter landscaping along the western edge of the parking lot to go further out of conformance.
 - (4) As per Finding 8-e, revise the plans to provide a 5-ft-wide sidewalk connection along the driveway between Lake Rd and the proposed parking lot sidewalk that meets the standards of MMC Subsection 19.606.3.D, including curb and gutter along the driveway between Lake Rd and the proposed parking lot sidewalk. The sidewalk may be on either the east or west side of the driveway; if on the west side, a marked crosswalk shall be provided to connect the required sidewalk with the proposed sidewalk on the east side of driveway.
 - (5) As per Finding 9-e, provide a detailed final landscaping plan that provides more information regarding plant materials, sufficient to demonstrate that the landscaping and buffering requirements of MMC

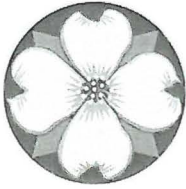
Section 19.606 for parking lot landscaping are met. For the Lake Rd parking lot, this includes showing (1) at least 1 tree planted in the perimeter area between the adjacent property at 2805 SE Lake Rd and the southernmost of the 5 new parking spaces along the east side of the driveway to Lake Rd, (2) 1 tree in each of the interior planting areas at the southern end of the Lake Rd parking lot, and (3) at least 1 tree in the stormwater planter in the middle of the new turnaround. The final landscaping plan shall also indicate how invasive plants will be removed. In addition, as per Finding 6-c, sight-obscuring screening a minimum of 8 ft in height shall be provided along the western boundary where adjacent to the Lake Rd parking lot.

- (6) As per Findings 9-e and 11-c, the plans shall demonstrate that the pathway and field lighting, respectively, in fact limit light trespass on adjoining properties as demonstrated in the application. If necessary to accomplish this, the pathway lights shall utilize LED technology with a color temperature selected to reduce glare onto adjacent properties.
2. Prior to issuance of a certificate of occupancy or final inspection, the following shall be resolved:
 - a. Demonstrate that the pedestrian improvements required by Conditions 1-c-1 and 1-c-3 have been completed.
 - b. Demonstrate that the Lake Rd driveway approach has been widened as required by Condition 1-c-2 and that the driveway has been improved with a sidewalk as required by Condition 1-c-4.
 - c. Demonstrate that all landscaping has been installed as required by Condition 1-c-5 and in accordance with the relevant standards of MMC Section 19.606. Demonstrate that all invasive species vegetation has been removed from the landscaping areas along the perimeter of the subject property. Demonstrate that sight-obscuring screening a minimum of 8 ft in height has been provided along the western boundary where adjacent to the Lake Rd parking lot.
 - d. As per Finding 6-c-4, develop a Transportation Demand Management Program (TDMP) ~~program~~ to limit parking-related impacts to surrounding properties. At a minimum, the TDMP shall publicize the availability of the elementary school parking lot (including after-hours contact information), evaluate locations for signage with contact information for the School District, promote carpooling or busing of players, discourage improper parking, explore establishment of a good neighbor agreement, address impacts to adjacent and nearby city streets, and provide good-neighbor tips for on-street parking. Communication with the adjacent residents and the surrounding neighborhood is important. If established, a good neighbor agreement should consider including a requirement that the Applicant will attend one Historic Milwaukie Neighborhood District Association (NDA) meeting and one Lake Road NDA meeting each school year to discuss any TDMP issues and work toward mutually agreeable solutions to any such issues.

The TDMP shall provide a clear plan for ongoing parking management and shall be reviewed and approved by the Planning Commission through the Type III review process outlined in MMC Section 19.1006 (including public notice) prior to issuance of a certificate of occupancy or final inspection. The criteria for approval of the TDMP shall be the approval criteria for community service uses established in MMC Subsection 19.904.4, as well as the approval criteria for parking determinations established in MMC Subsection 19.605.2.C-1. In particular, the TDMP shall address and analyze parking demand for the approved use and shall demonstrate that the proposed parking arrangement is reasonable based on parking demand for similar uses in other locations, parking quantity requirements for the use in other jurisdictions, and professional literature.

At least two weeks prior to the public hearing with the Planning Commission, the applicant shall make the draft TDMP available to the public (particularly the neighbors immediately adjacent to the site). Within two years of approval of the TDMP, the Applicant shall meet with City planning staff in a meeting open to the public and noticed to adjoining property owners to review the Applicant's compliance with and the effectiveness of the TDMP.

- e. As per Finding 6-c-5, fencing, slats, and wind breaks shall be replaced or repaired along the entire perimeter of the site. Fence slats shall not be required for any adjacent property owner who elects not to have them.
 - f. As per Findings 9-d and 9-e, demonstrate that a minimum of 96 total off-street parking spaces are provided and that they comply with the applicable design requirements established in MMC Section 19.606.
 - g. As per Finding 9-g, demonstrate that a minimum of 10 bicycle parking spaces are provided in accordance with the design standards in MMC Section 19.609.
- 3. As per Finding 6-c-3, neither the field lighting nor the public-address system shall be used past 9:00 p.m., and use of the site for sponsored or scheduled events shall be limited to no later than 9:00 p.m. Pathway lighting shall not be used past 9:30 p.m.
 - 4. Install and maintain signage that provides after-hours contact information for the School District, including a contact number(s) to request towing of vehicles, report blocked driveways, fire hydrants, fire lanes, and other no-parking areas. Signage shall include notice that violators may be towed.



PUBLIC HEARING ATTENDANCE SIGN-UP SHEET

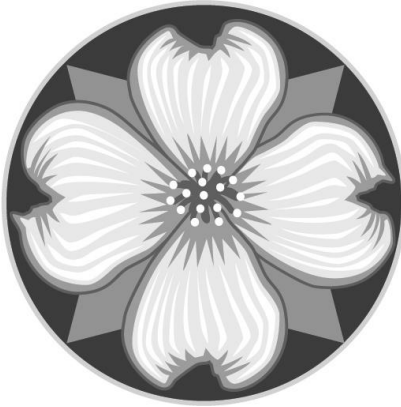
If you wish to have standing and/or to be on the mailing list for Council information from tonight's hearing, please sign-in below.

7/17/18

5. A. Appeal of Planning Commission's Approval of Master Land Use File – Lake Road Sports Complex (continued)

Land Use File No. CSU-2018-001

NAME	ADDRESS	PHONE	EMAIL
Mary Zellharie	5273 SE Jackson	503-786-888	mzellharie@comcast.net



RS Agenda Item

6

Other Business

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: July 9, 2018

Reviewed: Chuck Easton, Engineering Director
Alma Flores, Community Development Director
Denny Egner, Planning Director

From: Kelly Brooks, Assistant City Manager

Subject: 2018 TRANSPORTATION GRANT OPPORTUNITIES

ACTION REQUESTED

Listen to an overview of available state, county, regional, federal, and private grants that the city could utilize to fund design, construction, or overall implementation of transportation projects.

ANALYSIS

There are a number of transportation grants available in 2018 that merit consideration by the City of Milwaukie to fund identified priority projects. The opportunities are grouped below by the entity that administers the funds.

ODOT

- **Safe Routes to Schools (<https://www.oregon.gov/ODOT/Programs/Pages/SRTS.aspx>)**

City projects are eligible for the Safe Routes to Schools Infrastructure when they address needs of students that walk and bicycle to school and consider the unique perspectives and behavior of children. The projects must be within a one-mile radius of a Title I school (school with 40% or more low income students), be on the public road right of way consistent with jurisdictional plans and help students walk and bicycle to school safely. The funding requests must be between \$60,000 and \$2,000,000.

Letters of intent are due August 31, 2018 and full applications are due October 15, 2018. A 20% cash match is required.

I am working with the Engineering team to identify two or three SAFE projects slated for delivery in 2019 to submit as letters of interest. It is highly likely that the Linwood project will be one of them.

