



**Regular Session**

**RS**

**Milwaukie City Council**

**COUNCIL REGULAR SESSION**

City Hall Council Chambers, 10722 SE Main Street  
& Zoom Video Conference ([www.milwaukieoregon.gov](https://www.milwaukieoregon.gov))

**AGENDA**

FEBRUARY 7, 2023

**Council will hold this meeting in-person and through video conference.** The public may attend the meeting by coming to City Hall or joining the Zoom webinar, or watch the meeting on the [city's YouTube channel](#) or Comcast Cable channel 30 in city limits. For Zoom login visit <https://www.milwaukieoregon.gov/citycouncil/city-council-regular-session-341>.

**To participate in this meeting by phone** dial 1-253-215-8782 and enter Webinar ID 831 8669 0512 and Passcode: 023745. To raise hand by phone dial \*9.

**Written comments** may be delivered to City Hall or emailed to [ocr@milwaukieoregon.gov](mailto:ocr@milwaukieoregon.gov). Council will take verbal comments.

**Note:** agenda item times are estimates and are subject to change.

**Page #**

1. **CALL TO ORDER** (6:00 p.m.)
  - A. **Pledge of Allegiance**
  - B. **Native Lands Acknowledgment**
2. **ANNOUNCEMENTS** (6:01 p.m.) **2**
3. **PROCLAMATIONS AND AWARDS**
  - A. **Celebrating Black Excellence Month – Proclamation** (6:05 p.m.) **4**  
Presenter: Desi Nicodemus, Council President
4. **SPECIAL REPORTS**
  - A. **Safe Routes to Schools Update – Report** (6:15 p.m.)  
Presenter: Nick d'Alonzo, Safe Routes to Schools
5. **COMMUNITY COMMENTS** (6:35 p.m.)

To speak to Council, please submit a comment card to staff. Comments must be limited to city business topics that are not on the agenda. A topic may not be discussed if the topic record has been closed. All remarks should be directed to the whole Council. The presiding officer may refuse to recognize speakers, limit the time permitted for comments, and ask groups to select a spokesperson. **Comments may also be submitted in writing before the meeting, by mail, e-mail (to [ocr@milwaukieoregon.gov](mailto:ocr@milwaukieoregon.gov)), or in person to city staff.**
6. **CONSENT AGENDA** (6:40 p.m.)

Consent items are not discussed during the meeting; they are approved in one motion and any Council member may remove an item for separate consideration.

  - A. **Approval of Council Meeting Minutes of:** **14**
    1. January 3, 2023, work session, and
    2. January 3, 2023, regular session.
  - B. **Transportation System Plan Advisory Committee (TSPAC) Appointments – Resolution** **18**
  - C. **Approval of a Memorandum of Agreement (MOA) with Dave's Killer Bread for Electric Vehicle (EV) Charging Station Funding – Resolution** **23**

**6. CONSENT AGENDA (continued)**

- D. Authorization of a Guaranteed Maximum Price (GMP) for the New City Hall Improvements Project – Resolution 32**
- E. Approval of an Oregon Liquor Control Commission (OLCC) Application for Oak Union Brewing, 1887 SE Milport Rd, Unit 310 – Wholesale Outlet 35**

**7. BUSINESS ITEMS**

- A. EV Strategy and City EV Infrastructure – Discussion (6:45 p.m.) 37**  
Staff: Peter Passarelli, Public Works Director,  
Natalie Rogers, Climate & Natural Resources Manager, and  
Damien Farwell, Fleet & Facilities Supervisor
- B. Preliminary Housing Production Strategy – Discussion (7:15 p.m.) 40**  
Staff: Joseph Briglio, Community Development Director, and  
Laura Weigel, Planning Manager

**8. PUBLIC HEARINGS**

- A. None Scheduled.**

**9. COUNCIL REPORTS**

- A. Legislative and Regional Issues – Resolution(s) (8:15 p.m.)**  
Staff: Scott Stauffer, City Recorder
- B. Council Communication Agreement and Committee Assignments – Discussion (8:25 p.m.) 70**  
Staff: Scott Stauffer, City Recorder

**10. ADJOURNMENT (8:45 p.m.)**

**Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice**

The city is committed to providing equal access to public meetings. To request listening and mobility assistance services contact the Office of the City Recorder at least 48 hours before the meeting by email at [ocr@milwaukieoregon.gov](mailto:ocr@milwaukieoregon.gov) or phone at 503-786-7502. To request Spanish language translation services email [espanol@milwaukieoregon.gov](mailto:espanol@milwaukieoregon.gov) at least 48 hours before the meeting. Staff will do their best to respond in a timely manner and to accommodate requests. Most Council meetings are broadcast live on the [city's YouTube channel](#) and Comcast Channel 30 in city limits.

**Servicios de Accesibilidad para Reuniones y Aviso de la Ley de Estadounidenses con Discapacidades (ADA)**

La ciudad se compromete a proporcionar igualdad de acceso para reuniones públicas. Para solicitar servicios de asistencia auditiva y de movilidad, favor de comunicarse a la Oficina del Registro de la Ciudad con un mínimo de 48 horas antes de la reunión por correo electrónico a [ocr@milwaukieoregon.gov](mailto:ocr@milwaukieoregon.gov) o llame al 503-786-7502. Para solicitar servicios de traducción al español, envíe un correo electrónico a [espanol@milwaukieoregon.gov](mailto:espanol@milwaukieoregon.gov) al menos 48 horas antes de la reunión. El personal hará todo lo posible para responder de manera oportuna y atender las solicitudes. La mayoría de las reuniones del Consejo de la Ciudad se transmiten en vivo en el [canal de YouTube de la ciudad](#) y el Canal 30 de Comcast dentro de los límites de la ciudad.

**Executive Sessions**

The City Council may meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660(2); all discussions are confidential; news media representatives may attend but may not disclose any information discussed. Final decisions and actions may not be taken in executive sessions.



## COUNCIL REGULAR SESSION

City Hall Council Chambers, 10722 SE Main Street  
& Zoom Video Conference ([www.milwaukieoregon.gov](http://www.milwaukieoregon.gov))

2374<sup>th</sup> Meeting

## MINUTES

FEBRUARY 7, 2023

**Council Present:** Councilors Adam Khosroabadi, Robert Massey, and Rebecca Stavenjord, Council President Desi Nicodemus, and Mayor Lisa Batey

**Staff Present:** Joseph Briglio, Community Development Director  
Justin Gericke, City Attorney  
Peter Passarelli, Public Works Director  
Ann Ober, City Manager

Natalie Rogers, Climate & Natural Resources Manager  
Scott Stauffer, City Recorder  
Laura Weigel, Planning Manager

**Mayor Batey** called the meeting to order at 6:01 p.m.

### 1. CALL TO ORDER

**A. Pledge of Allegiance.**

**B. Native Lands Acknowledgment.**

### 2. ANNOUNCEMENTS

**Mayor Batey** announced upcoming activities, including the annual board and committee recruitment process, the volunteer of the year award nomination process, a work party at Minthorn Springs, and a city manager open door session. **Councilor Stavenjord** noted the start of the Portland Winter Light Festival that included sites in Clackamas County.

### 3. PROCLAMATIONS AND AWARDS

**A. Celebrating Black Excellence Month – Proclamation**

**Council President Nicodemus** remarked on the importance of Black history and recognizing Black excellence. **Mayor Batey** proclaimed February 2023 to be Black Excellence Month in Milwaukie.

### 4. SPECIAL REPORTS

**A. Safe Routes to Schools (SRTS) Update – Report**

**Nick d’Alonzo** and **Philip Stose**, Milwaukie residents, reported on the community effort to seek Oregon Department of Transportation (ODOT) grant funding to support pedestrian and bicycle safety projects around Seth Lewelling Elementary School and in the Lewelling neighborhood. They noted the anticipated role of the city to accept the funds and manage the construction of the project if funds are awarded by the state.

**Mayor Batey** thanked the neighborhood for their work and noted the timing of such projects aligned with the upcoming Transportation System Plan (TSP) update. The group remarked on how the Lewelling SRTS project had started and Council thanked the neighborhood for their work.

### 5. COMMUNITY COMMENTS

**Mayor Batey** reviewed the comment procedures and **Ober** reported there was no follow-up from the January 17 comments. No audience member wished to address Council.

## **6. CONSENT AGENDA**

It was moved by Council President Nicodemus and seconded by Councilor Khosroabadi to approve the Consent Agenda as presented.

### **A. City Council Meeting Minutes:**

1. January 3, 2023, Work Session, and
2. January 3, 2023, Regular Session.

### **B. Resolution 6-2023: A resolution of the City Council of the City of Milwaukie, Oregon, making appointments to the Transportation System Plan Advisory Committee (TSPAC).**

### **C. Resolution 7-2023: A resolution of the City Council of the City of Milwaukie, Oregon, authorizing a memorandum of understanding between the city and Dave's Killer Bread for the provision of \$110,000 to fund the installation of electric vehicle chargers at city facilities.**

### **D. Resolution 8-2023: A resolution of the City Council of the City of Milwaukie, Oregon, acting as the Local Contract Review Board, establishing the guaranteed maximum price for the new city hall improvements.**

### **E. Approval of an Oregon Liquor License Commission (OLLC) application for Oak Union Brewing, 1887 SE Milport Road, Unit 310 – wholesale outlet.**

Motion passed with the following vote: Councilors Khosroabadi, Massey, Nicodemus, and Stavenjord and Mayor Batey voting "aye." [5:0]

## **7. BUSINESS ITEMS**

### **A. Electric Vehicle (EV) Strategy and City EV Infrastructure – Discussion**

**Rogers** and **Passarelli** provided an overview of the city's electrification strategy, Climate Action Plan (CAP) greenhouse gas (GHG) goals, climate legislation advocacy work, and approach to encouraging the construction of EV infrastructure and charging stations. The group noted cost and installation differences between the three EV station levels.

**Rogers** and **Passarelli** discussed the electrification of the city's vehicle fleet, and Portland General Electric's (PGE's) work to install public EV charging stations. The group noted the issue with gas vehicles intentionally parked at EV charging stations and how EV charging station owners can address the problem.

**Rogers** and **Passarelli** noted incentives offered by PGE to encourage residents and businesses to install and use EV stations. They explained that the city had received funding from Dave's Killer Bread to install additional EV charging stations as part of an Oregon Department of Environmental Quality (DEQ) incident mitigation agreement. The group commented on how the Dave's Killer Bread funding had been linked to the city's EV project and where the charging stations would be located.

The group commented on the revenue the city could see from charging stations and where future charging stations could and should be built.

### **B. Preliminary Housing Production Strategy (HPS) – Discussion**

**Weigel** introduced the HPS and introduced **Beth Goodman**, housing consultant with ECONorthwest. **Goodman** provided an overview of the HPS, where the city was in the overall HPS project, reviewed the state requirements for the HPS, and reviewed the project stakeholder outreach.

**Goodman** noted the city's existing affordable housing strategies, the criteria used to identify additional strategies, and presented and discussed actions called for in the HPS, including developing a land banking strategy. **Mayor Batey**, **Goodman**, and **Briglio** commented on the city's role in developing affordable housing land trust partnerships.

**Goodman** presented the proposed/recommended HPS action to reduce system development charges (SDCs) and **Ober** and **Briglio** noted how the city had adjusted SDCs for affordable housing projects to-date. **Mayor Batey** was skeptical about the proposal to change the SDC rate for housing priced at 80% of area median income (AMI). The group remarked on the impact of SDCs on affordable housing developments.

**Goodman** presented the proposed HPS action to adopt a multiple-unit property tax exemption (MUPTTE). The group discussed how a MUPTTE would be implemented and noted concerns about such tax exemptions from other taxing districts. The group noted the Milwaukie Municipal Code (MMC) already had exemptions for certain housing types to build additional floors based.

**Goodman** presented the proposed HPS action regarding high-density residential (HDR) zone changes. **Mayor Batey** remarked on recent HDR changes, how encouraging larger developments could lead to more small housing units and suggested that the city could revisit HDR zones through the neighborhood hubs project.

**Goodman** presented the proposed HPS action to permit different sized housing projects. The group noted that the city had considered taking such actions but had not adopted any affordable action housing code changes. They noted affordable housing funding and long-term administrative concerns about such changes.

**Goodman** presented the proposed HPS action to adopt inclusionary zoning (IZ). **Mayor Batey** and **Goodman** remarked on whether the state legislature would act on IZ in the 2023 session. The group commented on the impact of IZ on communities where it had been adopted and how IZ is tracked in other cities.

**Goodman** presented the proposed HPS action to develop services to prevent houselessness. **Ober** and **Briglio** noted the importance of partnering with the county to expand such housing services and the group remarked on the likelihood that the state may provide funding for cities to develop housing support services.

**Goodman** presented the proposed HPS actions to establish a revolving loan fund for homeownership assistance. The group noted there were community partners the city could work with to promote homeownership and the city could seek Community Development Block Grant (CDBG) funds to support such work.

**Goodman** presented the proposed HPS action to use urban renewal to support new housing infrastructure. **Ober** and **Mayor Batey** noted the Milwaukie Redevelopment Commission (MRC) had budgeted funds for such work.

**Goodman** presented the proposed HPS actions to continue to use the Construction Excise Tax (CET) fund to support housing work. The group commented on how(?) the CET is used.

**Goodman** discussed recommended future actions in the HPS, including initiating rental assistance programs, pre-approving and allowing accessory dwelling units (ADUs) and tiny homes, preserving manufactured homes, and relocation assistance. The group remarked on whether the city had already started a relocation assistance program.

The group discussed which HPS actions the city could pursue and how to best word the HPS recommendations to give the city the best chance at successfully achieving them.

**Goodman** asked for Council feedback on what had been included or left out of the HPS. **Mayor Batey** asked for more information about the MUPTE, and **Ober** noted that several recommendations would require follow-up from staff at future meetings.

**Goodman** reviewed next steps in the HPS process, and the group noted when the HPS may be scheduled for adoption by Council. **Briglio** commended Weigel's work on the HPS, and **Councilor Khosroabadi** observed that the HPS was an encouraging document that showed the work the city had been doing.

**Mayor Batey** noted an audience member wished to address Council regarding the HPS.

**Camden McKone**, Milwaukie resident, supported the HPS recommendations to increase density and give developers more options and incentives to build affordable housing.

## **8. PUBLIC HEARING**

### **A. None Scheduled.**

**Mayor Batey** recessed the meeting at 8:48 p.m. and reconvened at 8:58 p.m.

## **9. COUNCIL REPORTS**

### **B. Council Communication Agreement and Committee Assignments – Discussion** (moved up the agenda)

**Mayor Batey** introduced the agreement and Council had no comments and made no changes to the agreement. **Stauffer** noted the agreement would be placed on the February 21 regular session consent agenda for approval.

The group discussed and finalized Council's committee assignments. **Stauffer** noted the assignments matrix would be on the February 21 regular session consent agenda.

### **A. Legislative and Regional Issues – Discussion** (moved down the agenda)

**Stauffer** reported on bills pending before the Oregon State Legislature that Council and staff were watching. The group discussed the bill tracking process that Council and staff would follow during the legislative session and noted the status of various bills.

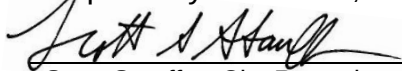
The group discussed outfit color coordination for the 2023 Council photos and Council members' attendance at recent regional policy events and meetings.

## **10. ADJOURNMENT**

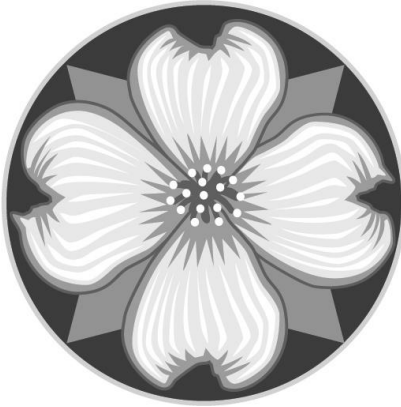
It was moved by Council President Nicodemus and seconded by Councilor Khosroabadi to adjourn the Regular Session. Motion passed with the following vote: Councilors Khosroabadi, Massey, Nicodemus, and Stavenjord and Mayor Batey voting "aye." [5:0]

**Mayor Batey** adjourned the meeting at 9:37 p.m.

Respectfully submitted,



\_\_\_\_\_  
Scott Stauffer, City Recorder



**RS Agenda Item**

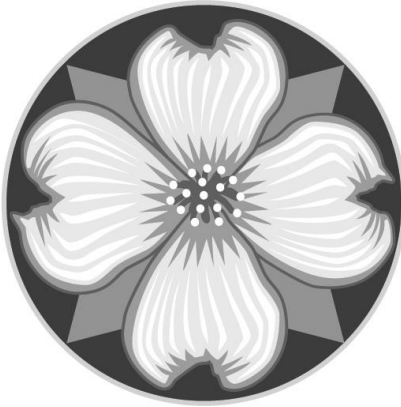
**2**

## **Announcements**



## Mayor's Announcements – Feb. 7, 2023

- **Annual Boards and Committees Recruitment Now Open – Apply by April 1**
  - Official volunteer groups cover a variety of areas and work directly on local projects
  - Learn more and apply at [milwaukieoregon.gov/bc](https://milwaukieoregon.gov/bc)
- **Volunteer of the Year 2022 – Nominations Accepted Until Feb. 15, 2023**
  - Nominees can include anyone who resides in Milwaukie or is a member of a non-profit or business that serves the Milwaukie community.
  - Nominations accepted using form at [engage.milwaukieoregon.gov](https://engage.milwaukieoregon.gov)
- **Minthorn Springs Cleanup – Sat., Feb. 11 (9:30 AM – 12 PM)**
  - Join the Milwaukie Parks Foundation for second Saturday work parties
  - Volunteers work to remove invasive plants and pickup trash
  - Bring work gloves, sturdy shoes and rain gear
  - If you drive, park at east end of Milwaukie Marketplace and walk across 37<sup>th</sup> Ave.
- **City Manager Open Door Session – Fri., Feb. 24 (9 – 10 AM)**
  - Ask questions, raise concerns, or just find out more about the city
  - No sign-up necessary. First-come, first-served.
  - Milwaukie City Hall Council Chambers (10722 SE Main St.)
- **LEARN MORE AT [WWW.MILWAUKIEOREGON.GOV](https://WWW.MILWAUKIEOREGON.GOV) OR CALL 503-786-7555**



**RS Agenda Item**

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## **Proclamations & Awards**

## PROCLAMATION

**WHEREAS** in February, we recognize and acknowledge the struggles of Black Americans for racial justice that stirred the very conscience of our nation and are helping to guide the shape of her character, and

**WHEREAS** Black Americans for generations have courageously led the pursuit of justice and equality, from Harriet Tubman to Martin Luther King, Jr. and beyond; as our nation struggles to overcome the systemic racism that results in persistent inequality, such leaders are crucial to guide us to the principle that all people are created equal, and

**WHEREAS** Black Americans have made significant contributions to our nation's economic, educational, political, artistic, literary, scientific, and technological advancements, despite historical and current injustices, and

**WHEREAS** in Milwaukie, we celebrate the contributions of Black Americans who have been active in our community, including entrepreneurial boxing promoter George Moore and Milwaukie Pastry Kitchen proprietors Hurtis and Dorothy Hadley, and

**WHEREAS** recent incidents have given rise to greater awareness of the continued discrimination and even violence that Black Americans face daily, and the importance of a greater national dialogue to promote understanding, and break down barriers, and

**WHEREAS** as individuals, we must learn more about the history of Black Americans generally, and in Oregon in particular, and work to build a Milwaukie where every person has equitable access to educational and employment opportunities, and housing.

**NOW, THEREFORE**, I, Lisa Batey, Mayor of the City of Milwaukie, a municipal corporation in the County of Clackamas, in the State of Oregon, and with the full support and sponsorship of the City Council do hereby proclaim **February 2023** to be **CELEBRATING BLACK EXCELLENCE MONTH** in Milwaukie and recommend its observance with appropriate programs and activities.

**IN WITNESS WHEREOF**, and with the consent of the City Council of the City of Milwaukie, I have hereunto set my hand on this 7<sup>th</sup> day of **February 2023**.