- **Fix-it Leverage**

There are three categories of 2021-2024 STIP Leverage. The Region 1 ACT will be heavily involved in selected projects for these funds. All leverage projects must coincide with an ODOT Fix-It project and no match is required.

- State Highway Leverage = \$8,483,573
- Safety Leverage HB 2017 – Region 1 allocation = \$10,680,000
- Active Transportation Leverage – Region 1 allocation = \$7,476,000

Milwaukie staff submitted the following project elements for scoping consistent with the fund program criteria. The projects leverage a proposed paving project and operations project under consideration along 224 in Milwaukie.

- OR224 Paving Leverage Options (Active Transportation)

Realign the intersection of 37th / International Way and 224 (Active Transportation & Safety) consolidating the two northern legs, improving freight mobility, and enhancing pedestrian crossing.

Improve pedestrian crossing and allow for bike lanes on Harrison. Signal upgrade at 224 & Harrison Signal (Active Transportation). The bike lanes on Harrison today stop short of the intersection and there is no protected space for bike that need to cross 224. We would like a signal project to allow for the bike lanes to go all the through the four-lane section and over the rail crossing.

- OR224 @ Monroe Operations Leverage Options (Active Transportation)

Replace the signal at Monroe and 224 with a new bike and pedestrian signal and a protected median / diverter to prevent through and left turn vehicular movement. Reconfigure approaches to accommodate adopted Monroe Street Neighborhood Greenway Plan, this makes Monroe right in and right out only for vehicular movements. Install signage, pavement markings, etc. to accompany improvements.

- **State Transit Improvement Fund –**

TriMet's House Bill 2017 Transit Advisory Committee approved \$3 million, annually, in the Statewide Transportation Improvement Funds for Regional Coordination. \$1 million of the funds, per year, will go towards existing shuttle service leaving \$2M per year (for a total of \$6M this cycle) available.

Eligible projects include last mile shuttles within the TriMet District and/or transportation services that help reduce fragmentation between TriMet service and communities outside TriMet's service district, but inside Clackamas, Multnomah and Washington Counties. Projects are selected based on fund leverage, extent of last mile connection improvement without duplicating existing transit services, improvement to jobs and essential services for low-income and minority populations, amount of local support and extent of cost-effectiveness. The deadline to apply is August 15, 2018.

City staff are working on the following actions related to these funds.

- Adopting an NMIA plan that references the need for shuttles to industrial areas that run off-peak. All proposed projects must be identified in an adopted plan.
- Working with Clackamas County and TriMet to develop a successful proposal for planning funds. All applications must run through the counties.
- No matching funds required

Other

- **AARP**

The AARP Community Challenge Grant funds projects that make communities livable for people of all ages. The City applied for this grant in May 2018 for improvements for older adults in the Milwaukie community by expanding transit connectivity and access to critical services and gathering places.

The outcome of this award would be more frequent bus service through Clackamas County Health, Housing, and Human Services Volunteer Connection program to three days a week (Tuesday, Wednesday, Thursday) from 10 am – 4:00 pm. The circulating bus system will stop at six separate locations throughout Milwaukie to distribute access for older adults, concluding each trip by returning to the Milwaukie Center for drop-off and pickup. Stop locations will be the Milwaukie Presbyterian Park & Ride, Milwaukie Marketplace, Hillside Manor/Providence Hospital, Safeway and the Wichita Center. The service will be free of charge for users over age 50 and those with mobility challenges. Volunteer drivers will be trained to use the buses and how to work specifically with those who may have disabilities or other mobility challenges.

The City and County will work together to develop marketing and wayfinding materials to inform the public about the bus service and stop locations. Additionally, providing transportation to the Milwaukie Center means access for many opportunities to connect. This service is expected to result in increased ridership, increased community, less isolated older adults, higher class and program enrollment and more meals served. We expect to hear back at the end of July if we received the grant.

Request = \$65,000

- **Metro - Regional Flexible Funds Allocation (RFFA)**

As part of the 2021-2024 MTIP, Metro will solicit applications from local governments (within the MPO boundary) for active transportation and freight mobility projects. Metro has yet to begin the process of developing the policy and funding allocations to guide this process but expects it to begin later this year. Applications will likely be due in early 2019. This pot of funds would be a good fit for either the Monroe Greenway or Railroad Ave. projects. Matching requirement is usually 10.27% but has not been formalized for the next round.

BUDGET IMPACTS

The proposed Safe Routes to Schools projects have been programmed in the CIP as part of the first phase of the SAFE program. Therefore, any Safe Routes to Schools grant funds received would supplant city resources. The Fix-it Leverage and STIF funds do not require match but do involve staff time. Funds have been programmed in the CIP to match a potential RFFA application.

WORKLOAD IMPACTS

Grant applications take significant staff time. I am still assessing what internal resources are available to complete the applications over the next several months.

COORDINATION, CONCURRENCE, OR DISSENT

None

STAFF RECOMMENDATION

None

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: July 2, 2018

Reviewed: Christina Fadenrecht, Administrative Specialist

From: Kelly Brooks, Assistant City Manager

Subject: **2019 League of Oregon Cities Legislative Agenda Survey**

ACTION REQUESTED

Vote on which four legislative priorities the City of Milwaukie should prioritize as part of the League of Oregon Cities' 2019 Legislative Agenda.

ANALYSIS

The League of Oregon Cities sent a letter and survey to all member cities on June 6th. The survey reflects the top policies developed in each of the policy committees. The survey can be found at <http://www.orcities.org/portals/17/Legislative/2019PolicyballotInformation.pdf>. It is also an attachment to this memo.

There are 29 possible choices. The City of Milwaukie must respond with the top four priorities, that are shared by a majority of City Council, by August 3, 2018. The top four priorities do not need to be further prioritized.

Based on council goal setting for 2019, I would recommend consideration of the following items:

- F. - Carbon Cap and Invest Program Adoption
- N. - Permanent Supportive Housing Investment

City Council has also expressed interest in the following items during our discussions about 2018 legislative items:

- J. – Least Cost Public Contracting
- X. - Speed Limit Methodology

BUDGET IMPACTS

None

WORKLOAD IMPACTS

None

COORDINATION, CONCURRENCE, OR DISSENT

None

STAFF RECOMMENDATION

Staff recommends that we vote on four priority legislative initiatives and respond by the deadline.

ALTERNATIVES

The alternative to voting in support of four priorities is to forgo responding to the survey.

ATTACHMENTS

1. 2019 Policy Ballot



1201 Court Street NE, Suite 200 • Salem, Oregon 97301
 (503) 588-6550 • (800) 452-0338 • Fax: (503) 399-4863
www.orcities.org

June 6, 2018

Dear Chief Administrative Official:

For the past three months, eight policy committees have been working to identify and propose specific actions as part of the League's effort to develop a pro-active legislative agenda for the 2019 session. They have identified legislative objectives as set forth in the enclosed ballot and legislative recommendation materials. These objectives span a variety of issues and differ in the potential resources required to seek their achievement. Therefore, it is desirable to prioritize them in order to ensure that efforts are focused where they are most needed.

While the attached ballot reflects the top policies developed in each of the policy committees, each undertook a broad look at a range of issues impacting cities. Many issues reflect the League's ongoing mission to support cities' work and their home rule authority to develop and use a variety of tools to meet the needs of residents but were not included in the ballot. Additional issues, such as addressing the housing shortage and the opioid crisis, are multifaceted and did not fit concisely into policy priorities. However, they remain as work the League intends to accomplish as it works with large groups of stakeholders in search of solutions.

Each city is being asked to review the recommendations of the policy committees and provide input to the LOC Board of Directors as it prepares to adopt the League's 2019 legislative agenda. After your city council has had the opportunity to review the proposals and discuss them with your staff, please return the enclosed ballot indicating the top four issues that your city council would like to see the League focus on during the 2019 session. **The deadline for response is August 3, 2018.** The board of directors will then review the results of this survey of member cities, along with the recommendations of the policy committees, and determine the League's 2019 legislative agenda.

Your city's participation and input will assist the board in creating a focused set of specific legislative targets that reflect the issues of greatest importance to cities. Thank you for your involvement, and thanks to those among you who gave many hours of time and expertise in developing these proposals.

Do not hesitate to contact me or Craig Honeyman, Legislative Director, with questions.

Sincerely,

Mike Cully
 Executive Director

Craig Honeyman
 Legislative Director

P.S. If you are reviewing the hard copy of this ballot and would like to view the linked material please visit the following web address and click on the links there:

<http://www.orcities.org/Portals/17/Legislative/2019PolicyBallotInformation.pdf>

INSTRUCTIONS

1. Each city should submit one form that reflects the consensus opinion of its city council on the **top four** legislative priorities for 2018.
2. Simply place an **X or a check mark** in the space to the left of the city's top four legislative proposals (last pages of the packet).
3. The top four do not need to be prioritized.
4. Return by **August 3rd** via mail, fax or e-mail to:

Jenna Jones
League of Oregon Cities
1201 Court St. NE, Suite 200
Salem, OR 97301
Fax – (503) 399-4863
jjones@orcities.org

Thank you for your participation.

A. 9-1-1 Tax

Legislation:

Support legislation enhancing the effectiveness of the state's emergency communications system by increasing the 9-1-1 tax and/or seeking other sources of revenue and prohibiting legislative "sweeps" from emergency communications accounts managed by the Oregon Office of Emergency Management.

Background:

The League worked with other stakeholder groups in 2013 to extend the sunset date on the statewide 9-1-1 emergency communications tax to January 1, 2022 ([HB 3317](#)). In 2014, the League also worked to pass legislation including prepaid cellular devices and services under the 9-1-1 tax ([HB 4055](#)). As concerns mount with regard to disaster preparedness and recovery and as upgrades to communications technology become available, it is apparent that state and local governments do not have the resources necessary to address challenges or take advantage of opportunities (see an analysis in the League's 2018 State Shared Revenue Report, [here](#), and the Oregon Office of Emergency Management's "Emergency Communications Tax" webpage, [here](#)). Additional funding is needed and the practice of periodically sweeping funds out of the state's emergency management account for other uses must cease. It is worthy of note that the practice of "sweeps" disqualifies the state from receiving federal funds for emergency communications. It is unknown how many federal dollars have been foregone as a result of this policy.

Presented by the Telecom, Broadband & Cable Committee and endorsed by the Finance & Taxation Committee

B. Annexation Flexibility

Legislation:

The League will work to increase the flexibility for cities to annex residential areas and to encourage voluntary annexations, with a primary focus on improving the island annexation process.

Background:

There is a significant disconnect between the state's land use process and the [process of annexation](#), which has created issues for a variety of cities. The annexation process requirements are particularly difficult for areas known as "islands". Even though cities can involuntarily annex islands, most cities have adopted a policy to only engage in voluntary annexation. This has left significant islands un-annexed. In addition, waiting for surrounding properties to voluntarily annex often means the process and order of annexation does not necessarily match the plans for infrastructure development. Unannexed lands remain on the buildable land supply but much of it will contain some level of development that was approved by the county, but is often underdeveloped when compared to the comprehensive plan.

However, there have been bills that have been introduced over the last few sessions that aim to make non-voluntary annexation more difficult (see e.g., [HB 2039](#) and [HB 2040](#)). As these bills have gotten hearings, the League has taken the opportunity to discuss how annexation and land use are very disconnected. This is particularly of interest as interest in housing development remains at the top of the list of legislative priorities. If local governments have greater control over the annexation process and can better incentivize voluntary annexation, they can better meet the development expectations of the land use system and their comprehensive plans. It also assists in the orderly development of infrastructure.

Tools that were recommended to consider included partial island annexation in residential areas, relaxation of the limit of 10 years to bring a property fully onto the city's property tax level, changing the boundary requirements for islands, and looking at how the withdrawal of special district territory can be better regulated.

Presented by the Community Development Committee

Please check or mark 4 boxes with an X that reflects the top 4 issues that your city recommends be added to the priorities for the League's 2019 legislative agenda.

A. 9-1-1 Tax	
B. Annexation Flexibility	
C. Auto Theft	
D. Beer and Cider Tax Increase	
E. Broadband Infrastructure	
F. Carbon Cap-and-Invest Program Adoption	
G. City Comparability for Compensation	
H. Green Energy Technology Requirement Changes	
I. Infrastructure Financing and Resilience	
J. Least Cost Public Contracting	
K. Local Control Over Speed Limits on City Streets	
L. Lodging Tax Definition Broadening	
M. Mental Health Investment	
N. Permanent Supportive Housing Investment	
O. PERS Reform	
P. PERS Unfunded Liability Revenue Stream Dedication	
Q. Place-Based, Water Resource Planning (Program Support)	
R. Property Tax Reform	
S. Qualification Based Selection (QBS)	
T. Right-of-Way and Franchise Fee Authority	
U. Safe Routes to School Match	
V. Small Area Cell Deployment	
W. Speed Cameras	
X. Speed Limit Methodology	
Y. Third Party Building Inspection	
Z. Tobacco Taxes Share Increase	
AA. Waste Water Technical Assistance Program	
BB. Wetland Development Permitting	
CC. Wood Smoke Reduction Program Support	

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C. Auto Theft

Legislation:

Address the deficiencies in the Unauthorized Use of a Motor Vehicle statute that were created after an adverse court ruling.

Background:

A 2014 Oregon Court of Appeals ruling requires that prosecutors prove beyond a reasonable doubt that a person driving a stolen car knew they were in violation of the law prohibiting the unauthorized use of a motor vehicle. Because of this ruling, unless confesses to the crime, obtaining a conviction for stealing a car is near impossible. The National Insurance Crime Bureau's 2017 "Hot Spots" report stated that Oregon experienced a 19 percent increase in auto theft over 2016. News stories on this issue may be found [here](#), [here](#) and [here](#).

Because of the ruling, auto theft has increased exponentially across rural and urban Oregon. A legislative fix was proposed in 2018 and was generally agreed to but was never voted on by either chambers due to the fiscal impact it would have on the state. A copy of the legislation can be found [here](#). This issue was brought to the Committee by a representative of the Oregon Association of Chiefs of Police and they have requested the League's supported in seeking to fix this issue. Of particular concern to the General Government Committee was the fact that vehicles being stolen tend to be older cars and trucks that are more likely to be owned by people of more modest means who would be unable to readily replace their vehicles without considerable impact.

Presented by the General Government Committee

D. Beer and Cider Tax Increase

Legislation:

The League proposes increasing the state taxes on malt beverages and cider to assist with rising public safety costs, improve public health, reduce alcohol consumption by minors, and provide alcohol tax equity with wine and liquor.

Background:

Oregon's tax has not been increased since 1978 and is currently \$2.60 per barrel which equates to about 8 cents on a gallon of beer. The tax is by volume and not on the sales price. (Yes, the bottle deposit is 60 cents and the tax is only about 4 cents on a six-pack!) Oregon is tied with Kentucky for the lowest beer taxes of all [states](#) (see page 98 in link). To get to the middle, Oregon would need to raise the tax to 80 cents per gallon (10-fold increase). Cities are [preempted](#) from imposing alcohol taxes. In exchange, cities receive approximately [34% of the state alcohol revenues](#) (see page 9 in link)(beer and wine taxes, license fees, and liquor profit sharing) as state shared revenues. However, because the tax is so small on beer, the share is also small. The beer tax brings in only about \$7 million per year state-wide; thus, the city share is about \$2.3 million of the total shared revenues. The total share for cities for all alcohol-based state shared revenues is estimated at over \$86 million. The League anticipates that excise tax increases including those on alcohol will be a part of revenue package discussions in 2019, and the League sees this concept as an important leveraging tool.