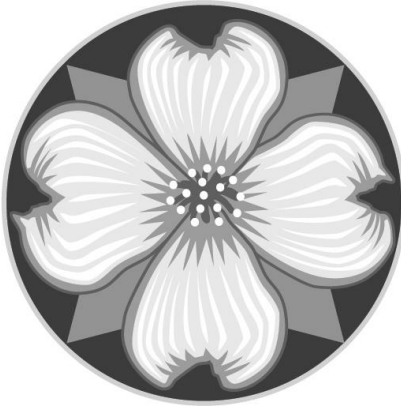
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Lisa M. Batey, Mayor

ATTEST:

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Scott S. Stauffer, City Recorder



**RS Agenda Item**

**5**

**Community Comments**

**Scott Stauffer**

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**From:** patti casanova <patticasanova@msn.com>  
**Sent:** Friday, January 20, 2023 10:15 AM  
**To:** OCR  
**Subject:** Enacting New Fees

**This Message originated outside your organization.**

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Sent from [Mail](#) for Windows  
Re: Climate Fund Fee

To current Milwaukie City Council:

I would like to state my objection to oppose City Council unilaterally enacting new fees added to our City water and sewer Utility bills.

Regards,  
Patricia Casanova (Milwaukie Resident)

**Scott Stauffer**

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**From:** Thom and Robin <loganwater@comcast.net>  
**Sent:** Thursday, January 26, 2023 10:07 AM  
**To:** OCR  
**Subject:** FEES

**This Message originated outside your organization.**

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As a resident of Milwaukie since 1989, I oppose City Council unilaterally enacting new fees being added to city water/sewer utility bills for any purpose without voter approval.

Thom Dudley

**Scott Stauffer**

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**From:** Bernie Stout <usabs1@nethere.com>  
**Sent:** Tuesday, January 31, 2023 7:40 PM  
**To:** OCR; Nan.Waller@ojd.state.or.us; transportation@oregonmetro.gov; bcc@clackamas.us  
**Cc:** 'Elvis Clark'; Rep.MarkGamba@oregonlegislature.gov  
**Subject:** PLEASE NO MORE OF THE SAME

This Message originated outside your organization.

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Tuesday, January 31, 2023

## **Part of a day on the planet, in Oregon.**

I live in Milwaukie Oregon attended City of Milwaukie meetings on the new Max Line. I went on the grand opening ride to downtown Portland. The purpose of this mass transit is to accommodate "Infill & Density" to help save the earth and environment. About 1.5 Billion Dollars were spent. Purchased my first Pass 2019, rode maybe once in 2020. Last night did research on Trimet site and was trying to adjust my thinking and go buy a **Year Pass** at Pioneer Square.

### 1. START OF MORNING: KBOO RADIO

## **Judge Nan Waller of the Multnomah County Circuit Court**

Aired at: Tue, 01/31/2023 at 10:00am - 11:00am

Produced for: Radiozine, Prison Pipeline

Host Karen James speaks with Judge Nan Waller of the Multnomah County Circuit Court, who serves as Judge for the Mental Health Court and also manages the Aid and Assist docket for the county court. The U.S. Constitution declares that a person cannot be held in jail without due process. A person suffering with mental illness who is found by the Court unable to Aid & Assist in their own defense, cannot be held and punished in jail but must receive mental health treatment and be restored to competency before prosecution can continue. Once deemed unable, an

individual must be transferred for restoration within 7 days. Oregon is in violation of this basic right as many pretrial defendants in need of mental healthcare languish for months in our County jails. In Sept 2022, Federal District Court Judge Michael Mosman ordered the State to comply with the 7-day ruling, and to limit the length of restoration in alignment with national trends. The OSH has begun discharging patients back to their communities under the new Mosman ruling.

<https://kboo.fm/media/114145-judge-nan-waller-multnomah-county-circuit-court>

2. Got on the MAX ORANGE LINE in Milwaukie Oregon about 11:15am, Tuesday January 31, 2023

Sat down and watched the scenery out the window. Halfway into Portland started looking inside the car. Observed Human waste on the ledge below the seat next to me. Urine, filth on most surfaces, and garbage across from me. Took pictures and got off at Pioneer Square and took a picture of the car 301 with identification number. Texted this to Trimet at 503-238-7433 at 11:35am.

3. Walked to Pioneer Square Trimet office. As I approached the water feature bridge, the door swung open a large round black plastic bag came flying up in arch landing about ten feet from me. A security guard shoved a man out and told him he was banned for life and not to return. There were more people inside talking loudly and agitated. A number of people seemed disoriented and eventually left. I RECONSIDERED BUYING A YEAR PASS AND ONLY PURCHASED A TWENTY DOLLAR CARD.

4. I walked a couple of blocks and got on another MAX up to Portland State University. There were two women seemingly not alert and spread out on two seats, eyes closed, seemingly not aware of their surroundings. More people were asleep on the floor with their

belongings around them. Also seemingly not aware or alert. The car was in general filthy.

5. Got off at Portland State University and few hours later walked up to the MAX ORANGE LINE to return to Milwaukie. The first thing I saw was a fold up bench seat with a large amount of used brown toilet paper hanging down. Took pictures and Texted Trimet at 503-238-7433, 2:51 pm.
6. Got off and talked to a cleaner at the end of the line near the Parking Structure on SE Park in Milwaukie. A passenger had just been reported smoking something and evidently sucked a straw object into his throat, bleeding, skin turned purple, and it is not confirmed but, may have died just fifteen minutes earlier. The Seven Eleven store on SE Mcloughlin across from this stop, has experienced exceeding high thefts since the MAX LINE OPENED.

Please listen to informative interview with Judge Nan Waller.

In the recent past the State of Oregon has changed zoning laws for more infill. The Old Town developers had to put in trolleys to allow for concentration of citizens. Then Trimet took it over. Without a functional transportation system the current density is not going to succeed.

Riders have to be Ready, Willing, and Able to use the systems.

I will be advising everyone I know not to get on **any mass transit**.

I am not going back until there are actual changes made.

Eight Officers and no Mental Health intervention is not working.

There has to be more put into a Strategic Plan and Enforcement.

I was born in Portland and lived in various neighborhoods but, this has made me more determined to move elsewhere.

Tolling Hwy 205 & I-5 Freeway is also contributing to this decision.

Please have a mass summit of Metro area municipalities, counties, and Oregon State agencies .

Make this happen now.

Sincerely,

Bernie Stout

P.S. Sent to Governor Kotek. Via state site.

**Scott Stauffer**

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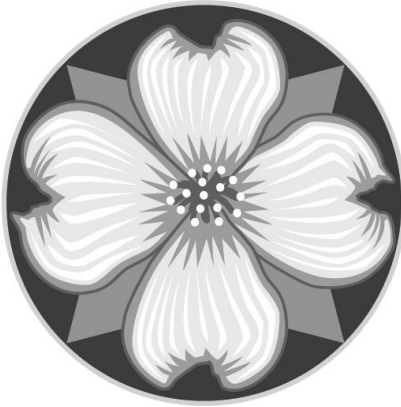
**From:** Trudy Anderson <220trudy@gmail.com>  
**Sent:** Wednesday, February 1, 2023 11:08 AM  
**To:** OCR  
**Subject:** New Fees

**This Message originated outside your organization.**

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I am writing to let you know that I oppose City Council unilaterally enacting new fees that are added to our City water and sewer Utility bills. I am a senior with limited income any new fees would be a hardship to me.

Gertrude Anderson



**RS Agenda Item**

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## **Consent Agenda**

**COUNCIL WORK SESSION**

City Hall Council Chambers, 10722 SE Main Street  
& Zoom Video Conference ([www.milwaukieoregon.gov](http://www.milwaukieoregon.gov))

**MINUTES**

JANUARY 3, 2023

**Council Present:** Councilors Adam Khosroabadi, Robert Massey, Desi Nicodemus, Rebecca Stavenjord, and Mayor Lisa Batey

**Staff Present:** Kelly Brooks, Assistant City Manager  
Justin Gericke, City Attorney  
Nicole Madigan, Deputy City Recorder

Ann Ober, City Manager  
Scott Stauffer, City Recorder

**Mayor Batey** called the meeting to order at 4:03 p.m.

**1. 2023 Council Committee Assignments – Discussion**

**Brooks** and **Ober** explained that the discussion for filling the city's representatives or liaisons vacancies to internal and external committees and groups, was only a discussion and official assignments would be adopted at a future meeting. **Brooks** listed the vacancies and the group discussed which Councilors were interested in which seats. The group discussed how Council members participate on advisory committees.

The group spoke on legislative updates and processes.

**2. Legislative and Regional Policy Issues – Discussion**

**Brooks** presented key dates for the legislative process, and the eight League of Oregon Cities (LOC) priorities and **Mayor Batey** added that the LOC priority list is longer than usual. **Brooks** explained other ongoing priorities at the forefront for the LOC.

**Brooks** noted Milwaukie's legislators and shared legislative resources. **Mayor Batey** and **Councilor Massey** commented on whether the latest update from the Metro Mayors Consortium had been shared with the new Councilors. **Brooks** and **Batey** commented on legislative staffing and seat changes and **Batey**, **Brooks** and **Ober** commented on the LOC city day at the state capitol. **Brooks** shared an additional resource, the Oregon Capitol Club, which is a directory of all the Oregon legislative lobbyists.

**Brooks** advised Council to notify Brooks at least a week ahead of the capitol visit if there was something they wished to discuss that was not on the current list of topics. **Mayor Batey** stated that Council should have time on January 17 to discuss the capitol visit and **Brooks** agreed to use the previous scheduled Council assignments adoption time to discuss the capitol visit.

The group discussed how to best utilize time during the capitol visit and legislative bill resources. **Ober** explained how the meeting schedule operates when there is a work, executive, and regular session and **Mayor Batey** added a comment about more meeting spaces in the new city hall.

The group discussed the Oregon Mayors Association houseless proposal regarding the city's houseless work. **Ober** noted that Representative Gamba was working on natural gas legislation.

### **3. Adjourn**

**Mayor Batey** adjourned the meeting at 5:33 p.m.

Respectfully submitted,

---

Nicole Madigan, Deputy City Recorder

**COUNCIL REGULAR SESSION**

City Hall Council Chambers, 10722 SE Main Street  
& Zoom Video Conference ([www.milwaukieoregon.gov](http://www.milwaukieoregon.gov))

**MINUTES**

JANUARY 3, 2023

**Council Present:** Councilors Adam Khosroabadi, Robert Massey, Desi Nicodemus, Rebecca Stavenjord, and Mayor Lisa Batey

**Staff Present:** Kelly Brooks, Assistant City Manager  
Justin Gericke, City Attorney  
Kimberly Graves, Municipal Court Judge

Nicole Madigan, Deputy City Recorder  
Ann Ober, City Manager  
Scott Stauffer, City Recorder

**Mayor Batey** called the meeting to order at 6:02 p.m.

**Swearing-In Ceremony.** Before the meeting newly elected Councilors Khosroabadi, Massey, and Stavenjord, and Mayor Batey, were sworn-in by Graves.

**1. CALL TO ORDER**

**A. Pledge of Allegiance.**

**B. Native Lands Acknowledgment.**

**2. ANNOUNCEMENTS**

**Mayor Batey** announced upcoming activities, including the city's volunteer of the year award nomination process, a winter scavenger hunt at the Ledding Library, a poetry reading, a wetlands clean-up event, and a Christmas tree take back event.

**3. PROCLAMATIONS AND AWARDS**

**A. None Scheduled.**

**4. SPECIAL REPORTS****A. City Manager Updates – Report**

**Ober** reported that Governor Kate Brown's order waiving driver license holds for unpaid fines may not include citations issued by municipal courts and asked for Council input on whether the city should waive the fines. **Mayor Batey** and **Graves** noted the reinstatement process for individuals with suspended licenses and **Ober** observed that the city's court fine amnesty program was an attempt to reach fined individuals. **Council President Nicodemus** and **Graves** commented on how many people may be impacted by the order. It was Council consensus that the Milwaukie Municipal Court should proceed with the governor's order even if the order has no authority over local courts.

**Ober** discussed the agenda for the Council retreat on January 28 and 29.

**5. COMMUNITY COMMENTS**

**Mayor Batey** reviewed the public comment procedures.

**Neil Schulman**, North Clackamas Watersheds Council (NCWC), congratulated the newly seated Council members on their election and expressed NCWC's continued interest in working with the city on the Kellogg Creek Dam removal.

**Ober** reported there was no follow-up report from the December 20 comments.

**6. CONSENT AGENDA**

**Councilor Batey** removed consent agenda item 6. B.

It was moved by Councilor Khosroabadi and seconded by Councilor Nicodemus to approve the consent agenda items A, C, D, and E.

**A. City Council Meeting Minutes:**

1. December 6, 2022, Work Session, and
2. December 6, 2022, Regular Session.

**B. ~~Establishing the 2023 City Council meeting schedule.~~** (Removed from the consent agenda for separate consideration).

**C. Resolution 1-2023: A resolution of the City Council of the City of Milwaukie, Oregon, designating the 2023 papers of record.**

**D. Approval of an Oregon Liquor Control Commission (OLCC) application for Freeman Barrell House, 4360 SE International Way – New Outlet.**

**E. Approval of an OLCC application or Spring Creek Coffee House, 10600 SE McLoughlin Boulevard – New Outlet.**

Motion passed with the following vote: Councilors Khosroabadi, Massey, Nicodemus, and Stavenjord and Mayor Batey voting “aye.” [5:0]

**B. Establishing the 2023 City Council Meeting Schedule – Resolution**

Mayor Batey proposed that the resolution setting Council’s schedule be revised to include the new city hall building address where Council will meet starting in the fall.

It was moved by Councilor Nicodemus and seconded by Councilor Stavenjord to approve the resolution establishing the 2023 City Council meeting schedule as amended. Motion passed with the following vote: Councilors Khosroabadi, Massey, Nicodemus, and Stavenjord and Mayor Batey voting “aye.” [5:0]

**Resolution 2-2023:**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ESTABLISHING THE 2023 CITY COUNCIL MEETING SCHEDULE.**

**7. BUSINESS ITEMS**

**A. None Scheduled.**

**8. PUBLIC HEARING**

**A. None Scheduled.**

**9. COUNCIL REPORTS**

Mayor Batey and Ober explained how Council has used the Council Reports part of the agenda to report on legislative and regional issues and committee work. Councilor Stavenjord and Ober noted the city’s representation on the Clackamas County Housing Authority’s Housing Advisory Board.

**10. ADJOURNMENT**

Council President Nicodemus announced that after the meeting Council would hold a reception to welcome the newly elected members of Council.

It was moved by Councilor Massey and seconded by Councilor Nicodemus to adjourn the regular session. Motion passed with the following vote: Councilors Khosroabadi, Massey, Nicodemus, and Stavenjord and Mayor Batey voting “aye.” [5:0]

Mayor Batey adjourned the meeting at 6:29 p.m.

Respectfully submitted,

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Scott Stauffer, City Recorder

## COUNCIL STAFF REPORT

**To:** Mayor and City Council  
Ann Ober, City Manager

**Date Written:** Jan. 23, 2023

**Reviewed:** Laura Weigel, Planning Manager

**From:** Scott Stauffer, City Recorder

**Subject:** **Transportation System Plan Advisory Committee (TSPAC) Appointments**

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### ACTION REQUESTED

Council is asked to approve a resolution making appointments to the city's new short-duration Transportation System Plan Advisory Committee (TSPAC).

### HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[August 2, 2022](#): Staff proposed the composition and structure of the TSPAC, and Council directed staff to recruit and interview committee members.

September: the city recruited community members to apply for the TSPAC.

October: an interview panel consisting of Mayor Mark Gamba, Councilor Adam Khosroabadi, Planning Manager Laura Weigel, and City Engineer Steve Adams, met to interview applicants.

November: in response to concerns about the committee's membership, a resolution making appointments to the TSPAC was rescheduled to December.

[December 6, 2022](#): Staff provided an update on the TSPAC formation process, noting changes in the committee membership.

### ANALYSIS

As outlined in previous staff reports the city will be updating its TSP and part of that process requires community input that is best provided in-part through technical and advisory committees. Accordingly, and with Council input, staff undertook a recruitment and interview process in the fall. As discussed by Council, the committee will be comprised of:

- One member of the City Council.
- One member of the Planning Commission.
- One member of the Equity Steering Committee (ESC).
- Two members of the Public Advisory Safety Committee (PSAC).
- Two members of the Comprehensive Plan Advisory Committee (CPAC) and/or Comprehensive Plan Implementation Committee (CPIC).
- Nine community members who represent the following areas of interest and the city's seven neighborhood district associations (NDAs): cyclists, walkers, people under the age of 18, older adults, people with young children, disabled persons, and business owners or representatives.

In addition, two alternate members will be identified for service as needed.

Appointed individuals will serve for a term length of approximately two-years. Upon the completion of this term, Council may extend or reappoint the committee members depending on whether the work of the TSP update project is finished. The initial term end dates have been set-up to coincide with other city term dates that end on June 30 of each year.

### **BUDGET IMPACTS**

The TSP update project has been identified as part of the planning department work plan for several years and has been budgeted for accordingly.

### **CLIMATE IMPACTS**

Administering a new city committee will require new meetings and activities that will bring people together – therefore minor climate impacts related to this increased travel is likely. However, a goal of the TSPAC's work is to update the city's transportation plans to promote transit modes that will have an overall positive impact on the climate.

### **WORKLOAD IMPACTS**

Planning department and city recorder staff time has already been used to recruit and interview the nominated individuals. And once the TPSAC is operational additional staff time will be required to administer the committee. However, these staff workload considerations have been factored into staff's work and do not pose any significant unforeseen increase.

### **COORDINATION, CONCURRENCE, OR DISSENT**

The planning and engineering departments and the office of the city recorder worked with members of Council to recruit and interview the nominated individuals.

### **STAFF RECOMMENDATION**

Staff recommends that Council appoint the following individuals who have been nominated by the interview panel.

#### **Transportation System Plan Advisory Committee (TPSAC): two-year terms.**

| <b>Position</b> | <b>Name</b>                                                  | <b>Term Start Date</b> | <b>Term End Date</b> |
|-----------------|--------------------------------------------------------------|------------------------|----------------------|
| 1               | Naomi Vogel ( <i>Ardenwald/Johnson Creek NDA</i> )           | 2/7/2023               | 6/30/2025            |
| 2               | Layne Kristine Wilson ( <i>Hector Campbell NDA</i> )         | 2/7/2023               | 6/30/2025            |
| 3               | Chad Tucker ( <i>Historic Milwaukie NDA</i> )                | 2/7/2023               | 6/30/2025            |
| 4               | Adria Decker ( <i>Island Station NDAI</i> )                  | 2/7/2023               | 6/30/2025            |
| 5               | Simon Xu ( <i>Lake Road NDA</i> )                            | 2/7/2023               | 6/30/2025            |
| 6               | Maitri Dirmeyer ( <i>Lewelling NDAI</i> )                    | 2/7/2023               | 6/30/2025            |
| 7               | Zac Perry ( <i>Linwood NDAI</i> )                            | 2/7/2023               | 6/30/2025            |
| 8               | Jared Irvin ( <i>disabled community member</i> )             | 2/7/2023               | 6/30/2025            |
| 9               | Mark Stehn ( <i>freight and/or business representative</i> ) | 2/7/2023               | 6/30/2025            |
| 10              | Daniel Eisenbeis ( <i>CPAC/CPIC member</i> )                 | 2/7/2023               | 6/30/2025            |
| 11              | Stephan Lashbrook ( <i>CPAC/CPIC member</i> )                | 2/7/2023               | 6/30/2025            |
| 12              | Christine Giatti ( <i>PSAC member</i> )                      | 2/7/2023               | 6/30/2025            |
| 13              | Pam Denham ( <i>PSAC member</i> )                            | 2/7/2023               | 6/30/2025            |
| 14              | Corey Hester ( <i>ESC member</i> )                           | 2/7/2023               | 6/30/2025            |
| 15              | Joseph Edge ( <i>Planning Commission member</i> )            | 2/7/2023               | 6/30/2025            |
| 16              | Rebecca Stavenjord ( <i>City Council member</i> )            | 2/7/2023               | 6/30/2025            |
| Alt.            | Camden McKone ( <i>cyclist, uses all transit modes</i> )     | 2/7/2023               | 6/30/2025            |
| Alt.            | Sang Pau ( <i>vehicle driver</i> )                           | 2/7/2023               | 6/30/2025            |

**ALTERNATIVES**

Council could decline to make the recommended appointments, which would result in vacancies on the new TSPAC.