Presented by the Finance and Tax Committee and endorsed by the General Government Committee

E. Broadband Infrastructure

Legislation:

Seek additional state support and funding for increased and equitable broadband infrastructure deployment, especially in rural areas. Oppose legislative efforts to restrict existing municipal authority to provide broadband services.

Background:

The deployment of broadband and telecommunications networks and services (public and/or private) throughout Oregon is critical to economic development, education, health and safety and the ability of residents to be linked to their governments. Mapping research shows large areas of the state either not served or underserved by competitive broadband technology. A significant barrier to the deployment of broadband infrastructure is funding. Cities need additional funding and support from various sources, including the state and federal government, allocated for increased or new broadband infrastructure, especially for fiber connections to schools, community libraries, and public safety buildings. Also, oppose efforts by private internet service providers to restrict local efforts to make broadband technology available within their jurisdiction.

Presented by the Telecom, Broadband & Cable Committee

F. Carbon Cap-and-Invest Program Adoption

Legislation:

The League's Energy & Environment Policy Committee has recommended support, if specific principles are recognized and codified, of legislation that would implement a statewide cap on carbon emissions over time and that would generate revenues for strategic investments that further Oregon's greenhouse gas reduction goals. The cap on emissions would apply to certain "regulated entities" with carbon emissions over 25,000 metric tons annually. Regulated entities would receive allowances, or would generate offset credits, to emit carbon. The revenue from the purchase of allowances would be invested in specified programs aimed at furthering GHG reductions and mitigating program impacts. It is anticipated that funds generated from a cap on the transportation fuel industry may be subject to use per state Constitutional requirements related to the state highway fund. The statewide cap on carbon would be reduced over time to meet updated greenhouse gas reduction goals for Oregon.

For the League to support a statewide cap on carbon, the following principles would need to be recognized and codified in any legislation:

- The legislation and subsequent rulemaking processes would need to establish a forum to generate meaningful dialogue with rural Oregon communities and those with energy-intensive, trade-exposed industries. Equity considerations should be considered throughout this process by including cities and counties representing a variety of populations, regions of the state, and community demographics (e.g. low-income and underserved populations). Specific action should be taken to have representation from cities with populations of less than 1,500.
- The cap would need to apply to all sectors including utilities, industry and the transportation fuels sector (e.g. fuel producers) if annual carbon emissions exceed 25,000 metric tons.
- The program should be designed to link to the Western Climate Initiative which has a multi-jurisdictional carbon market (linking with programs in California, Ontario and Quebec)
- The revenue from the purchase of allowances would be invested in evidence-based technologies to reduce emissions from regulated sectors with excess revenues being invested in statewide programs to support climate resilience and rural Oregon economies. Requiring the reinvestment of allowance revenue will help regulated sectors become more efficient over time and less carbon intensive.

- In addition, LOC will advocate that additional revenues generated be dedicated to support programs including:
 - Technical assistance grants that local governments could access to help fund the adoption and implementation of local climate action/sustainability plans.
 - Funding for local woodstove smoke reduction programs to help communities in, or at risk of, non-attainment from woodstove smoke.
 - Funding to study and incentivize an expanded, yet sustainable, cross-laminated timber industry in Oregon with the intent of stimulating job creation in rural Oregon communities.
 - Funding for drought mitigation planning and resilience for Oregon water systems.

Background:

The League anticipates that the Legislature is very likely to pass legislation during the 2019 session that would implement a “cap-and-invest” program in Oregon, similar to the program adopted by California. Similar legislation has been considered by the Oregon Legislature during previous legislative sessions, but has failed to be brought for a vote. The political will to pass such a policy/program for Oregon appears to be incredibly strong; the Speaker of the House and President of the Senate are co-chairing the Joint Interim Committee on Carbon Reduction and the Governor’s team is staffing a new Carbon Policy Office to assist in the Committee’s efforts. The League’s Energy & Environment Committee has spent considerable time discussing this policy, including how best to craft a policy recommendation that makes both environmental and economic sense for the state and cities.

Presented by the Energy & Environment Committee

G. City Comparability for Compensation

Legislation:

The League will seek legislation to ensure that cities are compared only with cities of a similar cost of living when negotiating with strike prohibited bargaining units.

Background:

Oregon labor law doesn’t allow police officers, firefighters, emergency communicators and other public safety critical employees to strike. Instead when an impasse is reached when bargaining with labor unions that represent those workers, the state proscribes a set procedure involving an outside arbitrator to resolve those contract disputes. In that process the arbitrator will compare the city to other cities of similar size. As a result, the cities in rural areas are being compared with cities in metropolitan areas that have different economic circumstances. Klamath Falls with 20,000 people in it and a median home value of \$160,000 could be compared to Tualatin with a similar population and a median home value of \$355,000. This is not a reasonable comparison.

The Human Resources Committee notes that the Legislature created a variable minimum wage in Oregon in recognition of the different costs of living across the state. Each Oregon county is assigned to one of three wage zones with one being the Portland Metropolitan area, that second are less populous regions and the third are rural counties. The Committee recommends that cities only be compared to cities in the same wage zones. A detailed explanation and graphics of the proposal may be found [here](#).

Presented by the Human Resources Committee

H. Green Energy Technology Requirement Changes

Legislation:

Advance legislation to statutorily modify the existing “1.5 percent green energy technology for public buildings” requirement to allow for alternative investment options such as offsite solar or energy efficiency projects.

Background:

Oregon statute currently requires public contracting agencies to invest 1.5% of the total contract price for new construction or major renovation of certain public buildings on solar or geothermal technology. The requirement allows for offsite technology, but only if the energy is directly transmitted back to the public building site and is more cost-effective than onsite installation. Removing the requirement that an offsite project be directly connected to the public building project could result in increased flexibility for local governments to invest in solar projects that are more cost-effective and provide for increased solar energy generation. In addition, the League will advocate to allow 1.5 percent funds to be invested in alternative projects that provide a greater economic or social return on investment including energy efficiency.

Presented by the Energy & Environment Committee

I. Infrastructure Financing and Resilience

Legislation:

The League will advocate for an increase in the state’s investment in key infrastructure funding sources, including, but not limited to, the Special Public Works Fund (SPWF), Brownfield Redevelopment Fund, and Regionally Significant Industrial Site loan program. The advocacy will include seeking an investment and set aside through the SPWF for seismic resilience planning and related infrastructure improvements to make Oregon water and wastewater systems more resilient.

Background:

A key issue that most cities are facing is how to fund infrastructure improvements (both to maintain current and to build new). Increasing state resources in programs that provide access to lower rate loans and grants will assist cities in investing in vital infrastructure. Infrastructure development impacts economic development, housing, and livability. The level of funding for these programs has been inadequate compared to the needs over the last few biennia and the funds are depleting and unsustainable without significant program modifications and reinvestments.

The funds are insufficient to cover the long-term needs across the state. While past legislative sessions have focused on finding resources for transportation infrastructure, the needs for water, wastewater, and storm water have not been given the same attention. A LOC survey of cities in 2016 identified a need of \$7.6 billion dollars over the next 20 years to cover water and wastewater infrastructure projects for the 120 cities who responded. This shows a significant reinvestment in the Special Public Works Fund (SPWF) is needed to help meet the needs of local governments. Without infrastructure financing options, cities cannot meet the needs of new housing or new business – high priorities for cities across the state.

In addition, there is a critical need to improve upon the seismic resilience of public drinking water and wastewater systems. The Oregon Resilience Plan (2013) identified Oregon’s water and wastewater systems as especially vulnerable to damage resulting from a Cascadia subduction zone earthquake. The plan recommended all public water and wastewater systems complete a seismic risk assessment and mitigation plan for their system. This plan would help communities identify and plan for a backbone water system that would be capable of supplying critical community water needs after a significant seismic event.