**ATTACHMENTS**

1. Resolution

**COUNCIL RESOLUTION No.****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, MAKING APPOINTMENTS TO THE TRANSPORTATION SYSTEM PLAN ADVISORY COMMITTEE (TSPAC).**

**WHEREAS** Milwaukie Charter Section 26 authorizes the mayor, with the consent of the Council, to make appointments to boards and committees (BCs), and

**WHEREAS** over the next three years the city is undertaking an update of the Transportation System Plan (TSP) and an advisory committee is necessary to support the city's work and to obtain community input on the plan, and

**WHEREAS** the individuals named below have been interviewed and nominated by a panel consisting of Council members and staff, and

**WHEREAS** the pane recommends the following individuals be appointed.

**Transportation System Plan Advisory Committee (TPSAC):**

| Position | Name                                                         | Term Start Date | Term End Date |
|----------|--------------------------------------------------------------|-----------------|---------------|
| 1        | Naomi Vogel ( <i>Ardenwald/Johnson Creek NDA</i> )           | 2/7/2023        | 6/30/2025     |
| 2        | Layne Kristine Wilson ( <i>Hector Campbell NDA</i> )         | 2/7/2023        | 6/30/2025     |
| 3        | Chad Tucker ( <i>Historic Milwaukie NDA</i> )                | 2/7/2023        | 6/30/2025     |
| 4        | Adria Decker ( <i>Island Station NDAI</i> )                  | 2/7/2023        | 6/30/2025     |
| 5        | Simon Xu ( <i>Lake Road NDA</i> )                            | 2/7/2023        | 6/30/2025     |
| 6        | Maitri Dirmeyer ( <i>Lewelling NDAI</i> )                    | 2/7/2023        | 6/30/2025     |
| 7        | Zac Perry ( <i>Linwood NDAI</i> )                            | 2/7/2023        | 6/30/2025     |
| 8        | Jared Irvin ( <i>disabled community member</i> )             | 2/7/2023        | 6/30/2025     |
| 9        | Mark Stehn ( <i>freight and/or business representative</i> ) | 2/7/2023        | 6/30/2025     |
| 10       | Daniel Eisenbeis ( <i>CPAC/CPIC member</i> )                 | 2/7/2023        | 6/30/2025     |
| 11       | Stephan Lashbrook ( <i>CPAC/CPIC member</i> )                | 2/7/2023        | 6/30/2025     |
| 12       | Christine Giatti ( <i>PSAC member</i> )                      | 2/7/2023        | 6/30/2025     |
| 13       | Pam Denham ( <i>PSAC member</i> )                            | 2/7/2023        | 6/30/2025     |
| 14       | Corey Hester ( <i>ESC member</i> )                           | 2/7/2023        | 6/30/2025     |
| 15       | Joseph Edge ( <i>Planning Commission member</i> )            | 2/7/2023        | 6/30/2025     |
| 16       | Rebecca Stavenjord ( <i>City Council member</i> )            | 2/7/2023        | 6/30/2025     |
| Alt.     | Camden McKone ( <i>cyclist, uses all transit modes</i> )     | 2/7/2023        | 6/30/2025     |
| Alt.     | Sang Pau ( <i>vehicle driver</i> )                           | 2/7/2023        | 6/30/2025     |

**Now, Therefore, be it Resolved** by the City Council of the City of Milwaukie, Oregon, that the individuals named in this resolution are appointed to the Transportation System Plan Advisory Committee (TSPAC) for the term dates noted.

Introduced and adopted by the City Council on **February 7, 2023.**

This resolution is effective immediately.

ATTEST:

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Lisa M. Batey, Mayor

APPROVED AS TO FORM:

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Scott S. Stauffer, City Recorder

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Justin D. Gericke, City Attorney

**COUNCIL STAFF REPORT**

**To:** Mayor and City Council  
Ann Ober, City Manager

**Date Written:** Jan. 13, 2023

**Reviewed:** Sasha Freeman (as to form), and  
Peter Passarelli, Public Works Director

**From:** Natalie Rogers, Climate and Natural Resources Manager, and  
Damien Farwell, Fleet and Facilities Supervisor

**Subject:** **Dave's Killer Bread EV Charger Funding MOA**

**ACTION REQUESTED**

Council is asked to review and approve the Dave's Killer Bread (DKB) Electric Vehicle (EV) Charging Memorandum of Agreement (MOA) for the donation of funds to the city to install public chargers at city facilities.

**HISTORY OF PRIOR ACTIONS AND DISCUSSIONS**

Fall 2022: Initial conversations on project opportunities between the city and DKB occur.

Winter 2022: Coordination between staff on application to meet Oregon Department of Environmental Quality (DEQ) project requirements.

**ANALYSIS**

As a requirement to mitigate a civil penalty as outlined in the mutual agreement (Attachment 1) between DKB and DEQ, DKB will provide \$110,000 in funding for a qualified project which provides environmental and community benefits. DKB has identified the upcoming installation of three public chargers at city of Milwaukie facilities as a potential project to fund as it supports local climate goals and furthers transportation electrification. The use of these chargers to replace internal combustion vehicle fuels will result in reduced air pollutants, reduced emissions through city-selected renewable energy, and the locations will provide further accessible charging locations to Milwaukie residents. The city will install the chargers by July 2023 and will provide DKB and DEQ the required reporting information to satisfy all agreements.

**BUDGET AND WORKLOAD IMPACT**

None.

**CLIMATE IMPACT**

Transportation electrification aligns with the city's adopted Climate Action Plan (CAP) and reduces community emissions and environmental pollutants.

**COORDINATION, CONCURRENCE, OR DISSENT**

City staff have coordinated with DKB and DEQ to ensure all parties are satisfied in the MOA and project scope.

**STAFF RECOMMENDATION**

Staff recommends that Council approve the proposed MOA to receive funds for the charger installation project in 2023.

**ALTERNATIVES**

Council could decline to approve the MOA as drafted.

**ATTACHMENTS**

1. Mutual Agreement between DEQ and DKB with project overview
2. MOA between city and DKB for the acceptance of funds
3. Resolution

**Attachment 6. C. 1.**

BEFORE THE ENVIRONMENTAL QUALITY COMMISSION  
OF THE STATE OF OREGON

|                            |   |                          |
|----------------------------|---|--------------------------|
| IN THE MATTER OF:          | ) | MUTUAL AGREEMENT         |
| DAVE'S KILLER BREAD, INC., | ) | AND FINAL ORDER          |
| an Oregon corporation.     | ) | AMENDMENT NO. 1 - SEP    |
|                            | ) | NO. AQ/ACDP-NWR-2020-126 |

WHEREAS:

1. On August 29, 2022, the Department of Environmental Quality (DEQ) and Dave's Killer Bread, Inc., (DKB) entered into Mutual Agreement and Final Order No. AQ/ACDP-NWR-2020-126 (the MAO). The MAO imposed a \$136,845 civil penalty for violations alleged in the MAO.

2. On November 23, 2022, Respondent filed a Supplemental Environmental Project (SEP) application to mitigate the civil penalty.

I. AGREEMENT

DKB and DEQ hereby agree that:

1. In accordance with DEQ's Internal Management Directive on SEPs, DEQ agrees to mitigate the \$136,845 civil penalty to \$27,369, which DKB has paid in full to DEQ, and DKB agrees to satisfactorily complete the approved SEP proposal as set forth in Attachment A and incorporated by reference.

2. DKB will be deemed to have completed the SEP when DEQ receives the following documentation: a final report containing confirmation of DKB's payment to the City of Milwaukie, Oregon, written confirmation that the project has been completed, an accounting of the project expenditures including copies of receipts or invoices, and a six-month summary of post installation usage of the three electric vehicle chargers, and the outcome/benefits derived as a result of their use.

II. FINAL ORDER

The Environmental Quality Commission hereby enters a final order:

1. Amending the MAO to mitigate the \$136,845 civil penalty to \$27,369 in exchange for DKB spending at least \$109,476 to complete the project agreed to in Attachment A and the requirements of the MAO and this Amendment.

2. Requiring DKB to submit the documentation required in Section I, paragraph 2 above by May 1, 2024. Otherwise, on May 15, 2024, the mitigated civil penalty, \$109,476, or the unspent portion of the mitigated penalty, whichever is less, will be due and owing to DEQ.

3. Requiring DKB, in accordance with DEQ's Internal Management Directive on SEPs, to:

a. Refrain from using the value of the SEP as a tax deduction or as part of a tax credit application; and

b. Whenever DKB publicizes the SEP or the results of the SEP, DKB must state in a prominent manner that the project was undertaken in part as settlement of a DEQ enforcement action.

12/12/2022 | 9:26:45 AM EST  
Date

DAVE'S KILLER BREAD, INC.

DocuSigned by:

*Linda G. Jones*

Signature  
Linda G. Jones

Name (print)

President

Title (print)

DEPARTMENT OF ENVIRONMENTAL QUALITY and  
ENVIRONMENTAL QUALITY COMMISSION

Date

By:

Kieran O'Donnell, Manager  
Office of Compliance and Enforcement  
on behalf of DEQ pursuant to OAR 340-012-0170  
on behalf of the EQC pursuant to OAR 340-011-0505

## Supplemental Environmental Project Application

Submitted to:

Oregon Department of Environmental Quality  
Office of Compliance and Enforcement  
700 NE Multnomah St., Suite 600  
Portland OR 97232  
ATTENTION: Jenny Root

**Case Name and No:** Dave's Killer Bread, Mutual Agreement and Final Order No. AQ/ACDP-NWR-2020-126

**Project Contact:** Bart Gagnon; [bart.gagnon@flocorp.com](mailto:bart.gagnon@flocorp.com); Connor Craig; [Connor.Craig@flocorp.com](mailto:Connor.Craig@flocorp.com); Natalie Rogers; [RogersN@milwaukieoregon.gov](mailto:RogersN@milwaukieoregon.gov) (city liaison); Damien Farwell [FarwellD@milwaukieoregon.gov](mailto:FarwellD@milwaukieoregon.gov) (project manager); Peter Passarelli; [PassarelliP@milwaukieoregon.gov](mailto:PassarelliP@milwaukieoregon.gov)

**Type of Project:** Pollution Prevention (prevent air pollution)

**Who is conducting the project:** City of Milwaukie, Oregon with the help of funding from Dave's Killer Bread

**Location where the project will take place:** Milwaukie Public Safety Building (3200 SE Harrison St, Milwaukie, OR 97222), Ledding Public Library (10660 SE 21st Ave St, Milwaukie, OR 97222), City of Milwaukie Johnson Creek Campus Facility (6101 SE Johnson Creek Blvd Milwaukie, OR 97206)

**Project description:** Dave's Killer Bread will be partnering with the City of Milwaukie to provide up to \$110,000 for the purchase and installation of three *Sema Connect model 8+* (level 2, 19.2kWh) EV charging stations at three City of Milwaukie-owned locations. These chargers will be used to power city vehicles as the city decarbonizes its fleet and will be made available to the public to improve accessibility to this critical, carbon-reducing infrastructure in the community where Dave's Killer Bread operates. The chargers will be located in public-facing locations, providing an additional benefit to the city's climate initiatives by increasing community awareness of charging infrastructure in Milwaukie. The city would work with a third-party software provider for EV charging stations (provider to be determined through contracting process) on the user-end payment and operation systems for the chargers. The price for public charging sessions would be set to recover costs for operation and maintenance without additional profit while being comparable to other publicly owned or utility-provided chargers in the area. The city will explore low-income charging programs and other transportation incentives for community members through its upcoming climate action programming.

**What environmental benefits are expected:** The addition of three City-owned public charging stations is an important step in helping the state of Oregon achieve its long-term climate and equity goals and EV adoption goals. According to the 2021 Biennial Zero Emission Vehicle Report, "There are currently no specific state-led programs or policies to address the costs to provide chargers...chargers are essential for Oregonians who rely on them as their primary fuel source or those who want to travel around the state," (i-ii, <https://www.oregon.gov/energy/Data-and-Reports/Documents/2021-Biennial-Zero-Emission-Vehicle-Report.pdf>). These funds will help build part of the infrastructure needed in the community of Milwaukie, Oregon where DKB operates.

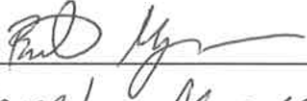
Transportation emissions is the largest sector of emissions in Oregon according to DEQ's most recent greenhouse gas emissions inventory and has recently become the largest emission sector in Milwaukie. As prominent role models in the community, the city is demonstrating climate action initiatives through the promotion of and transition to EVs for operational use. The city currently purchases 100% carbon-free electricity through Portland General Electric (soon to be entirely sourced from solar facilities in Oregon) which means that cars powered by these new stations would also be using a carbon-free fuel source. This would reduce transportation emissions in Milwaukie and the state, helping both reach their emission reduction targets.

**How will you measure/assess the benefits:** Once the EV charging stations have been installed, the City of Milwaukie will be able to track the number of charging events and quantity of power provided by each charging station through a dashboard data system provided by a third-party software provider. The city can then extrapolate to show estimated carbon emissions reductions compared to if those same vehicles were running with traditional, combustion engines. This data can be made available to DEQ upon request or through an established schedule.

**What is total projected cost of the project:** Estimated total project cost would be about \$130,000. Dave's Killer Bread funding would assist with most of that cost up to \$110,000 in accordance with the MAO, with the remaining balance covered by the city. Continued electricity costs would be paid for by the city. Itemized breakdown is below:

| Location               | Hardware   | Install (Labor) | Total Cost   |
|------------------------|------------|-----------------|--------------|
| Library                | \$7,700.00 | \$23,300.00     | \$31,100.00  |
| Johnson Creek Building | \$7,800.00 | \$40,000.00     | \$47,800.00  |
| Public Safety Building | \$8,000.00 | \$41,700.00     | \$50,000.00  |
|                        |            |                 | \$128,900.00 |

**What is timeframe for completion of the project:** The city has a goal of completing installation of the three chargers by July 1, 2023. This date is dependent on contractor and equipment availability. The city already has a formalized contract for the installation of the chargers and is waiting for the order to be finalized for hardware. Once equipment availability and contractor availability are known, a more complete construction and installation schedule can be provided. The city can provide updates to DEQ as scheduling solidifies. Once all chargers have been installed and are operational, the City of Milwaukie will track the first 6 months of charging data and show how that relates to reduced carbon emissions from vehicle usage. DKB will submit a final report on the project to DEQ by May 1<sup>st</sup>, 2024. Any delay on final report will be communicated to ODEQ Office of Compliance and Enforcement as soon as it is known.

Signature: 

Title: General Manager

Date: 11/23/22

## **MEMORANDUM OF UNDERSTANDING FOR SUPPLEMENTAL ENVIRONMENTAL PROJECT**

**THIS MEMORANDUM** is made and entered into this 2nd day of February 2023 by and between the City of Milwaukie ("City"), a municipal corporation of the State of Oregon, and Dave's Killer Bread, Inc. ("DKB"), an Oregon corporation.

### **RECITALS**

**WHEREAS**, DKB and the Oregon Department of Environmental Quality ("DEQ") entered into a mutual agreement that imposed a civil penalty for violations; and

**WHEREAS**, DEQ approved a Supplemental Environmental Project ("SEP") application submitted by DKB to mitigate the civil penalty, a copy of which is attached hereto, labeled as Exhibit A and hereby incorporated for reference; and

**WHEREAS**, DKB must comply with terms of the mutual agreement and provide funds to the City to assist in a pollution prevention project.

**NOW, THEREFORE**, in consideration of the promises and covenants contained in this Memorandum, the parties hereby agree to the following:

### **TERMS OF AGREEMENT**

1. **Effective Date and Termination.** This Memorandum shall become effective upon the date fully executed and approved by both parties, and shall expire on April 30, 2024, unless otherwise terminated or extended.
2. **Payment.** DKB shall remit a check to the City for one hundred and ten thousand dollars (\$110,000) payable to the City of Milwaukie, Attn: Finance, 10722 SE Main Street, Milwaukie, Oregon 97222. Payment shall be remitted within 30 days of execution of this Memorandum.
3. **Expenditure.** City shall expend funds towards the purchase and installation of three (3) SemaConnect public-facing electric vehicle ("EV") charging stations at three (3) city-owned properties.
4. **Procurement Compliance.** City shall solicit and procure goods and services to complete the project requirements in compliance with its public contracting rules.
5. **Project Management.** City shall manage and oversee all aspects of the project with a completion goal of May 31, 2023.
6. **Supporting Documentation.** Upon request or availability, the City shall remit to DKB the following documents:
  - A. Summary of expenditures and invoice copies related to the project.
  - B. Post-installation report of the three (3) EV chargers with six months of usage data.
  - C. Summary of outcome and benefits derived from the EV charger's usage.
7. **Ownership.** City shall own the EV charging stations and be responsible, at the City's expense, for any and all maintenance, subscription services, utility expenses, repairs or replacement.
8. **Additional Products.** City reserves the right to purchase additional products, materials, or services for the EV charging stations. Any costs exceeding the contributed funds from DKB will be at the City's expense.
9. **Outstanding Funds.** Any unused portion of the contributed funds will be returned to DKB by the City within 30 days of final payment to the City's contractor.

- 10. Project Publication.** Whenever the City publicizes the EV project or the funding sources, the City shall state that the project was contributed, in whole or in part, by DKB for compliance with their settlement of a DEQ enforcement action; provided, however, the City and DKB shall consult with each other in issuing any press releases or otherwise making public statements with respect to the EV Project and the City shall not issue any such press release or otherwise make any such public statement without the prior written consent of DKB, which consent shall not be unreasonably withheld or delayed, except that no prior consent shall be required if such disclosure is required by law, in which such case the City shall provide DKB with prior notice of such public statement.
- 11. Notice.** Any notice required or permitted to be given shall be given in writing, shall be effective when actually received, and may be given by email, hand delivery, or by mail delivery addressed to the parties as follows:

**City**

City of Milwaukie  
6101 SE Johnson Creek Blvd.  
Milwaukie, Oregon 97206  
Attn: Natalie Rogers, Climate & Natural Resources Mgr.  
503.786.7668  
RogersN@milwaukieoregon.gov

**DKB**

Dave's Killer Bread, Inc.  
5209 SE International Way  
Milwaukie, Oregon 97222  
Attn: Bart Gagnon, General Manager  
971.347.6565  
bart.gagnon@flocorp.com

These contacts may be changed by written notice to the other party.

- 12. Binding Effect.** This Memorandum constitutes the entire agreement between City and DKB on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Memorandum. No waiver, consent, modification or change of the terms of this Memorandum will bind either party unless in writing and signed by both parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, will be effective only in the specific instances and for the specific purpose given. This Agreement is personal to City and DKB and is not intended to confer upon any other person or entity any rights or remedies whatsoever.

The parties by execution of this Memorandum, hereby acknowledge that each has the authority to sign and bind the City and DKB respectfully and that each party shall be bound by its terms and conditions.

**CITY OF MILWAUKIE**

**DAVE'S KILLER BREAD, INC.**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: Ann Ober

Name: \_\_\_\_\_

Title: City Manager

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**COUNCIL RESOLUTION No.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND DAVE'S KILLER BREAD FOR THE PROVISION OF \$110,000 TO FUND THE INSTALLATION OF ELECTRIC VEHICLE CHARGERS AT CITY FACILITIES.**

**WHEREAS** electric vehicles and charging infrastructure can reduce greenhouse gas emissions that contribute to climate change; and

**WHEREAS** increasing the number and availability of electric vehicle chargers supports the accessibility of climate-friendly transportation; and

**WHEREAS** the installation of public chargers at city facilities satisfies preexisting mitigation requirements between Dave's Killer Bread and the Oregon Department of Environmental Quality (DEQ).

**Now, Therefore, be it Resolved** by the City Council of the City of Milwaukie, Oregon, that the city manager or their designee is authorized to execute the attached memorandum of understanding between Dave's Killer Bread and the city regarding the provision of funds by Dave's Killer Bread to the city for the installation of three electric vehicle chargers at city facilities.

Introduced and adopted by the City Council on **February 7, 2023**.

This resolution is effective immediately.

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Lisa M. Batey, Mayor

ATTEST:

APPROVED AS TO FORM:

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Scott S. Stauffer, City Recorder

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Justin D. Gericke, City Attorney

## COUNCIL STAFF REPORT

**To:** Mayor and City Council  
Ann Ober, City Manager

**Date Written:** Jan. 27, 2023

**Reviewed:** Mandy Byrd, Development Project Manager, and  
Kelli Tucker, Accounting & Contracts Specialist

**From:** Joseph Briglio, Community Development Director

**Subject:** **New City Hall Improvements Guaranteed Maximum Price Authorization**

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### ACTION REQUESTED

Council is asked to authorize the city manager to execute change order 01 of the public improvement contract to establish the Guaranteed Maximum Price (GMP) with Howard S. Wright for the new city hall building tenant improvements.

### HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[January 4, 2022](#): Council met with staff to confirm basic elements of the tenant improvements at new city hall, including placement of council chambers and a public-facing front counter on the third floor.

[March 15, 2022](#): Council received an updated schedule and project management information.

[June 21, 2022](#): Council provided direction the preferred layout of the future council chambers.

[July 19, 2022](#): Staff updated Council on the revised chambers layout.

[October 4, 2022](#): Staff provided an update on design in advance of going to bid for a general contractor for the tenant improvements.

[October 18, 2022](#): Staff presented findings for and gained approval from Council to proceed with an alternative contracting method for Construction Manager/General Contractor (CM/GC).

October 2022: Staff issued a formal solicitation for CM/GC services and selected Howard S. Wright from four responsive proposals as the contractor most qualified to complete the project.

[December 20, 2022](#): Council adopted [Resolution 88-2022](#), authorizing a public improvement contract and early work package (change order 00) not to exceed \$250,000 for new city hall improvements.

[January 17, 2023](#): Staff presented a project overview, updates on the scope, schedule, budget, and next steps.

### ANALYSIS

In December 2022, Howard S. Wright released an initial cost estimate for tenant improvements of the new city hall project based on the bid set drawings. The cost estimate itemized pricing of each base scope item and each alternate scope item such that staff could analyze, rank, and prioritize within the proposed guaranteed maximum price (GMP) of \$1,500,000.

Since the last Council update on January 17, Howard S. Wright's cost estimate was further refined. Through collaboration between Howard S. Wright, Bainbridge (the designer), and staff, the base scope has been finalized to include the following items:

- First Floor
  - Community room with sink and casework
- Third Floor
  - Council chambers
  - Front counter
  - Gender-neutral restroom reconfiguration

Further scope refinements and value engineering will continue as the project progresses, with the goal of maximizing the public benefit within the GMP amount.

Staff is ready to establish the GMP of \$1,500,000 with Howard S. Wright and continue construction on the new city hall.

### **BUDGET IMPACT**

The project is funded by sources from the city hall and general funds within the 2023-2024 biennial budget

### **WORKLOAD IMPACT**

Staff from the city manager and city recorder offices, and the administrative services, community development, and public works departments will be working together to facilitate tenant improvements.

### **CLIMATE IMPACT**

Electric Vehicle (EV) chargers will encourage EV adoption and reduce vehicle emissions. Reuse of the existing building and furniture / fixtures to the maximum extent possible is consistent with the Climate Action Plan's action to "promote the repair of equipment and materials and buy used and durable before purchasing new." The city will install light-emitting diode (LED) lighting and install electric vehicle chargers to improve energy conservation and reduce carbon emissions.

### **COORDINATION, CONCURRENCE, OR DISSENT**

City manager, city recorder offices, administrative services, community development, and public works all concur with this recommendation.

### **STAFF RECOMMENDATION**

Staff recommends that Council authorize a GMP not to exceed \$1,500,000 with a project budget authorization up to \$1,728,000.

### **ALTERNATIVES**

None.

### **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, ESTABLISHING THE GUARANTEED MAXIMUM PRICE FOR THE NEW CITY HALL IMPROVEMENTS.**

**WHEREAS** staff presented findings for and gained approval from Council to proceed with an alternative contracting method for construction manager/general contractor (CM/GC); and

**WHEREAS** staff issued a formal solicitation in October 2022 and Howard S. Wright was selected as the most qualified contractor to complete the project; and

**WHEREAS** on December 20, 2022, the City Council authorized the execution of the construction contract and early work package (change order 00) with Howard S. Wright to establish a partial Guaranteed Maximum Price (GMP) through Resolution 88-2022; and

**WHEREAS** on December 13, 2022, Howard S. Wright presented an initial cost estimate for construction of new city hall tenant improvements based on bid set drawings, and inclusive of costs from change order 00, to set the GMP.

**WHEREAS** on February 2, 2023, Howard S. Wright presented an updated cost estimate for construction, inclusive of costs from change order 00, to set the GMP.

**Now, Therefore, be it Resolved** by the City Council of the City of Milwaukie, Oregon, acting as the Local Contract Review Board, that the city manager or their designee is authorized to execute change order 01 with Howard S. Wright to establish the GMP for new city hall tenant improvements, and authorize the community development director and development project manager to administer the project in accordance with the project specifications with a project authorization of \$1,728,000.

Introduced and adopted by the City Council on **February 7, 2023**.

This resolution is effective immediately.

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Lisa M. Batey, Mayor

ATTEST:

APPROVED AS TO FORM:

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Scott S. Stauffer, City Recorder

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Justin D. Gericke, City Attorney



**MILWAUKIE POLICE DEPARTMENT**

**Memorandum**

**To:** Mayor Batey and Milwaukie City Council

**From:** Luke Strait, Police Chief *LS*

**Through:** Ann Ober, City Manager

**Date:** January 17, 2023

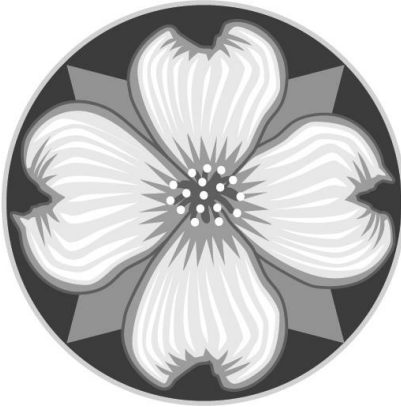
**Re:** OLCC Application – Oak Union Brewing – 1887 SE Milport Rd Unit 310

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Action requested:

It is respectfully requested the council approve the OLCC application for Oak Union Brewing located at 1887 SE Milport Rd, Unit 310, Milwaukie OR 97222.

We have conducted a background check and find no reason to deny the request for the liquor license.



**RS Agenda Item**

**7**

## **Business Items**

## COUNCIL STAFF REPORT

**To:** Mayor and City Council  
Ann Ober, City Manager

**Date Written:** Jan. 26, 2023

**Reviewed:** Peter Passarelli, Public Works Director

**From:** Natalie Rogers, Climate and Natural Resources Manager

**Subject:** **City-Coordinated EV Charger Installations**

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### ACTION REQUESTED

Council is asked to hear an update on the city's strategy to implement electric vehicle (EV) infrastructure in Milwaukie in part to achieve the city's climate goals adopted in the 2018 Climate Action Plan (CAP).

### HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[December 8, 2020](#): Council received an update on the CAP topics including EVs and provided direction for future discussions.

[December 15, 2020](#): Council adopted a resolution authorizing a memorandum of understanding (MOU) between Portland General Electric (PGE) and the city to address climate and resiliency goals, including EV strategies.

[October 12, 2021](#): Staff gave a CAP 3-year action update to council including work performed on the vehicles and fuels and land use and transportation climate topics.

[August 9, 2022](#): Staff gave a CAP update to council including highlights from Milwaukie's 2020 Greenhouse Gas (GHG) inventory showing transportation emissions have increased.

### ANALYSIS

The 2018 CAP includes 53 city-led actions that address the topics of "vehicles and fuels" and "land use and transportation" for strategies to reduce emissions generated by the transportation sector. In the 2016 Milwaukie GHG inventory, transportation was the second largest emission sector in Milwaukie. In a GHG update using 2020 data, Milwaukie showed an [increase in transportation emissions](#) and decrease in building emissions, making transportation the largest emission sector in Milwaukie [as well as the state](#).

A key strategy in addressing transportation emissions is the electrification of the transportation sector, as electricity is quickly becoming decarbonized (no generation of carbon emissions) while fossil-fuels like gasoline don't currently have a realistic carbon-free replacement. EVs are quieter, produce less air quality emissions, and have been rapidly increasing in market share with a [43% increase in zero-emission vehicle \(ZEV\) adoption](#) since January 2021. Oregon Department of Transportation (ODOT) shares a [ZEV dashboard](#) which includes EV and plug in hybrid electric vehicles (PHEV) as well as a summary of public charger locations across the state.

### **City-Coordinated EV Charger Installation in Milwaukie**

The city currently owns and operates four EV chargers: two level 2 (LV2) chargers at the Johnson Creek Boulevard (JCB) campus, one LV2 charger at the Public Safety Building (PSB) and one across from city hall on Jackson Street. Three of these four chargers are accessible only for city vehicles, while the Jackson Street charger is for public use as well. The city owns 12 EVs which are primarily administrative light-duty vehicles, however, recent purchases have included EV trucks for public works utility crews and EVs for police department services. As the city continues to electrify its fleet, more chargers will be needed for city operations. There will be a growing need for fast-charge capable charging infrastructure (LV3) if the city is to electrify vehicles in the public works and police departments with more fuel-intensive or heavy-duty vehicle use.

To address this need, the city is planning an installation of three new LV2 chargers on city facilities, one at JCB, one at the PSB, and one at Ledding Library. These locations were prioritized due to the city's control of the property where the chargers will be sited. These chargers will be made available to the public and will be installed in the public-facing parking lots of each building to serve public visitors of the facilities. To mitigate a civil air quality penalty from Oregon Department of Environmental Quality (DEQ), Dave's Killer Bread is interested in funding this project as it satisfies DEQ's mitigation requirements and provides environmental and community benefits. The city has entered into a contract with Dave's Killer Bread to accept \$110,000 towards the installation of the three chargers. In addition to these chargers, the city will be installing a new LV2 charger at the new city hall. With the upcoming installations, the city will own and operate 8 LV2 chargers.

In addition to the above installations, the city and PGE coordinated on the installation of Electric Avenue in 2019, a larger EV charging destination located in downtown Milwaukie on city property. Electric Avenue provides LV3 and LV2 charging stations to the public. PGE and the city are currently coordinating on the installation of numerous LV2 chargers located on PGE utility poles in community rights-of-way. The first phase of on-pole charger installations was a PGE demonstration project in the Historic Milwaukie neighborhood focusing on multi-family adjacent and commuter-accessible charging locations near the downtown corridor. PGE is now broadening the program and exploring new charging locations in Milwaukie in coordination with the city.

Beyond physical charger installations, the city has influenced the adoption of EV technology through the application and incentivization in development codes and promotion of regional stakeholder incentives. Existing incentives through PGE, state, and federal programs are included in city resources. These materials need to be updated to include new and upcoming incentives and programs. Developments that qualify for the EV ready code requirements are incentivized to install chargers in exchange for reduced EV-ready parking space requirements at multifamily and commercial properties.

### **BUDGET IMPACT**

Funds were budgeted in the adopted Capital Improvement Plan (CIP) for the installation of EV chargers at city facilities.

### **WORKLOAD IMPACT**

Coordination of EV charger installation and EV promotion falls under the existing workload of public works staff and community development staff.

**CLIMATE IMPACT**

Transportation electrification aligns with the CAP and reduces community emissions and environmental pollutants.

**COORDINATION, CONCURRENCE, OR DISSENT**

City staff have coordinated with Dave's Killer Bread and the Oregon Department of Environmental Quality (DEQ) on the city facility installations, as well as PGE for the Electric Avenue and on-pole charger installation. City staff coordinate internally on the implementation of the transportation electrification goals in city services and processes.

**STAFF RECOMMENDATION**

None.

**ALTERNATIVES**

None.

**ATTACHMENTS**

None.

# EV Charging in Milwaukie

February 7, 2023

**Natalie Rogers**

Climate and Natural Resources Manager

**Peter Passarelli**

Public Works Director

2030

## Net zero electricity

By becoming more energy efficient and using renewable electricity sources, Milwaukie's net emissions from electricity are zero.

2035

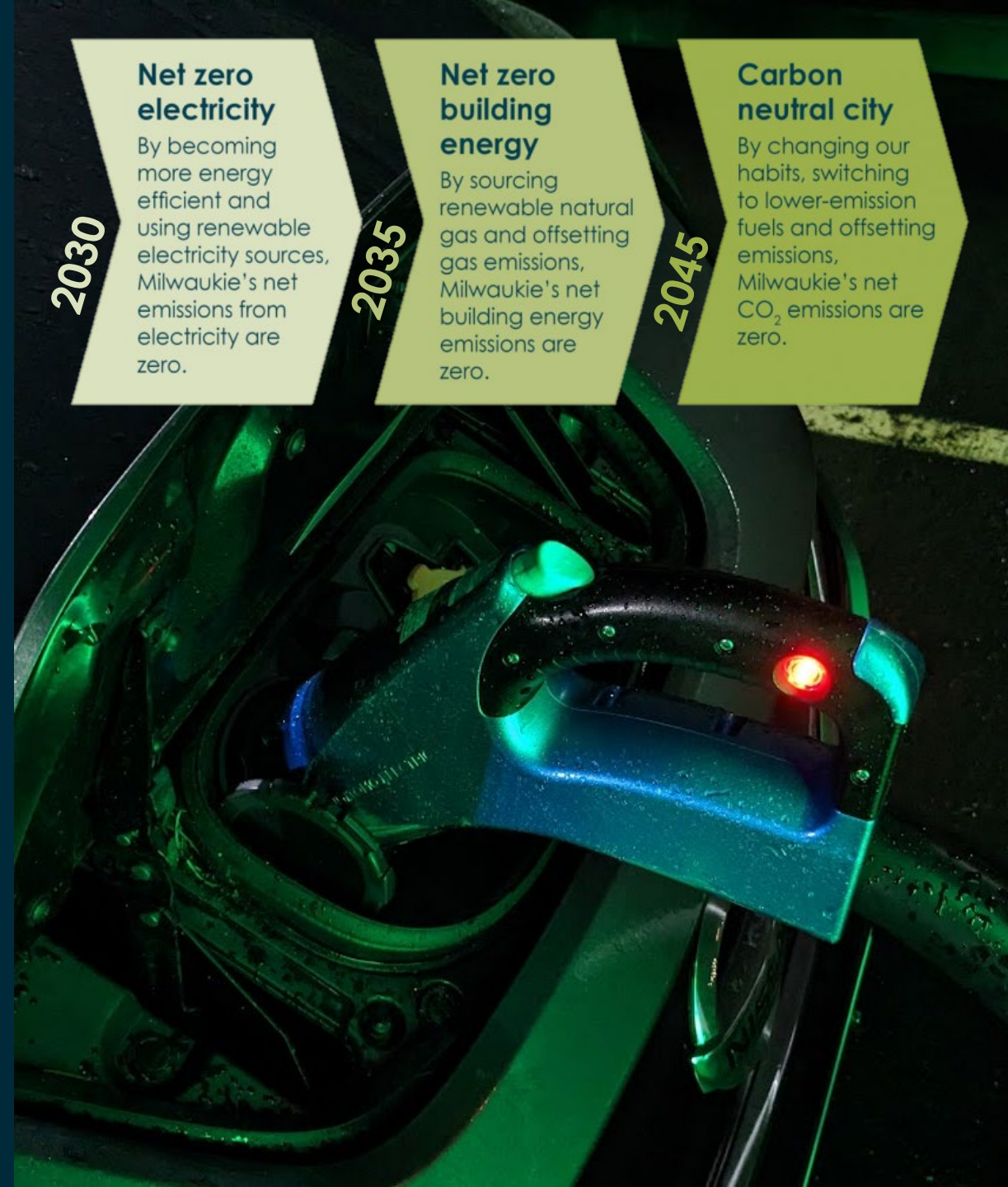
## Net zero building energy

By sourcing renewable natural gas and offsetting gas emissions, Milwaukie's net building energy emissions are zero.

2045

## Carbon neutral city

By changing our habits, switching to lower-emission fuels and offsetting emissions, Milwaukie's net CO<sub>2</sub> emissions are zero.



# Milwaukie's largest emission source: **Transportation**

Figure 1: Local Emissions. Proportion of emissions attributable to a given source (including non-fossil greenhouse gasses such as refrigerants) is given on the left and proportion fossil fuel sources is given on the right.