However, there is currently no dedicated funding to assist communities with this planning effort and the funding needed to repair/retrofit water infrastructure is significantly inadequate. Investments have been made in Oregon to seismically retrofit public safety facilities and schools, but without planning for infrastructure resilience, communities may not have access to water for critical needs, including drinking water and water for fire suppression, in the immediate aftermath of a seismic event.

This priority will focus on maximizing both the amount of funding and the flexibility of the funds to meet the needs of more cities across the state to ensure long-term infrastructure investment.

Presented by the Community Development Committee and endorsed by the Finance & Taxation and Water/Wastewater committees

J. Least Cost Public Contracting

Legislation:

Introduce and/or support legislation repealing Section [45\(2\)\(a\)\(G\)](#) and Section [45\(3\)\(a\)\(G\)](#) of HB 2017 (enacted in 2017) relating to compliance with least cost public contracting requirements as a condition for fuel tax increases after 2020.

Background:

As a matter of public policy, the League fundamentally disagrees with this linkage of transportation projects funding with public contracting standards applicable to specific local projects. Under HB 2017 (enacted in 2017) cities must comply with least cost public contracting standards set forth by [ORS 279C.305](#) for subsequent the two-cent increases in the state gas tax to occur in 2020, 2022 and 2024. Literally interpreted, one recalcitrant city *might* be able to stop the next gas tax increase by its failure to comply with this statute.

Presented by the Transportation Committee and endorsed by Finance and Taxation Policy Committee

K. Local Control Over Speed Limits on City Streets

Legislation:

Introduce legislation that allows Oregon cities to opt-in (voluntarily) to adjust their speed limits on residential streets 5 mph lower than the statutory speed limit.

Background:

[HB 2682](#) (enacted in 2017) allows the city of Portland to establish by ordinance a designated speed for a residential street under the jurisdiction of the city that is five miles per hour lower than the statutory speed provided the street is not an arterial highway. This authority should be extended to all cities and be considered permissive (not required). Cities should be able to determine speeds that are adequate and safe for their communities.

Presented by the Transportation Committee

L. Lodging Tax Definition Broadening

Legislation:

The League proposes adjusting and broadening the definitions of tourist, tourism promotion, and tourism-related facility as those terms are defined in the lodging tax statutes to ensure state-wide continued tourism and related [economic](#) (see page 17 of link) and [tax growth](#) (see page 223 of link), assist with city tourist costs, and provide local choice and revenue flexibility.

Background:

In 2003, when the state imposed a state lodging tax, the Legislature preempted cities by imposing restrictions on the use of local lodging tax revenues. (The percentage of restricted revenues varies by city.) Restricted tax revenues must be used for tourism promotion or tourism-related facilities. While the League will support all legislation that provides more flexibility on local tax usage, the League will advocate for lodging tax legislation that broadens those terms to clearly cover city costs of tourist events, tourism-related facility maintenance, tourist amenities, tourist attraction enhancement and public safety costs for special tourist events. Language from Section 3 of the [dash 1 amendment to HB 2064 \(2017\)](#) and [Section 1 of HB 2064 \(2017\)](#) will likely serve as a starting place. See also this [power point presentation](#) and this [LOC testimony](#) (supporting HB 2064) for further information.

Presented by the Finance and Tax Committee

M. Mental Health Investment**Legislation:**

The League will seek to protect and enhance the investments made to Oregon's treatment of the mentally ill.

Background:

In 2015, the Legislature funded rental and housing assistance for persons suffering from mental illness, specialized training for police officers to assist people in mental health crisis, multi-disciplinary crisis intervention teams and expanded access to treatment. While providing direct mental health services is not a standard city service, the state of care for persons in crisis had deteriorated to the point city police officers were regularly the primary public employee to provide interventions. The December, issue of Local Focus was devoted to cities and mental health, those articles may be found [here](#).

Because of the anticipated budget shortfalls in 2019, the General Government Committee would like the League to ensure that services established in 2015 are not cut and to capitalize on any opportunities that may exist or be created to enhance those investments.

Presented by the General Government Committee

N. Permanent Supportive Housing Investment**Legislation:**

The League will support increased investments in the services that are provided to people who are living in permanent supportive housing.

Background:

[Permanent supportive housing](#) serves specific populations that traditionally face difficulty in remaining in housing due to additional, complex needs by providing housing and other services at the same time. A [variety of populations](#), such as seniors, veterans, families, and those with mental health conditions, have different services that accompany their housing support. Permanent supportive housing models that use a Housing First approach have been proven to be highly effective for ending homelessness, particularly for people experiencing chronic homelessness who have higher service needs. Investment in the services is as important as the housing because residents that do not receive these additional supports often end up returning to homelessness based on issues related to their other issues.

However, in many areas the funding for housing is not well matched with the funding for the services. The state is the primary funding source for these services. However, there is some disconnect between the housing support provided by the [Oregon Housing and Community Services Department \(OHCS\)](#) and the [Oregon Health Authority \(OHA\)](#).

To help communities that are working to provide opportunities for permanent supportive housing and those seeking to find long-term solutions to local homelessness issues, better investment in the services is vital to success of these programs. By supporting appropriations to OHCS and OHA for these services, more support services can be provided to those that are in permanent supportive housing and lead to better outcomes.

Presented by the Community Development Committee

O. PERS Reform

Legislation:

The League will seek legislation to modernize the PERS investment pool, ensure proper financial controls are adhered to, and give cities a greater voice in how their monies are invested. The League will also seek legislation that shares the risk and costs of the pension benefit with employees but does so in a manner that impacts employees based on the generosity of the benefit plan they will retire under.

Background:

Oregon's Public Employee Retirement System (PERS) is a three-tiered program that provides a defined benefit pension (a pension that pays a retiree and their beneficiary a set amount for the length of their retirement) and a deferred compensation program that is funded through employee contributions. Each of the three tiers pays a different benefit and an employee's placement in a given tier is based on the date they were hired. Tier I is the most generous benefit and has an option for an annuity based retirement that has been incredibly expensive to maintain. Tier I was replaced by Tier II in 1996. Tier II costs, though reduced, were also unsustainable and were replaced with a third tier, known as the Oregon Public Service Retirement Plan (OPSRP) which is designed to provide a 45 percent salary replacement after a full career. A primer on the PERS system may be found [here](#).

The cost to employers for this system has risen steadily since the market crash of 2008, and will increase again on July 1, 2019 (projected individual employer rates may be found [here](#)) and then again in 2021 and possibly again in 2023. Rates are anticipated to remain at a system wide average of around 29 percent of payroll and remain at that level until 2035 without reforms.

Adverse court rulings to previous attempts at reforms have limited our options to addressing benefits not yet earned. With that in mind the Human Resources Committee recommends reforms in the three following areas:

- Ensure that investments into the PERS system are achieving the maximum possible return in the most efficient manner possible while safeguarding the funds with proper financial controls.
- Requiring that employees absorb some of the costs for the pension system but ensure that OPSRP employees are impacted more favorably than Tier I and Tier II employees who will receive more generous retirement benefits.
- Establishing a fourth tier that provides similar benefits to employees but is funded in a more sustainable manner. Providing incentives to retirees and current employees in the other tiers to switch to the fourth tiers should be explored as well.

Presented by the Human Resources Committee

P. PERS Unfunded Liability Revenue Stream Dedication

Legislation:

The League proposes that a new state revenue stream be dedicated to paying down the unfunded liability over a period of years to sustain the Public Employees Retirement System (PERS).

Background:

The present unfunded liability has grown extraordinarily large and is causing rate increases for most local governments and schools that are not sustainable. The League would support all reasonable revenue stream ideas. Ideas include but are not limited to a new temporary limited sales tax, a new payroll tax, and a new temporary state property tax. The League will advocate that PERS cost-containment measures be pursued along-side revenue raising efforts to pay down the liability; both seem necessary to address the state-created problem.