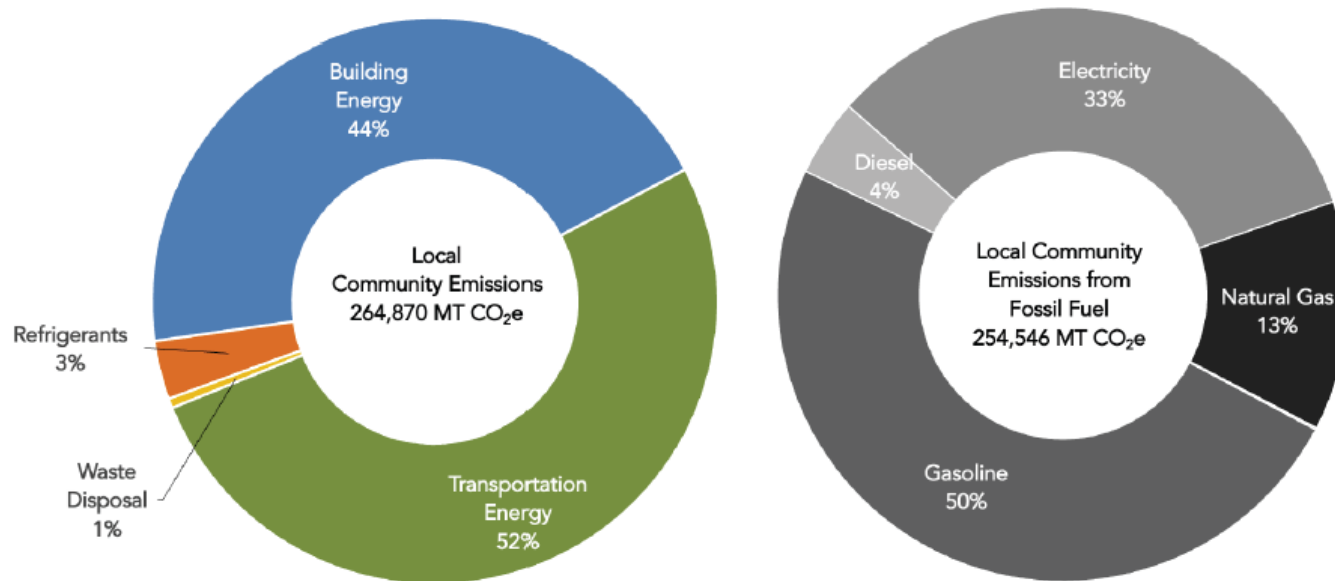
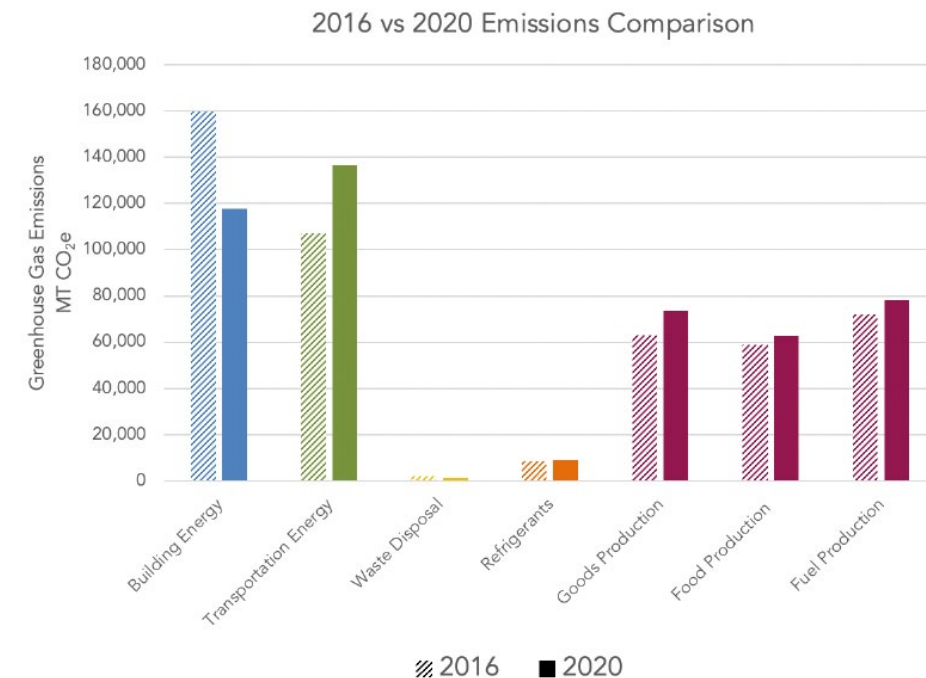
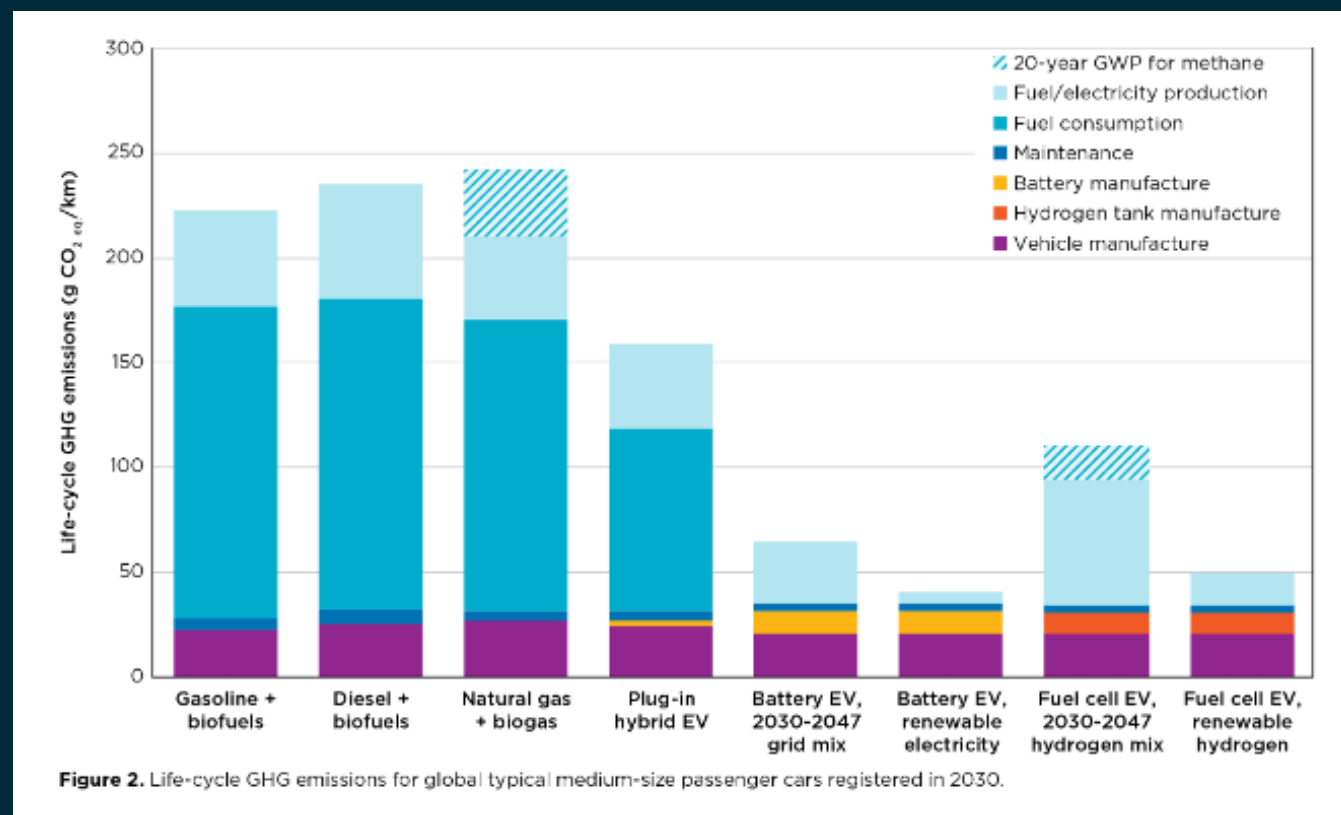
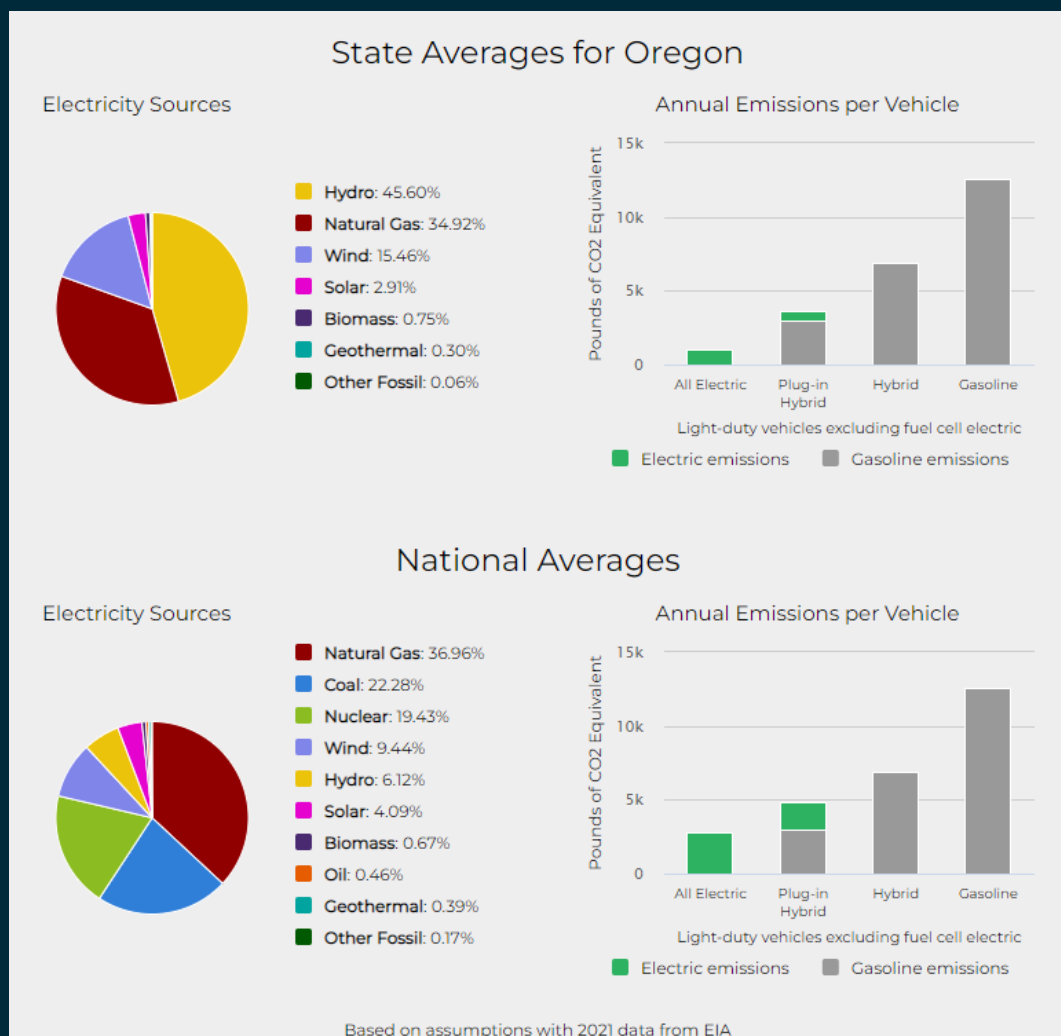


Figure 3: 2016 vs 2020 Emissions Detail



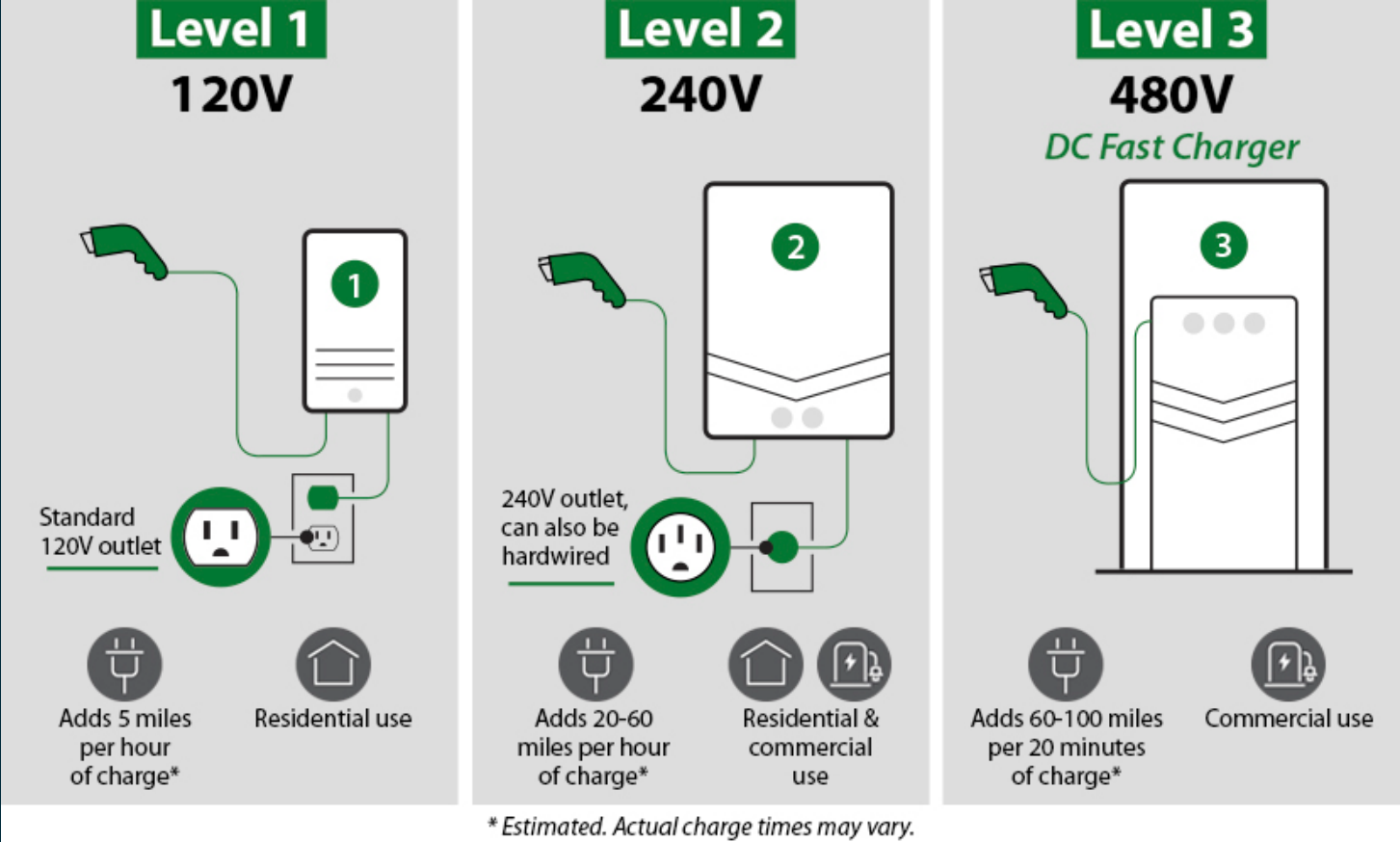
# Why Electric Vehicles (EVs)?



Source (left) : [U.S. DOE Alternative Fuels Data Center](#)

Source (right) : [International Council on Clean Transportation](#)

# Regional need for accessible EV charging

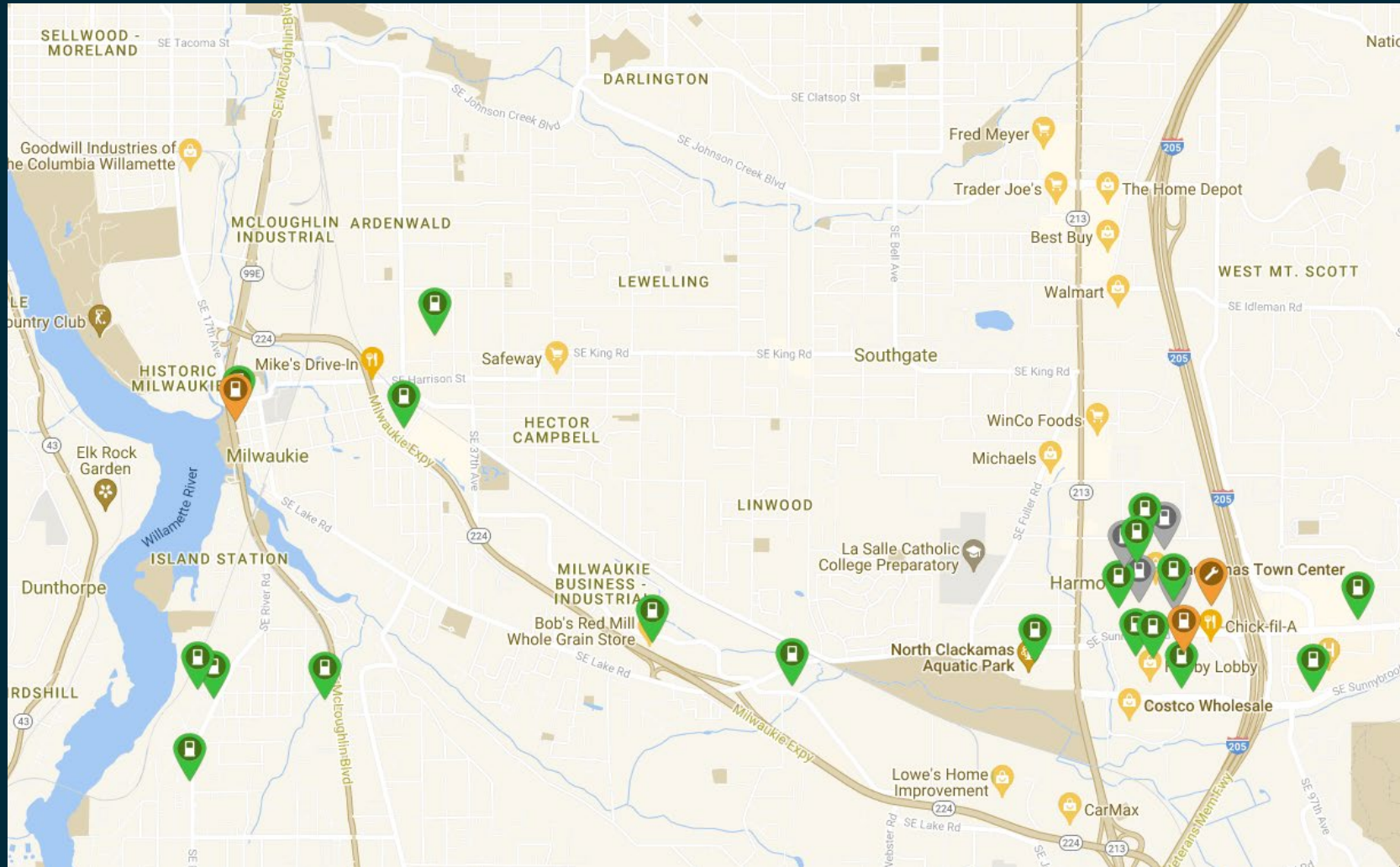


# City operational need for EV charging

- EV's used at each city campus
- 7 Plug-in Hybrid Electric Vehicles (PHEV)
- 8 Electric Vehicles
  - 5 Nissan Leafs
  - 1 Ford F150 Lightning (+1 ordered)
  - 1 Tesla
  - 1 Ford Mustang Mach-e
- As the city fleet electrifies, chargers needed at all city buildings



# Existing Public EV chargers around Milwaukie



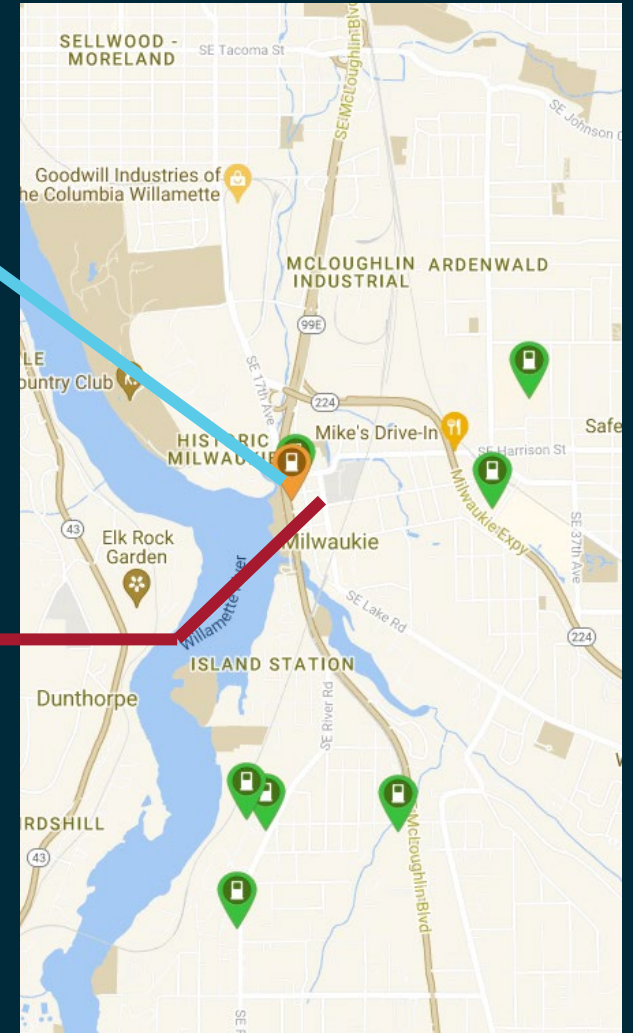
# PGE EV chargers around Milwaukie



Electric Avenue

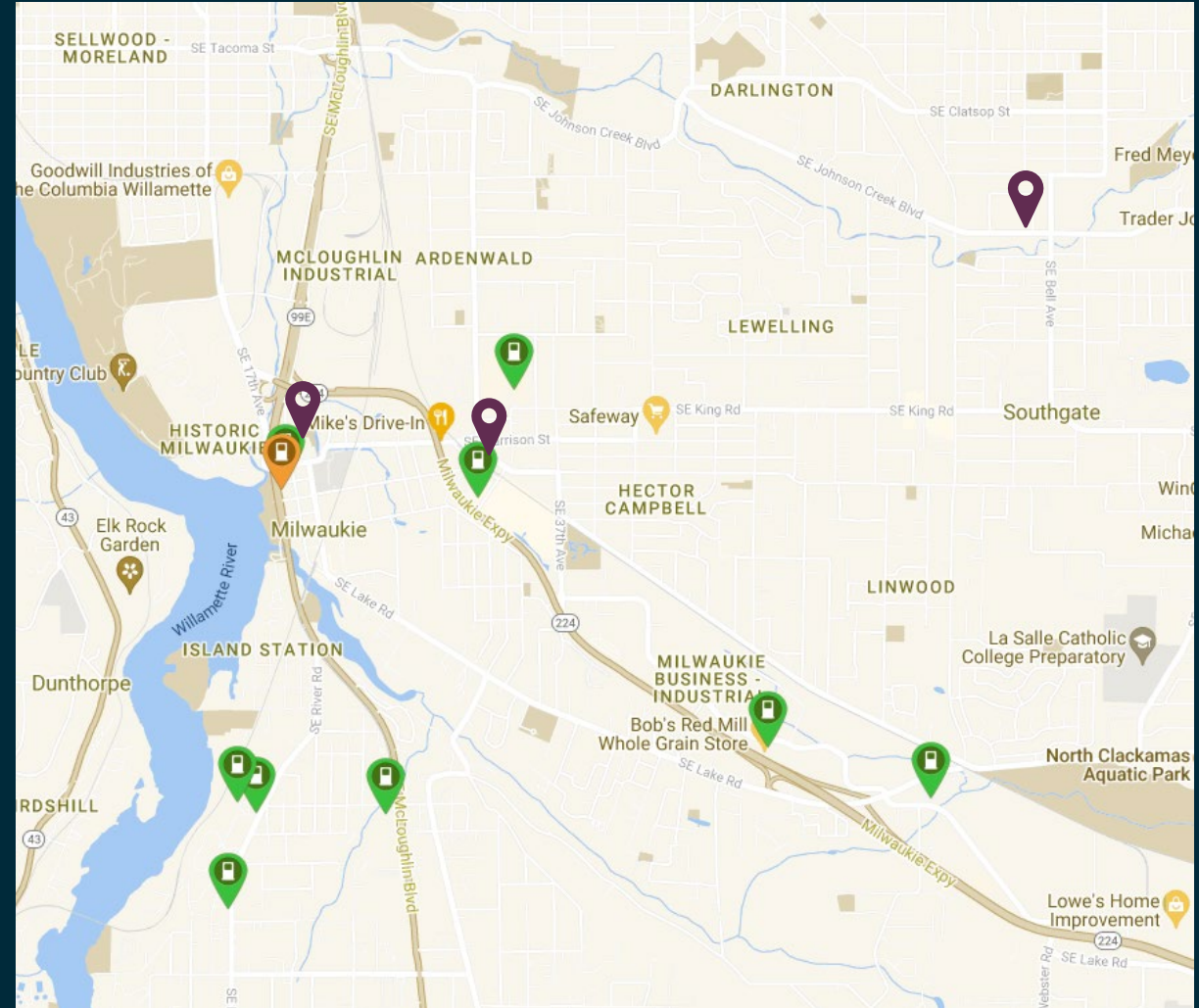
**On-Pole Charging**  
Phase 1 – SE 28<sup>th</sup>  
Phase 2 – TBD

**Low-income  
Multifamily Housing**



# New Public Chargers at City Facilities

- Three new LV2 chargers:
  - Ledding library
  - Public Safety
  - Johnson Creek Campus
- Funded by Dave's Killer Bread for environmental mitigation
- Chargers for city and public use
- Sited on city-owned property for city-managed installation and operation of chargers



# Thank you!

## Questions?

**Natalie Rogers**

Climate and Natural Resources Manager

**503-786-7668**

**[RogersN@milwaukieoregon.gov](mailto:RogersN@milwaukieoregon.gov)**

**[www.MilwaukieClimateAction.com](http://www.MilwaukieClimateAction.com)**



**2030**

### **Net zero electricity**

By becoming more energy efficient and using renewable electricity sources, Milwaukie's net emissions from electricity are zero.