Presented the Finance and Tax Committee and endorsed by the Human Resources Committee

Q. Place-Based, Water Resource Planning (Program Support)**Legislation:**

The League will advocate for the funding needed to complete existing place-based planning efforts across the state.

Background:

Oregon's water supply management issues have become exceedingly complex. Lack of adequate water supply and storage capacity to meet existing and future needs is an ongoing concern for many cities in Oregon and is a shared concern for other types of water users including agricultural, environmental and industrial. Most of the surface water in Oregon (during peak season months) is fully allocated with no new water available. As a result, the ability to meet existing and future demand for various water uses will require collaboration, improved management and coordinated conservation among a variety of stakeholders, including municipalities. For this reason, the Legislature passed legislation to create a place-based planning pilot program in Oregon. This program, administered through the Oregon Water Resources Department, is providing a framework and funding for local stakeholders to collaborate and develop solutions to address water needs within a watershed, basin or groundwater area. Place-based planning is intended to provide an opportunity for coordinated efforts and the creation/implementation of a shared vision to address water supply challenges. Four place-based planning efforts are currently underway across the state in the Malheur Lake Basin, Lower John Day sub-basin, Upper Grande Ronde sub-basin and mid-coast region. Without continued funding, these efforts will not be able to complete their work. The LOC Water & Wastewater Policy Committee recognized that while this funding is limited to specific geographic areas, they also recognize the importance of successfully completing these pilot efforts and conducting a detailed cost/benefit analysis. It is a critical step in order to demonstrate the benefits of this type of planning. If these local planning efforts prove to be successful, there will likely be future efforts to secure additional funding for other place-based planning projects across the state.

R. Property Tax Reform**Legislation:**

The League of Oregon Cities proposes that the property tax system should be constitutionally and statutorily reformed as part of the 2019 session work on state and local tax reform and improving funding for [schools](#) (see pages 69-72 of link; property taxes make up 1/3 of school funding).

Background:

The property tax system is [broken and in need of repair](#) due to [Measures 5 and 50](#), which are both now over 20 years old. All local governments and schools rely heavily on property tax revenues to pay for services and capital expenses. Therefore, the League will participate in coalitions to help draft and advocate for both comprehensive and incremental property tax reform option packages. The League will remain flexible to support all legislation that improves the system, with a focus on a property tax package with these elements:

- To achieve equity, a system that transitions to a market-based property tax valuation system (RMV) rather than the present complex valuation system from Measure 50 (requires constitutional referral).
- To enhance fairness and adequacy, a system that makes various statutory changes, some of which would adjust the impact of a return to RMV. For example, the League supports a new reasonable homestead exemption (percentage of RMV with a cap) but also supports limiting or repealing various property tax exemptions that do not have a reasonable return on investment.
- To restore choice, a system that allows voters to adopt tax levies and establish tax rates outside of current limits (requires constitutional referral).

[SJR 3](#) (see page 50 of link)(constitutional referral with return to real market value system) and [SB 151](#) (see page 48 of link) (homestead exemption bill) from the 2017 session will likely serve as starting points. City property tax data including real market values and assessed values can be accessed [here](#).

Presented by the Finance and Tax Committee

S. Qualification Based Selection (QBS)

Legislation:

The League will seek to reform the Qualification Based Selection (QBS) requirements to allow for the consideration of price in the initial selection of architects, engineers, photogrammetrists and surveyors.

Background:

The state currently prohibits the consideration of price when making an initial selection when awarding contracts for certain design professionals when conducting public improvements. Instead of issuing a request for proposals as is done with most public improvement projects, contracting agencies issue “requests for qualifications” on a project. Cities may negotiate price only after the initial selection of a contractor is made. Under this system a city or other contracting agency will never know the price of other qualified and responsible bidders on a project.

The League’s General Government Committee concluded that this process is not in the interests of cities or tax payers as it precludes the use of competitive bids. There is no other area in which a consumer, public or private, would procure a service or product without considering the price.

Presented by the General Government Committee

T. Right-of-Way and Franchise Fee Authority

Legislation:

Oppose legislation that, in any way, preempts local authority to manage public rights-of-way and cities’ ability to set the rate of compensation for the use of such rights-of-way.

Background:

In its commitment to the protection of Home Rule and local control, the League consistently opposes restrictions on the rights of cities to manage their own affairs. From time to time, in the context of public rights-of-way management authority discussions, proposals to restrict to this authority arise. Such was the case during the 2017 legislative session with [SB 202](#) and [SB 840](#). These efforts to restrict local authority often include proposals for a statewide right-of-way access policy and compensation system as well as limiting the ability of cities to charge fees of other government entities. This is contrary to local government management authority; the ability to enter into agreements with users of the right-of-way either by agreement/contract or ordinance; and to set the rate of compensation.

Presented by the Telecom, Broadband & Cable Committee

U. Safe Routes to School Match

Legislation:

Introduce legislation lowering the local Safe Routes to Schools matching grant requirement to 20 percent from 40 percent and lowering the matching grant requirement for areas qualifying for exceptions to 10 percent from 20 percent.

Background:

[Section 123 of HB 2017](#) (enacted in 2017) authorizes the Oregon Transportation Commission to provide matching grants for safety improvement projects near schools. To receive the grant cities must provide a 40 percent cash match unless the school is located in a city with a population of less than 5,000; is within a safety corridor; or qualifies as a Title I school in which case the cash match requirement is reduced to 20 percent. While cities support the availability of matching grant funds provided by the state, the current cash match requirements are too high for most cities to participate in the program.

Presented by the Transportation Committee

V. Small Area Cell Deployment (also known as “Small Cell Deployment”)

Legislation:

Oppose legislation that preempts local authority to manage public property while supporting deployment of wireless technology, including small area cell and 5G.

Background:

Legislative efforts involving the deployment of small area cell facilities are increasing around the nation. Currently 20 states ([Arizona](#), [Colorado](#), [Delaware](#), [Florida](#), [Hawaii](#), [Illinois](#), [Indiana](#), [Iowa](#), [Kansas](#), [Minnesota](#), [North Carolina](#), [New Mexico](#), [Ohio](#), [Oklahoma](#), [Rhode Island](#), [Tennessee](#), [Texas](#), [Utah](#), [Virginia](#), and [Washington](#)) have passed bills that limit cities ability to collect appropriate and fair rights-of-way, permitting, and lease fees on municipal property; to control their own design and aesthetics; or otherwise manage wireless technology deployment within their jurisdictions. This type of legislation is not going away. In fact, it is just beginning.

During the 2017 session, the League was approached independently by representatives of two wireless companies with draft concepts that could have resulted in legislation compromising local authority to manage the deployment of small area cell and 5G technology. Issues raised included “shot clock” (time allowed for cities to rule on applications), fee structures and limits, contract terms and duration, land use issues etc. These efforts are expected to continue in 2019 and with greater urgency as the technology approaches deployment status. While cities in Oregon support the advent of new wireless technology including small cell and 5G, authority to ensure their deployment complies with local laws and policies must be maintained.

Presented by the Telecom, Broadband & Cable Committee

W. Speed Cameras

Legislation:

Introduce and/or support legislation authorizing cities to use fixed speed cameras at locations other than intersections.

Background:

Speeding is a public safety issue. The Oregon Transportation Safety Action Plan envisions no deaths or life-changing injuries on Oregon's transportation system by 2035. Currently, cities have the authority as a result of [HB 2409](#) (enacted in 2017) to issue a speeding citation from the same camera and sensor system used to enforce red light compliance at intersections.

Further, speeding does not only occur at intersections. Additional automated enforcement, outside of intersections, would be a valuable tool allowing cities to mitigate dangerous behaviors and speeding. In 2015, the Oregon Legislature granted the city of Portland the authority to implement a fixed speed safety camera program ([HB 2621](#)). The fixed speed camera systems have been operating on "urban high crash corridors" that are also part of the city of Portland's High Crash Network. While this program has not been in place long, the comparison of before and after speeds near the fixed photo radar system is indicating that the automated enforcement is positively influencing speed reduction (see [PBOT report](#)). This legislation would extend the authority to all Oregon cities to implement fixed speed safety camera programs to help reduce the number of deaths and serious injuries that occur as a result of speeding.