**2035**

### **Net zero building energy**

By sourcing renewable natural gas and offsetting gas emissions, Milwaukie's net building energy emissions are zero.

**2045**

### **Carbon neutral city**

By changing our habits, switching to lower-emission fuels and offsetting emissions, Milwaukie's net CO<sub>2</sub> emissions are zero.

**Scott Stauffer**

---

**From:** Rebecca Stavenjord  
**Sent:** Monday, February 6, 2023 1:33 PM  
**To:** Scott Stauffer  
**Subject:** FW: Electric Vehicles  
**Attachments:** EVs a bad investment.docx

Scott,  
I have received this email with regard to EV infrastructure.  
Rebecca



---

**From:** LarNan90 <larnan90@comcast.net>  
**Date:** Sunday, February 5, 2023 at 3:30 PM  
**To:** Rebecca Stavenjord <StavenjordR@milwaukieoregon.gov>  
**Subject:** Electric Vehicles

Hi Rebecca,

Please seriously consider terminating any further investment in electric vehicles and related infrastructure.

[The facts clearly indicate](#) this is a very bad investment in limited city resources!

See the attached business case that clearly indicates Electric Vehicles (EVs) are not ready for today's energy needs and do significantly more harm than good!!

I would appreciate hearing from you after your review of the current established facts.

Thanks

Larry Lancaster  
503-805-7233

# EVs = Bad Investment for Cities & Counties

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When deciding on whether to invest in Electric Vehicles (EVs), it is critical to first look closely at the verifiable facts. So here is the unfortunate truth and some inconvenient facts about EVs.

## **Facts - Moral and Ethical Problems**

"Rare Earth Elements" such as cobalt and lithium are just some of the materials that make up lithium-ion batteries. *The problem, however, lies within procuring these items morally and ethically!*

According to Green Tech Media, over 50% of the world's cobalt comes from the Democratic Republic of Congo (DR Congo). The government of DR Congo reports that 20% of all cobalt exports out of the country are from unregulated mines that are operating illegally.

Because of the poor working conditions in Congo, many of these mines use child labor to extract cobalt ore. In fact, it's estimated that at least 40,000 children are "employed" by these illegally run mines (via Amnesty International) that are unfortunately referred to as "artisanal" mines.

Mining cobalt is hazardous. The process used to extract cobalt ore from the earth leaches hazardous materials into the local environment. Further, to extract the cobalt requires a process called smelting which emits sulfur oxide, which not only goes into the atmosphere, but is being breathed in by the children doing the work without any protection (via The New York Times).

## **Crisis of Water**

It's not much better when it comes to the lithium needed to power batteries, as well. Primarily located in the salt flats of South America, within countries like Argentina, Bolivia, and Chile, mining lithium wreaks havoc on the local environment. Removing lithium from the salt requires huge amounts of water.

According to Mining Technology, just one Bolivian Mine uses over 13,000 gallons of water a day to extract lithium from the salt, causing a massive water shortage for local farmers. With an estimated 40 more lithium mines going online in the near future, the water situation in these countries will continue to worsen before they get better with dire consequences for the local inhabitants.

## **Facts - Outrageous Cost**

The cost is extremely high. According to Investopedia, the cost to manufacture a standard-issue Tesla Model S battery is around \$30,000. That's nearly half the wear-it-out-of-the-store price already accounted for before the company has even paid to put in cup holders.

A 100 kWh Tesla Model S battery, sold at cost, would run about as much as a full-time federal minimum wage employee makes in a year.

Lithium-ion batteries are complicated to produce and costly to replace, which, if you want to be safe, you'll be doing every eight years or so! Replacement costs depend on what model EV you have. In general, you may spend between \$10,000 and \$20,000 to replace the battery plus there will also be a labor cost, which could be \$175 or more per hour.

## **Facts - Science and Physics**

Batteries are lousy at storing large amounts of energy. "Batteries leak, and they don't hold a lot," says physicist Mark Mills. Mills thinks electric cars are great but explains that "oil begins with a huge advantage: 5,000% more energy in it per pound. Electric car batteries weigh 1,000 pounds. Those 1,000 pounds replace just 80 pounds of gasoline." "Engineers are really good at making things better," Mills responds, "but they can't make them better than the laws of physics permit."

Charging an EV also takes a while, depending on the size of the battery and the charging station (assuming charging stations are available, functional and have the right connection). You have to spend an average of \$18 per charge and spend 15 minutes per 100 miles traveled.

## Fire

Electric vehicle batteries containing lithium ions are combustible and can catch fire. Because of this issue, EV owners have had to deal with a slew of display screen issues.

'The most significant danger of a lithium-ion battery is that [fires] are almost impossible to put out once they are ignited', notes engineer Robin Mitchell. EVs do not usually catch fire, but they do burn longer and hotter when they do. You can't put the fire out ... it has to burn itself out which can take hours or days!

The dangers of lithium-ion batteries are evident in the number of high-profile product recalls. Dell recalled four million batteries in 2006. HP recalled more than 100,000 laptops in 2019 because of battery-fire risks. After causing fires on flights, Samsung's Note 7 smartphone was recalled - twice - and then sidelined completely.

The costs and risks only increase with larger products. Fires originating in the battery in Chevrolet Bolt vehicles are estimated to have cost General Motors around \$2 billion. Audi had to recall its E-Tron SUV for the same reason. Parked Teslas keep bursting into flames! - On 1/30/2023 an EV spontaneously burst into flames on a freeway and it took 6,000 gallons of water to put the fire out!

Explains Mills, "People who imagine an energy transition want to build windmills and solar panels and store all that energy in batteries. But if you do the arithmetic, you find you'd need to build about a hundred trillion dollars' worth of batteries to store the same amount of energy that Europe has in storage now for this winter. It would take the world's battery factories 400 years to manufacture that many batteries."

According to Consumer Reports, electric SUVs are the least reliable vehicles on the road.

Electric vehicles should not be driven for short distances, and there is a special charging infrastructure required. Electric vehicles cannot be driven without a charge and they require special infrastructure for charging.

## **Facts - Environmental Damage**

Plain and simple, electric cars are responsible for an alarmingly large amount of Green House Gas (GHG) emissions output as compared to standard internal combustion engine cars, especially when you consider how few electric cars are on the road in the U.S. compared to standard cars.

One study found that even if the percentages were off by as much as over 99%, the emissions output for electricity used by electric transport is still extremely high and very worrisome. Over the car's entire life cycle, it would produce 80% of the emissions of a gas-consuming vehicle

No technology is 100% emission-free - even the creation of solar panels produces emissions. It's just a matter of scale.

Out of the factory gate, the electric car begins its life on the wrong side of the tracks - having generated far more CO2 than the petrol-guzzling version. The emissions from the materials and the production of the internal combustion engine version of Volvo's XC40 are roughly 40 per cent lower than for the EV.

If you're worried about carbon dioxide, the electric vehicle has emitted 10 to 20 tons of carbon dioxide (from the mining, manufacturing and shipping) before it even gets to your driveway.

Manufacturing an electric vehicle actually generates more CO2 than producing a standard vehicle, - particularly because of its battery. "Production of an average petrol car will involve emissions amounting to the equivalent of 5.6 tonnes of CO2, while for an average electric car, the figure is

8.8 tonnes," *The Guardian* states, citing a recent study. "Of that, nearly half is incurred in producing the battery."

### Indirect Pollution

Electric cars emit indirect pollution, and their batteries emit toxic fumes. Nonrenewable energy sources, such as coal and oil, generate the majority of the electricity used in electric vehicles, which clearly has a negative impact on both our health and the environment.

- ➡ Over the electric car's entire life cycle, it would produce 80% of the emissions of a gas-consuming vehicle, the same study found.
- ➡ Electric cars emit a lot of brake dust as they drive, which can be harmful to the environment.
- ➡ Electric vehicles use more rubber than traditional vehicles, which can lead to tire erosion.
- ➡ In electric cars, particulate matter is a major source of pollution, which can have negative consequences for respiratory health.

Volvo advises that, based on a typical global energy mix, if you drive under 93,000 miles you will cause greater emissions by choosing an electric vehicle over the petrol version.

Many of the EVs sold today are 'urban runabouts' - that is, vehicles that will never reach the CO2 'break even' point, and will therefore emit more CO2 than a petrol equivalent.

### Battery Recyclability

Part of the challenge here is that you can't just recycle a battery like you recycle other metals.

Current recycling methods also rely on shredding the batteries into very small pieces, known as black mass, which is then processed into metals such as cobalt and nickel.

A switch to a practice known as direct recycling, which would preserve components such as the cathode and anode, could drastically reduce energy waste and manufacturing costs.

But because it's a new industry, there isn't much demand or supply, which means that right now battery recycling isn't particularly profitable, which again means more government subsidies at the cost of the US taxpayer.

Despite ongoing research into recycling technology, this situation is unlikely to resolve itself. Lithium-ion battery makers have yet to develop the technology that can economically extract components in a form that can be used to make new lithium-ion batteries.

Rather, the batteries are typically processed to remove the cobalt and a few other expensive metals, with much of the remainder released as air emissions or used as filler in concrete or other construction products. This is one reason why less than 5 percent of lithium-ion batteries are currently recycled.

Complicating matters further, different battery makers use different ingredients, cells, and modules, which makes the extraction process less efficient and more expensive. In fact, manufacturers are not even required to disclose the contents of their batteries to would-be recyclers.

Without incentives, lithium-ion batteries will be dumped, incinerated, or exported to countries with weaker standards, where they will contaminate the environment and threaten public health.

Nickel has been shown to cause lung and nasal cancers, reduce lung function, and cause bronchitis. Cobalt can cause serious health conditions such as asthma and pneumonia, and it is a possible carcinogen. Exposure to manganese can result in respiratory problems, loss of coordination, and other neurological problems.

## **Facts - Limitations of the Electrical Grid**

the U.S. electrical grids are fragile and limited. Recent power outages drive this point home hard!

This summer, California officials were so worried about blackouts they asked electric vehicle owners to stop charging cars! "Roughly speaking, you have to double your electric grid to move the energy out of gasoline into the electric sector," says Mills. "No one is planning to double the electric grid, so they'll be rationing." Worse, if (as many activists and politicians propose) we try to get that electricity from 100% renewable sources, the rationing would be deadly.

"Even if you cover the entire continent of the United States with solar panels, you wouldn't supply half of America's electricity," Mills points out. Even if you added "Washington Monument-sized wind turbines spread over an area six times greater than the state of New York, that wouldn't be enough."

*This is just math and physics.* Its amazing supposedly responsible people promote impossible fantasies. Even if people invent much better cars, wind turbines, solar panels, power lines and batteries, explains Mills, "you're still drilling things, digging up stuff. You're still building machines that wear out ... It's not magical transformation."

For the electric version to 'break even', so to speak, it has to do a lot of miles on the clock. Its eco-friendliness also depends enormously on how the electricity used to charge the batteries is generated.

## **Facts - Current Status of the U.S. Electrical Grids**

By 2025, between mothballed coal-fired and nuclear power plants, we could see the loss of 100 gigawatts of power – enough to supply 25 million American households. Can we realistically expect renewables to fill that void? As a practical matter, the answer is NO!

The declining cost of renewables offers promise, but even with government tax credits and renewable fuel mandates, wind and solar combined supply only 7 percent of the nation's electricity.

The North American Electric Reliability Corporation, or NERC, "warns that an accelerated retirement of coal-fired and nuclear power plants over the next several years could lead to power outages, temporary shortfalls in surplus generation and transmission problems in several regions." In the event electricity generating capacity can't meet customer demands, public utilities have one only option: Cutting the amount of power supplied, creating "brownouts" or "blackouts."

Underinvestment leads to aging infrastructure, which is already suffering from bottlenecks and congestion. The American Society of Civil Engineers (ASCE ) estimates that 70% of the nation's transmission lines and transformers are more than 25 years old, leaving the grid vulnerable to outages.

The average electric vehicle requires 30 kilowatt-hours to travel 100 miles – the same amount of electricity an average American home uses each day to run appliances, computers, lights and heating and air conditioning. This is a huge drain on an already overtaxed supply system!

A U.S. Department of Energy study found that increased electrification across all sectors of the economy could boost national consumption by as much as 38% by 2050, in large part because of electric vehicles.

Complicating matters is the idea that electric cars won't be the only thing adding pressure to the electrical grid. Many states have proposed or adopted policies to phase out natural gas furnaces in new home construction, replacing them with electric heat pumps (as Milwaukie just did!). This is a very bad ill-advised decision compounding the electrical problems that already exist!

That electricity required to "decarbonize" home heating will place additional strain on the U.S. electric grid that is already severely strained.

More and more systems throughout the country are being electrified, thereby generating more demand for electricity. Electric cars will merely add to this problem and strain a system that is already running at near capacity.

It's not just electric cars, though. There are also the massive power demands needed for the data centers that create, transport, and store virtual information. All of this suggests a huge shift in how Americans will consume electricity. And while electricity consumption has been fairly stable in recent years, a move toward deep electrification could send demand climbing.

Is the U.S. power grid prepared for such an increase? Unfortunately, not! That's because, even as a surge in demand looms ahead, the nation has been losing key sources of baseload power that currently anchor much of the overall electric grid. And part of the problem stems from heavy subsidization of wind and solar projects that currently deliver only 7.6 percent of U.S. electricity.

What's needed is a balanced, diverse electricity mix that incorporates coal, natural gas, nuclear, wind, and solar in the most efficient means possible. To prepare for tomorrow's challenges, it's critical to start planning now and making good decisions today.

## **Conclusion**

Electricity generation in the U.S. needs to be cleaned up massively and stabilized. Until that happens, the all-electric future we've been told will save the planet, will probably not save it all!

Changing to cleaner energy sources such as wind and solar also creates its own set of issues, as those forms of energy are intermittent and we'll need battery storage to store that energy for off-times, which then also forces the need for more batteries and more mining and so on.

### **Batteries are the Weak Link**

The truth is being swept under the rug. None of the lithium-ion batteries in electric vehicles are recyclable in the same sense that paper, glass, and lead car batteries are. Although efforts to improve recycling methods are underway, generally only around half the materials in these batteries are currently extracted and repurposed!

And without the most valuable ingredients, there will be little economic incentive to invest in recycling technologies. The result (if nothing is done) to tip the scales, could be a massive health and environmental crisis!

In the rush to embrace this technology, auto companies and municipalities are adopting the same pretense that has been embraced by the plastics industry: They are claiming that used batteries will be recycled.

At its current state, energy production is still mainly coming from fossil fuels. The mining required for the batteries is destroying habitats and ecosystems!

The price is too high and with government forcing electric cars to market, electric vehicles are in an untenable position in the short term, and there are a whole lot more negatives than positives.

## COUNCIL STAFF REPORT

**To:** Mayor and City Council  
Ann Ober, City Manager

**Reviewed:** Ann Ober, City Manager, and  
Joseph Briglio, Community Development Director

**From:** Laura Weigel, Planning Manager

**Subject:** **Draft Housing Production Strategies Memo**

**Date Written:** Jan. 26, 2022

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### ACTION REQUESTED

Review, discuss and provide feedback on the draft Housing Production Strategies (HPS) memo (Attachment 1).

### HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[June 15, 2021](#): Council adopted a resolution requesting funding from the Oregon Department of Land Conservation and Development (DLCD) to update the city's Housing Capacity Analysis (HCA), also known as the Housing Needs Analysis (HNA), and to create a Housing Production Strategy (HPS).

[December 21, 2021](#): Council adopted a resolution accepting a grant award from DLCD to develop the HCA and HPS.

[March 1, 2022](#): Council approved the formation of a Housing Capacity/Production Technical Committee (HCTC) and appointed a Council member to sit on the committee.

[December 13, 2022](#): The Planning Commission reviewed the HCA.

[January 17, 2023](#): Council reviewed the HCA which is the pre-cursor work to the HPS.

### BACKGROUND

In January, Council recently reviewed the HCA which is a precursor to the HPS. Statewide Planning Goal 10 details the required components of the HCA, which include an assessment of current and future (20 year) demand for housing units across a range of prices, rent levels, locations, housing types, and densities. The HCA must then compare these needs with the community's 20-year supply of buildable residential land as calculated by its Buildable Lands Inventory (BLI). If the HCA demonstrates that the city does not have adequate land supply to meet the full spectrum of anticipated housing needs, policies, and actions to help meet this demand must be adopted in the HPS. The HPS is a new state requirement adopted in 2019 that is designed to pick-up where the HCA leaves off. The HCA portion of this project is a highly technical exercise that is prescribed through Goal 10. The HPS is also a technical exercise and outlines a variety of options jurisdictions can explore to meet a jurisdiction's specific housing production needs. The HPS builds off the work in the [Milwaukie Housing Affordability Strategy \(MHAS\)](#).

The city is required to submit the HPS to DLCD after its adoption by Council. The city is then required to monitor progress on implementation of the HPS and progress on production of

housing related to the policies and actions in the report. Therefore, it is critical that strategies that are selected for inclusion in the HPS are feasible based on staff and financial resources.

The city received a grant from DLDC to hire a consultant to complete the HCA and HPS. The consultant, staff, and the [Housing Capacity Technical Committee](#) have been reviewing and discussing the draft findings in the HCA and the draft HPS.

### **BUDGET IMPACT**

HB 2003 requires cities to update their HCA and create an HPS. The bill was passed in 2019. The city received a grant from DLCD to complete this work.

### **WORKLOAD IMPACT**

The HCA and HPS must be adopted by the end of 2023. Planning and community development staff are on target to meet this timeline.

### **CLIMATE IMPACT**

The objective of the HCA and HPS is to identify the current and future need for housing across income levels and housing types and to find ways to get those needed housing types produced throughout the city. As zoning changes allow more housing types throughout the city, leading to increased density, which can reduce the size of dwelling units, leading to less consumption of energy and goods. Generally, a well-planned community allows people to live and get their essential needs and services within a 20-minute walk leading to lower greenhouse gas emissions.