Presented by the Transportation Committee

X. Speed Limit Methodology**Legislation:**

Introduce legislation that directs the Oregon Department of Transportation to develop a new speed setting methodology for cities and other urban areas that uses a safe systems approach validated by expert system tools as recommended by [NTSB Safety Study SS-17/01](#).

Background:

The NTSB safety recommendations represent current data-driven best practices to determine speed limits. Currently, Oregon speed limits are set based on the guidance that speed limits in speed zones within cities should be within 10 mph of the 85th percentile speed as determined by [The NTSB Safety Study SS-17/01](#), "Reducing Speeding-Related Crashes Involving Passenger Vehicles" concludes,

- "Speed increases the injury severity of a crash;"
- "...that unintended consequences of the reliance on using the 85th percentile speed for changing speed limits in speed zones include higher operating speeds and new, higher 85th percentile speeds in the speed zones, and an increase in operating speeds outside the speed zones;"
- "...that the safe system approach to setting speed limits in urban areas is an improvement over conventional approaches because it considers the vulnerability of all road users."

Presented by the Transportation Committee

Y. Third Party Building Inspection**Legislation:**

The League will clarify the ability for local government programs to have private party building officials and building inspectors provide services for local building inspection programs, including recognizing that privately employed specialized inspectors can to perform specialized inspections.

Background:

Beginning in 2017, the League has been working to defend local building inspection programs that contract with third-party companies to provide building official and inspectors to run the local program. However, the Oregon Building Codes Division (BCD) has stated that the Oregon Department of Justice (DOJ) [has informed BCD](#) that programs that are structured this way violate the constitutional prohibition on delegating government authority. The League has repeatedly asserted that we disagree with that legal assessment. There was a bill introduced in 2018, [HB 4086](#), that would have adopted new requirements for

local governments running programs. The League worked with other stakeholders to prevent passage of the bill, but we committed to working on a legally defensible solution that does not prevent these locally run programs from continuing.

After the session, the BCD determined that it would implement new rules for locally run inspection programs to meet the asserted legal opinion on delegation. On April 23, the BCD enacted [emergency temporary rules](#) that added significant requirements for local building inspection programs. The new rules required local programs to designate a government employee as a city's building official. The rules also required the city to have a government-employed, certified electrical inspector. Both positions could be filled by hiring the person directly or by an agreement between municipalities to share the employee(s). The rules further stated that a shared employee could only service three jurisdictions.

In May, the Director of the Consumer and Business Services, who oversees the BCD, informed the League that the temporary rules were rescinded. The Department's decision to rescind the rules included a statement that they would seek a formal opinion from the DOJ to clarify the issue of delegation. However, the BCD did replace the rescinded rules with [another temporary emergency rule](#). This new rule was enacted on May 18 and states that a local government must appoint a government-employed building official.

In addition to the concerns about using third-party building officials, there is currently statutory prohibition on specialized inspectors that are employed in the private sector to complete specialized inspections. There are a limited number of these inspectors, and, without removal of this prohibition, larger scale projects will not be able to move forward because they cannot be inspected and permitted. This issue was the catalyst for the overall discussion related to third-party building officials, but is not related to the asserted legal claims.

There is a commitment to work on this issue in the 2019 session, but it remains an issue of high concern as it directly impacts the flexibility of local government choice on how to provide services at the local level. Using third-party providers allows smaller jurisdictions to have local, efficient programs that provide clarity for the local development community. It also allows a base of business for these companies, which also serve to provide over-flow capacity to programs that primarily staff these programs with government staff. Therefore, this issue is vital to the long-term success of locally run building inspection programs.

Presented by the Community Development Committee

Z. Tobacco Taxes Share Increase

Legislation:

The League proposes seeking a share of all state tobacco product tax revenues to assist with rising public safety costs and provide state shared revenue equity.

Background:

Only cigarette tax revenues are included in the [state-shared revenue](#) distribution to cities and those revenues are decreasing; cities receive about 2% of the cigarette tax revenues or \$3.6 million a year under the formula. [Other tobacco](#) (chew, snuff, cigars, pipe tobacco, etc.) is also taxed by the state and those revenues have been increasing ([now over \\$60 million a year](#)), but those revenues are distributed only to the state. Cities are preempted from taxing cigarettes and other tobacco products. However, cities are often left to enforce tobacco laws and handle sales and use complaints. The League proposes that cities should receive a fair share of all the tobacco tax revenues. The League anticipates that excise tax increases to cigarettes and other tobacco products, and a new vaping tax will be a part of revenue package discussions in 2019, and the League sees this concept as an important leveraging tool.

Presented by the Finance and Tax Committee

AA. Waste Water Technical Assistance Program

Legislation:

The League will advocate for the creation of a circuit rider program, within the Department of Environmental Quality, to provide needed technical assistance for communities on water quality issues, including wastewater treatment and permit compliance options. Staffing for the circuit rider program would be provided through a third-party contract (or contracts). The League will work to identify funding resources to support this program, including a possible set aside of Oregon's federal Clean Water State Revolving funds.

Background:

As Clean Water Act requirements for public wastewater systems continue to evolve, with new and more stringent requirements being placed on a number of Oregon communities; cities have expressed concern over how best to comply with those requirements, especially with the limited technical and financial resources that many face. The League's Water & Wastewater Committee discussed the need for technical assistance for communities experiencing these challenges and looked to an existing program within the Oregon Health Authority's (OHA) Drinking Water Services division as a template for addressing this need. The OHA funds a circuit rider program through a third-party contract. The program is funded through federal Drinking Water State Revolving Loan Funds. The program is intended to help more communities be successful in complying with state and federal requirements. The services provided through the program are free for communities with populations of less than 10,000.

Presented by the Water/Wastewater Committee

BB. Wetland Development Permitting

Legislation:

The League shall work to establish legislative authority for the Department of State Lands to assume the federal program from the U.S. Army Corps of Engineers under section 404 of the Clean Water Act.

Background:

In many communities looking to develop in the wetlands creates regulatory uncertainty, particularly where development is occurring in previously un-identified wetlands, because there are two agencies that must provide permits, the Oregon Department of State Lands (DSL) and the U.S. Army Corps of Engineers (USACE). The state's process has set deadlines which provides certainty for developers. However, the USACE process is much less consistent or timely. This uncertainty increases risk related to development that can cause projects to stop before they start. In a time where cities are trying to encourage development to meet the housing shortages and economic development goals to support citizens, any increased barriers can impact success.

There is a process in place at the federal level that would allow for the state to assume the USACE permitting process increasing the efficiency and certainty in the process. The [state has taken steps](#) in the past to ensure alignment of the state program to the requirements for federal approval. However, there were concerns raised at the time that the process related to the Endangered Species Act and cultural resource protections. The DSL has continued to work on these conflicts and believes it is positioned to work with the federal government to assume the federal permitting process if so authorized by the state legislature. For further information, the DLS provided a presentation for the committee, available [here](#).

Presented by the Community Development Committee

CC. Wood Smoke Reduction Program Support

Legislation: Support increased funding to support local wood smoke reduction programs and efforts. The League will advocate the need for an additional \$3-5 million, recognizing that any additional funding to assist communities is helpful.