### **COORDINATION, CONCURRENCE, OR DISSENT**

Community development and planning staff are working on this project.

### **STAFF RECOMMENDATION**

Staff requests feedback on the HPS in anticipation of adoption in May or June.

### **ALTERNATIVES**

None.

### **ATTACHMENTS**

1. Draft Housing Production Strategies

DATE: January 19, 2023  
TO: Milwaukie HCA HPS Housing Capacity Technical Committee  
CC: Laura Weigel, City of Milwaukie  
FROM: Beth Goodman and Kaitlin La Bonte  
SUBJECT: Housing Actions for Possible Inclusion in the HPS

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Milwaukie is in the process of developing a Housing Capacity Analysis and Housing Production Strategy (HPS) to address the City's unmet housing needs. The Housing Capacity Technical Committee (HCTC) is providing input on development of the HCA and HPS. Through this project, we have held the following Committee meetings:

- April 28 - We met with the HCTC to provide an overview of the project and project schedule, discuss desired project outcomes, and ask for feedback about the public engagement process.
- June 30 - The HCTC met to review the preliminary findings of Milwaukie's housing needs, including reviewing the key findings of the draft housing needs projection memorandum.
- August 11 - The HCTC met to review the buildable lands inventory and preliminary redevelopment analysis findings.
- October 20 - the HCTC met to review Milwaukie land sufficiency findings and discuss the actions that could be included in the HPS to address the unmet housing needs in Milwaukie.

This memorandum will provide the basis for continued discussion of the strategies at the January 26<sup>th</sup>, 2022 meeting with the HCTC, focusing on the following questions:

- Are the actions included in this memorandum the appropriate actions to address unmet housing need in Milwaukie?
- Are we missing any actions that should be included in the HPS?
- Should we remove any of the actions from the list to include in the HPS?
- Are there actions that we need to do additional research or refinement on to better fit them to address Milwaukie unmet housing needs?

Beyond the January HCTC meeting, we will meet with the HCTC two more times to: (1) develop details of each strategy, and (2) review the full draft HPS.

This project discusses housing affordability. It focuses on support for housing development of three types of affordable housing, based on information from the HUD and the U.S. Census' American Community Survey:

- **Very low-income and extremely low-income households** are those who have an income of 50% or less of the Portland-Vancouver-Hillsboro, OR-WA Metropolitan

Statistical Area (MSA) Median Family Income (MFI)<sup>1</sup> for a household of four which is an annual household income of \$48,450. Development of housing affordable to households at this income level is generally accomplished through development of government-subsidized income-restricted housing. These households can afford monthly housing costs of \$1,210 or less.

- **Low-income households** are those who have income of 50% to 80% of the Portland-Vancouver-Hillsboro, OR-WA MSA MFI for a household of four or income between \$48,500 to \$77,500. The private housing market may develop housing affordable to households in this group, especially for the higher income households in the group. These households can afford monthly housing costs of \$1,210 to \$1,940.
- **Middle-income households** are those who have income of 80% to 120% of the Portland-Vancouver-Hillsboro, OR-WA MSA MFI for a household of four or income between \$77,500 to \$116,300. The private housing market may develop housing affordable to households in this group, especially for the higher income households in the group. These households can afford monthly housing costs of \$1,940 to \$2,910.

This memorandum presents additional information about the actions discussed at the October 20<sup>th</sup> meeting and begins to evaluate them for inclusion in the HPS. The memorandum is separated into six sections:

- What is the City already doing to address housing needs?
- Requirements of a Housing Production Strategy
- Summary of Potential Housing Actions
- Recommendations for Future Actions
- Actions Under Consideration for Inclusion in the HPS
- Preliminary evaluation of each action

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<sup>1</sup> Median Family Income is determined by the U.S. Department of Housing and Urban Development. In 2021, the MFI for the Portland-Vancouver-Hillsboro, OR-WA MSA was \$96,900 for a family of four.

## What is the City already doing to address housing needs?

Over the last five years, the City has implemented the following actions. Many of them are from the *Milwaukie Housing Affordability Strategy* (MHAS) report.

- **Streamline the development process.** Milwaukie took steps to streamline the development process, making development easier for developers. Actions the City has taken include: assigning project managers as a consistent point of contact, hiring a housing coordinator, charging consistent and predictable permit fees, providing a predictable review process with early feedback, partnering with non-profit and other public agencies to inform up-to-date housing needs, and identifying zoning code changes to make development faster.
- **Middle housing code changes.** The City implemented middle housing code changes, consistent with House Bill (HB) 2001, which allows townhouses, cottage housing, duplexes, triplexes, and quadplexes in areas that have primarily consisted of single unit housing.
- **Regional general obligation bonds.** Milwaukie engaged with Metro and its Equitable Housing Program to explore securing bond financing for additional affordable housing. This effort ended up converging with the 2018 regional affordable housing bond that was approved by Metro-area voters.
- **Housing Coordinator.** Milwaukie hired a housing coordinator to ensure dedicated resources would be directed to increasing housing affordability. This position was in charge of MHAS implementation and has morphed over the last several years due to resource constraints and updated council goals.
- **Construction Excise Tax (CET).** The City implemented a CET in 2017, including developing criteria and plans for distribution of CET funds. The City released a competitive request for proposals in 2022 to award up to \$2M in CET funds for qualifying income-restricted housing projects. As funds continue to accumulate overtime, the City will release subsequent rounds of funding. CET funds generated from within Milwaukie are also utilized by the State to provide first time homebuyer assistance for residents.
- **Property tax exemptions.** The City worked with the various taxing districts to allow non-profit owned, income-restricted housing developments to apply for an annual property tax exemption. This program has been utilized primarily by Northwest Housing Alternatives Walsh Commons development on Willard Street.
- **Model potential impact of incentives.** Milwaukie started the process of modeling potential impacts of incentives by engaging with the development community to understand the potential impact of reducing or waiving transportation impact fees and systems development charges. The City is still working with developers to understand impact of incentives of green building standards, density bonuses, development standard variances, and parking reductions.

- **Eviction mitigation.** Milwaukie partnered with county mediation services, training services, and other resources to assist tenants and landlords in eviction prevention. These resources are available and accessible to all on the city website. The City has also offered several rounds of rental assistance to qualifying lower-income residents for additional mitigation.
- **Low-cost loans to support rehabilitation.** The City partners with and supports Clackamas County's affordable housing development and rehabilitation projects in Milwaukie. Milwaukie does not offer loans for rehabilitation but directs interested parties to Clackamas County for these loans.
- **Develop informational materials.** Milwaukie developed (or partners with others who have developed) informational materials available for tenants, prospective homebuyers, and others, making the materials available on the City's website. For example, the City is developing a financial resource guide for tenants and property owners. The City promotes the County's Rent Well program, which provides tenant education to give residents the support, knowledge, and expertise they need to become successful tenants.

## Requirements of a Housing Production Strategy

This section briefly describes the monitoring and reporting requirements the City will have to follow after adoption of the HPS. The City is required to submit the HPS to Department of Land Conservation and Development (DLCD) after its adoption by the City Council. The City is then required to monitor progress on implementation of the HPS and progress on production of housing related to the policies and actions in this report. Linking housing development directly to implementation of the actions in this report may be challenging and difficult to quantify. But City staff will be able to report changes in building activity that occur before and after implementation of specific actions and will be able to provide qualitative feedback on implementation of actions based on development of partnerships and discussions with stakeholders.

Milwaukie will be required to submit a report to DLCD three years after the City adopts the HPS that includes a **summary** of the actions taken by that time, and an **evaluation** of the efficacy of the actions that the city has implemented for meeting the needs in the HCA and whether the actions are moving the city to achieve more fair and equitable housing outcomes.

Implementation of the HPS will take time because each action will require further consideration, such as additional analysis, engagement of consultants, changes to existing standards or programs, discussions with decision makers, or public hearings. The City may be unable or chose not to implement some of these actions because of new information that arises from further consideration about the specifics of each action. If the City is unable to or chooses not to implement an action within 90 days of the timeline proposed in the HPS, the City must notify DLCD about the action(s) that the City is taking to address this issue. The City may propose an alternative schedule for implementing the action or may identify a different action (or actions) to meet the specific housing need addressed by this action.

## Summary of Potential Housing Actions

This section describes a refined list of potential actions that Milwaukie could take to address its housing needs which were identified in the Milwaukie Housing Capacity Analysis. The project team and HCTC reviewed and discussed an initial list of potential actions with the HCTC at the HCTC meeting on October 20, 2022.

The project team has since refined this list to identify actions that are highest priority for inclusion in the HPS (Exhibit 1), as well as actions that are more appropriate as a recommendation in the HPS (see Recommendation for Future Actions section). Actions were deemed more appropriate as a recommendation if it involved the City continuing work already underway, or would start the action at an undefined point in the future. Some strategies were merged with strategies in Exhibit 1.

### Exhibit 1. Higher Priority Strategies for Inclusion in HPS

| Action                                                                                                      | Category                            | Rationale                | City Role | Potential Impact on Development Cost or Unit Production | Complexity to Administer | Tenure | Most Likely Affordability Level Targeted |
|-------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------|-----------|---------------------------------------------------------|--------------------------|--------|------------------------------------------|
| A. Land Banking, Parcel Assembly, Land Disposition, Land Trusts and Cooperative Housing Models <sup>2</sup> | Lower Development/Operational Costs | Reduce land costs        | Lead      | Small to Large                                          | High                     | Both   | 80% MFI and below                        |
| B. Reduced / Waived Planning Fees <sup>3</sup>                                                              | Lower Development/Operational Costs | Reduce development costs | Lead      | Small                                                   | Medium                   | Both   | 80% MFI and below                        |
| C. Multiple-Unit Limited Tax Exemption Program (Locally Enabled And Managed)                                | Lower Development/Operational Costs | Reduce development costs | Lead      | Small to Moderate                                       | Medium                   | Rental | 80% MFI and below                        |

<sup>2</sup> Land Trusts and Cooperative Models were added to Action A, rather than being included as separate strategies.

<sup>3</sup> Permit Fees were removed from Action B because funds from these fees get distributed to multiple departments.

| Action                                                                                    | Category                                   | Rationale                               | City Role | Potential Impact on Development Cost or Unit Production | Complexity to Administer | Tenure | Most Likely Affordability Level Targeted |
|-------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------|-----------|---------------------------------------------------------|--------------------------|--------|------------------------------------------|
| D. Increase allowable residential densities                                               | Land Use Regulations                       | Increase housing diversity              | Lead      | Moderate to Large                                       | Medium                   | Both   | Any                                      |
| E. Provide Density Bonuses To Developers for Income Restricted Housing                    | Land Use Regulations                       | Reduce development costs                | Lead      | Small to Moderate                                       | Low                      | Both   | 60% MFI and below                        |
| F. Inclusionary zoning                                                                    | Land Use Regulations                       | Increase affordable housing development | Lead      | Small to Moderate                                       | High                     | Both   | 80% MFI and below                        |
| G. Develop Housing Options And Services To Address And Prevent Houselessness <sup>4</sup> | Programs that Provide Financial Assistance | Provide Financial Assistance            | Partner   | Small to Moderate                                       | High                     | Rental | 60% MFI and below                        |
| H. Revolving loan fund for rehabilitation                                                 | Programs that Provide Financial Assistance | Provide Financial Assistance            | Partner   | Small to Moderate                                       | Medium                   | Both   | 120% MFI and below                       |
| I. Urban Renewal / Tax Increment Finance (TIF)                                            | Funding sources                            | Affordable housing subsidy              | Lead      | Moderate to Large                                       | High                     | Both   | 120% MFI and below                       |
| J. Construction Excise Tax                                                                | Funding sources                            | Increase housing stock                  | Lead      | Small to Large                                          | Medium                   | Both   | 120% MFI and below                       |

<sup>4</sup> The Support Targeted Housing Services action was merged into Action F.

## Recommendations for Future Actions

The following actions, while important and useful, will not be included as strategies in the HPS. Instead, the HPS will include them as recommendations that the City may want to consider in the future or as part of another process. The City will not have to report on progress towards these actions.

- **Rental Assistance Programs.** The City has implemented a rental assistance program in the past, and will continue to do so as funding is available. The City should continue to identify funding sources for this program and implement as funding becomes available.
- **Pursue Community Development Block Grant (CDBG) Funds from Clackamas County.** The City should continue to work with the County to understand and determine how to leverage and receive CDBG funds for local use.
- **Inclusionary Zoning.** If state policy changes to allow more flexibility in inclusionary zoning program requirements, the City should reevaluate implementation in Milwaukie.
- **Develop Pre-Approved Plan Sets For ADUs And Middle Housing Typologies.** As Milwaukie's middle housing code was only recently implemented (in June 2022), it is not yet known how the removal of these barriers will shape demand and development trends for middle housing types. The City should monitor middle housing development trends over the next few years and revisit the 'Pre-Approved Plan Set' action once there is a better sense of the kinds of middle housing plans that are most desirable and feasible in Milwaukie. At that time, the City can work with architects and developers to identify and develop plan sets for feasible middle housing types to incentivize their production within the city.
- **Allow Tiny Homes.** The City should evaluate whether to allow tiny homes. If so, review the development code for barriers to tiny homes and tiny home villages, and amend the code as needed to allow and facilitate development of these housing types.
- **Support Preservation Of Manufactured Home Parks.** There are only two mobile home parks in Milwaukie. There are two primary ways the City could support preservation of these parks. One option is a regulatory approach, where the City develops and implements a zone over these parks that allows manufactured home parks as a permitted use and prohibits other types of single-family detached or multifamily housing. Another option is to work with owners of manufactured home parks when they go up for sale and facilitate purchase by a nonprofit. The City should evaluate these approaches and determine the most promising option for Milwaukie.
- **Relocation Assistance Requirements.** The City could evaluate implementing a policy that requires landlords to provide financial relocation assistance to renters under specific situations. For instance, the City might model the policy from Portland's Mandatory

Renter Relocation Assistance program, where renters may have the right to be paid relocation assistance from their landlord in the following situations:

- No-cause eviction
- Notice of non-renewal of a fixed term lease (not becoming month-to-month)
- Qualified landlord reason for termination
- Rent increase of 10 percent or more over a 12-month period
- Substantial change of lease terms

## Actions Under Consideration for Inclusion in the HPS

This section presents some information about each action. If selected for inclusion in the HPS additional information will be included for each action. In Action A, we show all of the information that will be included in the HPS, with placeholders for information we will fill in later.

### A. Develop a Land Bank Strategy and Partnerships to Support Affordable Housing Development

#### Rationale

Land control is critical because costs make affordable housing development difficult or financially infeasible. Control of land also allows the owner to determine how land is developed. Land costs account for a substantial portion of housing development costs. Thus, removing or reducing land costs can dramatically lower the costs of developing affordable housing.

Land banks support low- and moderate-income affordable housing development by reducing or eliminating land cost from development, increasing a nonprofits' capacity to build affordable housing

Land trusts support affordable housing development by reducing or eliminating land cost from development. Land trusts hold land in perpetuity and sell or lease the housing on the land at below-market rate prices. Land trusts most frequently provide opportunities for homeownership that remain affordable over the long-term.

#### Description

The City can support development of income-restricted affordable housing (housing affordable at or below 60% of MFI) or moderate income housing (housing affordable between 60% and 120% of MFI) by helping to reduce costs in a number of ways:

##### Land Banking

Through **land banking**, the City can provide a pipeline of land for future development and control the type of development that may occur on that land. The City could pursue land banking in three ways:

- Designate city-owned land as surplus and contribute that land to the land bank, eventually conveying that land to affordable housing developers for development of housing at agreed-on level of affordability, such as housing affordable below 60% of MFI.
- Purchase properties for the purpose of building affordable housing and convey that land to affordable housing developers for development of housing at agreed-on level of affordability.
- Provide funds to support land banking done by another organization, with the purpose of building affordable housing in the future.

The land bank can provide land to support residential development, of either rental housing or ownership housing.

To support development of land for rental housing, the City's role could be to partner with a nonprofit affordable housing developer to build housing affordable at less than 60% of MFI or a developer of mixed-income housing, which would include some amount of housing affordable between 60% and 80% of MFI and housing available at market rates. Housing affordable to households with incomes of less than 60% of MFI is financed with state and federal funds, which mandate long-term affordable (e.g., maintaining affordability for 30 years or longer). Maintaining affordability of mixed-income housing may require direct agreements with the developer and owner, typically tied to low-cost land (such as land in a land bank) and other incentives (such as tax exemptions).

### **Community Land Trusts**

Building affordable housing for homeownership requires different considerations to ensure long-term affordability, beyond the first sale. One arrangement to ensure long-term affordability is a land trust. **Land trusts** support affordable housing development by holding land in perpetuity and selling or leasing the housing on the land at below-market rate prices. Land trusts most frequently provide opportunities for homeownership that remain affordable over the long-term.

A land trust is typically managed by a nonprofit organization that owns land and sells/leases the housing on the land to income-qualified buyers. Because the land is not included in the housing price for tenants/buyers, land trusts can achieve below-market pricing. Land trusts are most commonly used as a method for supporting affordable home ownership goals. The City's role would be one of supporting and partnering with the nonprofit that runs the land trust or developing a city-run land trust.

The City may participate in a community land trust that is operated by an existing entity, often a nonprofit organization. The City's role in a community land trust could be as a partner, possibly assisting the trust with land acquisition through land banking or through providing funding to support housing development.

### **Housing Cooperative**

Another option for maintaining long-term affordability of affordable homeownership units is through a **housing cooperative**, which is a legal structure available to allow resident-ownership of multifamily property. Cooperatives provide a flexible and accessible homeownership model and are similar in concept to land trusts in that they allow for long-term affordable homeownership options. Instead of an individual family (or a land trust) owning a single-family home or a condominium, a cooperative corporation, or co-op, formed by the residents, owns housing, most often in the form of a multifamily building. Each resident household buys a share in the co-op building at a price that can be far below the cost of a down payment for a market rate single family home; this is called a "share price." Purchasing this share makes the household a member of the co-op and entitles the household to live in a unit with a proprietary lease.

The City could support a housing cooperative in a similar way that it could support a community land trust, such as assisting the trust with land acquisition through land banking or through providing funding to support housing development.

### **City Role**

The City's role may vary on different projects, such as contributing city-owned surplus land for development, assisting with land purchase and assembly, providing funding to support land purchase, or partnering in an affordable housing development project that includes land banking as well as other strategies. Specific City roles could include:

- City funds technical or legal assistance needed to form a housing cooperative.

- Partner-led project with a nonprofit developer, land trust, or housing cooperative in which City contributes funds or land to the project.
- City-led affordable housing development project with city-owned land banking. City can provide funds or land and help with parcel assembly.
- Offering assistance to an existing land trust or housing cooperative, such as such as conveying City-owned land or contribute funds to an existing non-profit land trust, providing information about the programs to prospective participants, technical assistance in the permitting and development process, or providing down payment assistance to lower the owner's share purchase price.

The City could maintain an inventory of land, publicly owned or otherwise, that is available and properly zoned for housing development.

### City Policy<sup>5</sup>

| Plan Document | Policy Number | Policy                                                                                                                                                                                                                                                                                                         |
|---------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MHAS          | 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.)                                                                                                                                             |
| MHAS          | 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.)                                                                                        |
| MHAS          | 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.                                                                                                                            |
| MHAS          | 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.                                                                                                                   |
| MHAS          | 1.6.3         | Continue to find opportunities to land bank and perform necessary due diligence in property negotiations.                                                                                                                                                                                                      |
| Comp Plan     | 7.1.1         | Provide the opportunity for a wider range of rental and ownership housing choices in Milwaukie, including additional middle housing types in low and medium density zones                                                                                                                                      |
| Comp Plan     | 7.2.5         | Expand and leverage partnerships with non-profit housing developers and other affordable housing providers and agencies that preserve or provide new low to moderate income-housing units, create opportunities for first-time homeownership, and help vulnerable homeowners maintain and stay in their homes. |
| Comp Plan     | 7.2.12        | When negotiating public-private land transactions, pursue the goal of reserving some portion for affordable housing where appropriate.                                                                                                                                                                         |
| Comp Plan     | 7.2.13        | Continue to seek out opportunities to land bank for the purpose of affordable housing and perform necessary due diligence in property negotiations.                                                                                                                                                            |
| Comp Plan     | 7.4.6         | Reduce development code barriers for intentional communities                                                                                                                                                                                                                                                   |
| Comp Plan     | 8.3.5         | Expand the use of incentives and other financial tools that serve to:<br>a) Encourage development in Neighborhood Hubs<br>b) Improve housing affordability.                                                                                                                                                    |

<sup>5</sup> This section identifies the policies from the Milwaukie Housing Affordability Strategy and the Milwaukie Comprehensive Plan that support the action.