Background: Woodstove smoke is one of the most significant sources of fine particulate and toxic air pollution in Oregon, often jeopardizing public health and putting communities at risk of violating federal air quality standards. Woodstove smoke is a problem for many Oregon communities that struggle with both the public health impacts and economic threat of being designated as nonattainment under the federal Clean Air Act. To address this challenge, local governments need access to funding for wood smoke reduction programs. Such programs have proven effective at reducing wood smoke in communities and include public education, enforcement, incentives for woodstove change-outs (to ductless heat pumps or certified stoves, weatherization assistance for low-income households and providing residents with dry, seasoned fire wood which burns cleaner. A 2016 taskforce report that was submitted to the Legislature indicated that there are approximately 150,000 uncertified stoves in the state, and that while Oregon has a long and successful history of replacing woodstoves in certain communities, money is sporadic and limited. The report went on to suggest that “an allocation in the range of \$3-5 million per biennium could target high-risk communities and would support a meaningful level of effort to replace old, dirty woodstoves.”

In 2017, the Legislature provided \$250,000 in funding for community wood smoke reduction programs. The need for local communities, including a number of small cities, is much greater.

Presented by the Energy & Environment Committee

COUNCIL RESOLUTION No.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,
CALLING FOR TRIMET TO RAPIDLY DECARBONIZE ITS FLEETS AND TO TRANSITION
THEM TO EMISSION FREE VEHICLES.**

WHEREAS, the Council previously acknowledged that climate change is the single largest threat to the future citizens of Milwaukie and Council has approved a Vision calling for Milwaukie to become a Net Zero City by the year 2040 to help forestall the worst effects of climate change, and to develop a Climate Action Plan for the City; and

WHEREAS, transportation pollution is the biggest source of greenhouse gas emissions in the Metro region and statewide; and

WHEREAS, the City and the Metro region are regularly ranked as suffering from some of the highest levels of diesel pollution in the country and the unhealthy diesel exposure increases its residents' risk of heart attacks, strokes, cardiovascular disease, asthma and other respiratory problems; and

WHEREAS, TriMet is the single largest purchaser and user of diesel fuel in Oregon, has over 600 diesel buses operating in its fleet today, typically purchases up to 50 new replacement diesel buses every year, the life cycle of each new diesel bus is 16 years and if TriMet transitioned to a zero-emission bus fleet, it would eliminate at least 39,990 tons of CO₂ pollution each year, the equivalent of taking 7,720 cars off the road; and

WHEREAS, electric buses already are cost competitive with diesel buses on a lifecycle basis, even excluding consideration of the environmental, health, and societal benefits; and

WHEREAS, residents of Milwaukie have expressed a strong preference for TriMet to invest in purchasing electric buses during the transit agency's recent budget workshop in Milwaukie, asking the transit agency's actions to be consistent with the values of the city it serves; and

WHEREAS, TriMet is behind the curve on transitioning to electric buses compared to the country's biggest fleets, with King County, Washington; Los Angeles County, California; New York City, New York, and many other transit agencies around the country already having committed to a transition to 100% electric bus fleets.

Now therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that TriMet is strongly encouraged to:

1. Purchase no new diesel buses to service Milwaukie or any other part of the TriMet service territory after 2020;
2. Ensure its fleet (including transit buses and other TriMet-owned vehicles) is fully converted to zero emission vehicles by no later than 2035; and

3. Prioritize during the rapid transition to electric buses, placement of the first electric buses in Metro area communities with poorest air quality, especially low-income communities and communities of color.

Introduced and adopted by the City Council on **July 17, 2018**.

This resolution is effective immediately.

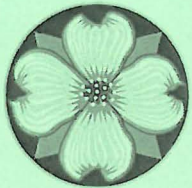
Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Scott Stauffer, City Recorder

City Attorney



CITY OF MILWAUKIE
CITY COUNCIL

10722 SE Main Street
P) 503-786-7502
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Speaker Registration

The City of Milwaukie encourages all citizens to express their views to their city leaders in a **respectful** and **appropriate** manner. If you wish to speak before the City Council, fill out this card and hand it to the City Recorder. Note that this Speakers Registration card, once submitted to the City Recorder, becomes part of the public record.

Name:

MICHAEL HALL

Organization:

Address:

4323 SE MASON LN 97222

Phone:

(971) 678-1671

Email:

Meeting Date:

7/17/18

Topic:

ELECTRIC BUSES

Agenda Item You Wish to Speak to:

☐ #4 Audience Participation

☒ #5 Public Hearing, Topic:

☐ #6 Other Business, Topic:

You are Speaking...

☒ in Support

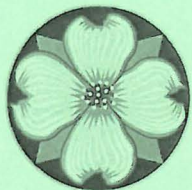
☐ in Opposition

☐ from a Neutral Position

☐ to ask a Question

Comments:

G. D. I.



**CITY OF MILWAUKIE
CITY COUNCIL**

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Name: Kevin Fairham-Wheeler

Organization:

Address: 3901 SE Lacy Nana Lane

Phone: (503) 701-9707

Email: Electricwheelerke@gmail.com

Meeting Date: 7/17/10

Topic:

Resolution Encouraging Buses

Agenda Item You Wish to Speak to:

- ☐ #4 Audience Participation
- ☐ #5 Public Hearing, Topic:
- ☐ #6 Other Business, Topic:

You are Speaking...

- ☒ in Support
- ☐ in Opposition
- ☐ from a Neutral Position
- ☐ to ask a Question

Comments:

G. D. I.

COUNCIL RESOLUTION No.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, IN SUPPORT OF THE REGIONAL AFFORDABLE HOUSING BOND MEASURE AND CONSTITUTIONAL AMENDMENT.**

Whereas, Milwaukie and the rest of the Portland Metro Region are experiencing an unprecedented number of people whose wages have not kept up with the cost of housing and are therefore housing burdened and at-risk of or experiencing homelessness; and

Whereas, in Milwaukie 45% of all renters spend more than 30% of their income, and 25% spend more than half of their income on housing; and

Whereas, more than 1,400 children in school districts across Clackamas County and nearly 400 in the North Clackamas School District, which includes Milwaukie, experienced homelessness last year; and

Whereas, every child deserves the right to a safe and secure home, and stable housing for families is the single most important factor in the likelihood of children being successful in life; and

Whereas, because of low vacancy rates and many residents being displaced, Milwaukie declared a housing emergency two years ago which is still in place; and

Whereas, Milwaukie's vacancy rate is still below the 4% emergency level; and

Whereas, housing affordability is an important goal of the City Council; and

Whereas, the proposed Metro bond will provide more than \$116 million for permanently affordable housing in Clackamas County alone and \$652.8 million total for the Portland Metro Region, housing up to 7,500 people, including families, seniors, veterans, and people with disabilities; and

Whereas, passing the statewide constitutional amendment during the November 2018 General Election would allow local jurisdictions to partner with private organizations, leveraging the bond dollars and housing up to 12,000 people in the Metro Region.

Now Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that we strongly support the proposed Metro Regional Affordable Housing Bond and the Oregon Constitutional Amendment and strongly encourage all voters in the Metro Region and across the State to vote YES on these two measures.

Introduced and adopted by the City Council on **July 17, 2018**.

This resolution is effective immediately.

Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Scott Stauffer, City Recorder

City Attorney



EXHIBIT A

(FINAL VERSION WILL BE IN ATTACHED FORM SEL 802)

CAPTION – 10 words

Confirms Expenditure of previously authorized Library Bond Funds. (10)

QUESTION – 20 words

Shall the City be authorized to use existing Library Bond funds to renovate or rebuild the Ledding Library? (20)

SUMMARY – 175 words

No new taxes will be levied as a result of this measure.

If approved, this measure would authorize the City of Milwaukie to spend previously approved General Obligation (GO) Bond funds, in their entirety, on either the remodel or rebuilding of the Ledding Library and removes the Pond House from the project. Voters approved the issuance of \$9,200,000 GO Bonds for library repairs and improvements on May 17, 2016. Since then, a study of the existing building found significant deficiencies that led the City to propose removing and rebuilding the structure. This measure authorizes the 2016 approved bond funds to be expended by the City to remodel or rebuild the library. If approved, any project costs previously expended for either a remodel or rebuild of the library will be an authorized expenditure of the \$9,200,000 bond funds.

(125)