## Partners and their Role

Partner 1. To be filled in later

Partner 2. To be filled in later

## Anticipated Impacts

To be filled in later

| Populations Served                | Income                                                                                                        | Housing Tenure  | Magnitude of New Units Produced |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------|
| Low- and middle-income households | Households with incomes below 80% of MFI<br>May include projects for households with income below 120% of MFI | Renter or Owner | Moderate to Large               |

## Potential Risks

To be filled in later

## Implementation Steps

To be filled in later

## Implementation Timeline

To be filled in later

| Timeline for Adoption | Implementation to Commence | Timeframe of Impact |
|-----------------------|----------------------------|---------------------|
|                       |                            |                     |

## Funding or Revenue Implications

To be filled in later

## B. Reduced SDCs or Planning Fees

### Rationale

One of the main ways a city can influence project costs is through exempting some developments from paying Systems Development Charges (SDCs) or Planning Fees. SDC's can represent a substantial portion of development costs, while Planning Fees are typically more less costly. When cities reduce these fees, especially SDCs, it can increase the financial feasibility of a project and facilitate more affordable housing production. In most cases, the City will need to find an alternative funding source to pay ("backfill") the costs of SDCs exempted on specific projects.

### Description

SDCs are assessed on new development, and the City must use SDC revenues to fund growth-related capital improvements. They are intended to reflect the increased capital costs incurred by a municipality or utility because of a development. SDCs are one of several ways for local governments to pay for expanding infrastructure and other public facilities, including sewer, water, transportation, and parks and recreation. The City of Milwaukie charges SDCs on new and expanding development within the city that connects to or otherwise will use City services. Milwaukie can reduce Planning Fees and SDCs for domestic water, sanitary sewer, transportation and stormwater.

Milwaukie already considers waiving SDCs associated with development of income-restricted housing projects that provide housing at 30% or less of Median Family Income. This action proposes to go beyond the existing policies to consider reducing Planning Fees or SDCs for development of housing affordable to households with incomes of 60% or less of MFI. Most service providers that offer SDC exemptions or reductions in Oregon for affordable housing limit it to regulated/income-restricted affordable housing. Some cities have set a cap on the amount of waivers (number of units or dollar amount) they will issue for a given time period.

In most cases, cities must identify ways to "backfill" the cost of reducing SDCs, from other sources such as a CET fund and are typically advised to do so, but it is not required by state statute.

The City's Planning Fees are less costly than SDCs and the City could also consider reducing Planning Fees to support development of affordable housing, such as that affordable to households with incomes of 60% or less of MFI.

### City Role

Evaluate updates to the City's SDC methodology as well as criteria that would make certain types of housing eligible for an SDC reduction and identify a funding source to "backfill" the SDC costs. Implement SDC methodology change by ordinance or resolution. Develop similar criteria for reducing Planning Fees.

### City Policy

| Plan Document | Policy Number | Policy                                                                                                                                                       |
|---------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MHAS          | 1.9.5         | Waive SDC Fees                                                                                                                                               |
| Comp Plan     | 8.3.5         | Expand the use of incentives and other financial tools that serve to:<br>a) Encourage development in Neighborhood Hubs.<br>b) Improve housing affordability. |

## C. Multiple-Unit Property Tax Exemption Program (Locally Enabled And Managed)

### Rationale

The Multiple-Unit Property Tax Exemption (MUPTE) program is flexible, and eligibility criteria can be set locally, allowing the City to target the exemption to meet its needs. It offers an incentive for preservation and development of housing for low to moderate-income households. It can offer an incentive for mixed-income housing, providing a way to leverage private, market-rate development to expand affordable housing.

### Description

MUPTE allows cities to offer a partial property tax exemption (limited to the value of the housing, not the land) for multi-unit development that meets specific locally established criteria, such as having an affordability agreement with a public agency. The terms of the affordability agreement can be set by the City—there are no specific income/affordability requirements in the state statute that enables the program. The City can cap the number of MUPTE exemptions it allows.

The City could explore using MUPTE in two possible ways:

- To incentivize mixed income development through inclusion of below-market units (units affordable below 80% of MFI) in otherwise market-rate developments.
- To incentivize owners of existing low-cost market rate housing to rehabilitate properties without displacing existing tenants or escalating rents.

What does the exemption apply to? It applies to rental housing for low-income and moderate-income persons, often in a mixed-income multi-unit building. The exemption applies only to improvement value of the housing.

How long does it apply? The property tax exemption can be granted for up to 10 years, except that for low-income housing, exemption can be extended for as long as the housing is subject to the public assistance contract.

What taxing districts would participate? The property tax exemption only applies to city property taxes (which account for about 19% of property taxes in Milwaukie, inclusive of levies) unless the City gets affirmative support from at least 51% of overlapping taxing districts for the exemption to apply to their tax collections. Typically, the tax exemption from MUPTE is only large enough to provide an incentive for affordable housing development with support of the overlapping taxing districts (so that all property tax is exempted by MUPTE).

### City Role

- Work with other taxing districts to leverage their support for MUPTE
- Implement the exemption and execute on annual reporting and administration procedures

### City Policy

| Plan Document | Policy Number | Policy                                                                                                                            |
|---------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------|
| MHAS          | 1.3           | Explore incentivizing the development of affordable units through a local property tax exemption or other form of tax alleviation |
| MHAS          | 1.3.1         | Explore a partnership with the Clackamas County Housing and Homelessness Task Force                                               |
| MHAS          | 1.3.2         | Hold education sessions with other taxing districts to leverage their support                                                     |
| MHAS          | 1.13          | Partner and support Clackamas County's affordable housing development and rehabilitation projects in Milwaukie                    |

|              |       |                                                                                                                                                              |
|--------------|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Comp<br>Plan | 8.3.5 | Expand the use of incentives and other financial tools that serve to:<br>a) Encourage development in Neighborhood Hubs.<br>b) Improve housing affordability. |
|--------------|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|

## D. Increase densities in the High-Density Residential (HDR) Zone

### Rationale

Increasing residential densities in the HDR zone can allow for more development of multi-unit housing, both for affordable housing and market-rate multi-unit housing.

### Description

Milwaukie's 2022 Housing Capacity Analysis (HCA) shows that the city's high density residential zones have been developing at far lower density than the allowed by code. The HCA shows that between 2000 and 2020, in the R-2 and R-3 zones, Milwaukie's newly permitted housing was developed<sup>6</sup> at a net density of 6 and 9.9 dwelling units per net acre respectively.

The City recently consolidated its high-density residential zones into one zone, the High Density Residential (HDR zone). This code change increased the minimum and maximum densities in high density residential zones to 25 and 32 dwelling units per acre respectively.<sup>7</sup>

Further increasing the allowable densities in the City's high density residential zones gives developers the option of building more units in these zones. The City could increase density in the high-density residential zones in several ways:

- Evaluate increasing allowed density in the high-density residential zone
- Look for opportunities to rezone to add more land to the high-density residential zone.
- Evaluate potential opportunities to support redevelopment of underutilized parcels in high density residential zones, such as parcel assembly (Action A).

### City Role

Evaluate options for increasing density, then adopt code changes or determine other implementation steps.

### City Policy

| Plan Document | Policy Number | Policy                                                                                                                                                                                                                                                                                                                                                           |
|---------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Comp Plan     | 7.1.2         | Establish development standards that regulate size, shape, and form and are not exclusively focused on regulating density.                                                                                                                                                                                                                                       |
| Comp Plan     | 7.2.2         | Allow and encourage the development of housing types that are affordable to low or moderate-income households, including middle housing types in low and medium density zones as well as larger apartment and condominium developments in high-density and mixed-use zones.                                                                                      |
| Comp Plan     | 7.4.1         | Implement land use and public investment decisions and standards that:<br>a) encourage creation of denser development in centers, neighborhood hubs and along corridors; and<br>b) foster development of accessible community gathering places, commercial uses, and other amenities provide opportunities for people to socialize, shop, and recreate together. |

<sup>6</sup> Note (for the density analysis by zone): ADUs were included in the single-dwelling housing type category.

<sup>7</sup> The HDR zone includes what was previously the R-3, R-2.5, R-2, R-1, and R-1B zones. Before this code change, the minimum and maximum densities were 11.6 and 14.5 du/acre for R-3 zones, 11.6 and 17.4 du/acre for R-2.5 and R2 zones, and 25 and 32 du/acre for R-1, and R-1B zones.

## E. Evaluate Incentives for Affordable Housing Development such as Density Bonuses.

### Rationale

Incentives can help support development of income-restricted housing. Providing more flexibility for development standards can allow for development of multi-unit more housing affordable at about 80% of MFI. The City could offer regulatory incentives, such as a density bonus, for multi-unit housing in locations where it is desired and/or encourage development of particular types of housing, such as mixed-use residential development or income-restricted affordable housing.

### Description

The City can evaluate changes to Milwaukee's zoning code to provide densities bonuses that would allow for more housing units to be built than allowed by zoning, if the proposed project provides a certain number of affordable units.

Examples of density bonus incentives for affordable housing include:

- Permitting a larger number of units in a building or development site.
- Permitting smaller minimum lot sizes in a development.
- Providing a bonus height allowance or exemption from height restrictions that allow for construction of additional stories.
- Reducing the amount of open space required on a development site.
- Reducing the required number of parking spaces.
- Setback reduction of the parent parcel.

### City Role

Evaluate incentives options for income restricted units and determine incentive parameters. Once determined, draft amendments to the land use ordinance and work with Milwaukee's Planning Commission and City Council to adopt the revised standards.

### City Policy

| Plan Document | Policy Number | Policy                                                                                                                                                                                                                                                                                                         |
|---------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Comp Plan     | 7.1.3         | Promote zoning and code requirements that remove or prevent potential barriers to home ownership and rental opportunities for people of all ages and abilities, including historically marginalized or vulnerable populations such as people of color, aging populations, and people with low incomes.         |
| Comp Plan     | 7.2.2         | Allow and encourage the development of housing types that are affordable to low or moderate-income households, including middle housing types in low and medium density zones as well as larger apartment and condominium developments in high-density and mixed-use zones.                                    |
| Comp Plan     | 7.2.3         | Pursue programs and incentives that reduce the impacts that development/design standards and fees have on housing affordability, including modifications to parking requirements, system development charges, and frontage improvements.                                                                       |
| Comp Plan     | 7.2.5         | Expand and leverage partnerships with non-profit housing developers and other affordable housing providers and agencies that preserve or provide new low to moderate income-housing units, create opportunities for first-time homeownership, and help vulnerable homeowners maintain and stay in their homes. |
| Comp Plan     | 8.3.5         | Expand the use of incentives and other financial tools that serve to:<br>a) Encourage development in Neighborhood Hubs. b) Improve housing affordability.                                                                                                                                                      |

## F. Inclusionary Zoning

### Rationale

Inclusionary zoning policies tie development approval to, or provide regulatory incentives for, the provision of low- and moderate-income housing as part of a proposed development. Milwaukie has not implemented an inclusionary zoning ordinance for residential developments within the City Limits for proposed structures containing 20 units or more under the State's inclusionary zoning legislation.

### Description

Mandatory inclusionary zoning requires developers to provide a certain percentage of low-income housing. State law allows cities and counties to adopt inclusionary zoning programs under the following requirements:

- The affordable housing requirements can only apply to multifamily housing with 20 or more units.
- Adopted requirements cannot require more than 20 percent of units be affordable.
- Requirements must allow eligible developers to pay a fee-in-lieu of building affordable units on-site.
- The program must be paired with incentives (e.g., SDC or fee waivers/reductions, property tax exemptions, or other financial incentives)

This strategy is development driven and has the potential to curtail development overall, if developers look to other cities without these requirements. The price of low-income housing is passed on to purchasers of market-rate housing.

### City Role

Evaluate inclusionary zoning strategies and consider suitability for Milwaukie's development context. Draft amendments to the land use ordinance and work with Milwaukie's Planning Commission and City Council to adopt the revised standards.

## G. Develop Housing Options And Services To Address And Prevent Houselessness

### Rationale

To improve livelihoods by reducing the number of people experiencing houselessness in Milwaukie.

### Description

The city can partner with agencies and nonprofit organizations that provide housing and services to people experiencing houselessness. This could include: (1) working with partners to support development of an emergency shelter for people experiencing houselessness, (2) working with service providers who provide rapid re-housing services to exit houselessness, (3) work with nonprofit housing developers and service providers to develop an application to the State for funding for permanent supportive housing, and (4) work with partners to support transitional housing development. This strategy ties to the strategies to expand affordable rental housing and preserve affordable housing.

The City can work with partners, such as the housing authority or nonprofit developers, to support development of housing for households with very low incomes (or no incomes) that includes services

necessary to help a person transition from houselessness into housing. These types of housing include:

- Rapid re-housing is an approach to working with service providers to assist qualified households to quickly exit houselessness and regain stability. This may be best for people who need initial support transitioning back into housing but do not need long-term ongoing services.
- Permanent Supportive Housing works with nonprofit housing developers and service providers to provide housing and supportive services for people who need ongoing services over the long term.
- Transitional housing provides support for people who need intensive services on a shorter-term basis, such as people exiting corrections facilities or unaccompanied youth.

A city can support these types of housing by ensuring that they are allowed in the City's zoning code and through facilitating the planning process. The City may also contribute funds, land, or other resources to support development of these housing types.

### City Role

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

- Collaborate with community partners to provide a continuum of programs that address the needs of unhoused persons and families, including temporary shelters, alternative shelter models, long-term housing, and supportive services.
- Seek opportunities to leverage grants or programming to support additional resident services or supportive housing services
- Look to reduce barriers associated with siting and allowing transitional housing projects and services

### City Policy

| Plan Document | Policy Number | Policy                                                                                                                                                                                                                                                                                                         |
|---------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MHAS          | 1.13          | Partner and support Clackamas County's affordable housing development and rehabilitation projects in Milwaukie                                                                                                                                                                                                 |
| MHAS          | 1.13.1        | Attend the Clackamas County Housing and Houselessness Task force and advocate for Milwaukie needs                                                                                                                                                                                                              |
| MHAS          | 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                                                                                                                                                                         |
| MHAS          | 1.13.3        | Seek opportunities to leverage grants or programming to support additional resident services or supportive housing services                                                                                                                                                                                    |
| MHAS          | 2.4           | Support and promote programs that provide financial assistance for seniors and low-income homeowners to remain in their homes                                                                                                                                                                                  |
| Comp Plan     | 7.1.8         | Collaborate with community partners to provide a continuum of programs that address the needs of unhoused persons and families, including temporary shelters, alternative shelter models, long-term housing, and supportive services.                                                                          |
| Comp Plan     | 7.1.9         | Implement and support programs to reduce the displacement of renters.                                                                                                                                                                                                                                          |
| Comp Plan     | 7.2.5         | Expand and leverage partnerships with non-profit housing developers and other affordable housing providers and agencies that preserve or provide new low to moderate income-housing units, create opportunities for first-time homeownership, and help vulnerable homeowners maintain and stay in their homes. |

|           |       |                                                                                                               |
|-----------|-------|---------------------------------------------------------------------------------------------------------------|
| Comp Plan | 7.2.8 | Implement development code provisions to permit shelters and transitional housing for people without housing. |
|-----------|-------|---------------------------------------------------------------------------------------------------------------|

## H. Revolving loan fund for homeownership assistance

### Rationale

Barriers to homeownership are often costs which are outside of regular monthly housing expenses (such as a mortgage and utility bills) that would figure into a household's budget. A down payment on a new home, physical upkeep work, weatherization, and accessibility additions can all become financial obstacles for residents who are otherwise able to afford housing costs but require a larger lump sum.

Typically, homeownership programs are able to reach households at 80% of median family income.

### Description

Much of the housing in Milwaukie that is affordable to low and moderate-income households is older privately-owned housing that is not subject to affordability restrictions. This housing may have deferred maintenance issues because of a lack of resources to make improvements and pay for repairs (and, in some cases, owner neglect). In addition, need for a down payment is often a barrier to purchasing housing. The City could support homeownership for lower-income households in a range of ways:

- Down Payment Assistance. Typically for first time home buyers, generally with incomes below 80% of MFI. Typical assistance per household ranges from \$25,000-\$110,000.
- Home Repairs. For existing low-income homeowners to make major repairs on their home, such as fixing the roof, foundation, or other major repairs, generally for households with incomes below 80% of MFI. Typical assistance per household ranges from \$10,000-\$50,000.
- Weatherization. For existing low-income homeowners to make major repairs on their home, such as replacing windows, adding insulation, and other weatherization efforts, generally for households with incomes below 80% of MFI. Typical assistance per household ranges from \$10,000-\$25,000.
- Accessibility Improvements. For homeowners at or below 80% MFI, seniors, people with disabilities, to add accessibility features like ramps or widen doorways. Typical assistance per household ranges from \$7,000-\$10,000.

### City Role

Provide funds to be administered by a third party that support one or more of these programs, possibly funded through use of CET.

### City Policy

| Plan Document | Policy Number | Policy                                                                                                                                                    |
|---------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| MHAS          | 2.7           | Research and market low-cost loans to property owners for maintenance, weatherization, and seismic upgrades                                               |
| MHAS          | 2.7.1         | Support and promote rehab loans for multifamily buildings                                                                                                 |
| MHAS          | 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 |

|           |       |                                                                                                                                                                                                                                                                      |
|-----------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MHAS      | 2.7.3 | Develop and market a financial resource guide for tenants and property owners                                                                                                                                                                                        |
| MHAS      | 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 |
| Comp Plan | 7.2.7 | Support the use of tiny homes as an affordable housing type, while addressing adequate maintenance of these and other housing types through the City's code enforcement program.                                                                                     |

## Funding Sources

### I. Urban Renewal / Tax Increment Finance (TIF)

#### Rationale

Urban renewal provides a flexible funding tool that can support many of the key strategies identified in the Housing Production Strategy. Urban renewal funds can be used to support development of off-site infrastructure necessary to support new housing development, most likely in commercial areas. In addition, urban renewal funds could be used to support rehabilitation of existing housing in poor condition, possibly with future requirements that it remain affordable at an income level like 80% or less of MFI.

#### Description

Milwaukie has an Urban Renewal District for Tax Increment Financing District. Milwaukie's Urban Renewal District covers downtown and the city's Central Milwaukie area. The purpose of the District is to catalyze improvements to this area, by funding development of infrastructure, economic development, and housing development.

The primary purpose of the Urban Renewal District is supporting revitalization through infrastructure upgrades. Over the next five to eight years, the City expects to bond about \$4 million dollars to support infrastructure upgrades, such as road and streetscape improvements. These upgrades can support all types of development, including housing development.

Over the next five-year period, the City expects to have \$2 million in its Urban Renewal Fund to support housing development. Housing within the urban renewal district will primarily be mixed-use multi-unit housing, much of which is expected to be affordable at less than 120% MFI.

#### City Role

The City will need to decide how to use the funding. The best use of funding may be in coordination with other actions in the HPS, such as with land banking and support of development of income-restricted housing.

#### City Policy

| Plan Document | Policy Number | Policy                                                                                                                                                                                                                                                                      |
|---------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Comp Plan     | 7.2.2         | Allow and encourage the development of housing types that are affordable to low or moderate-income households, including middle housing types in low and medium density zones as well as larger apartment and condominium developments in high-density and mixed-use zones. |

|           |       |                                                                                                                                                                                                                                                                                                                                                                  |
|-----------|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Comp Plan | 7.2.3 | Pursue programs and incentives that reduce the impacts that development/design standards and fees have on housing affordability, including modifications to parking requirements, system development charges, and frontage improvements.                                                                                                                         |
| Comp Plan | 7.3.4 | Promote the use of active transportation modes and transit to provide more reliable options for neighborhood residents and help reduce driving.                                                                                                                                                                                                                  |
| Comp Plan | 7.3.5 | Increase economic opportunities for locally owned and operated businesses by encouraging the development and redevelopment of more housing near transit, shopping, local businesses, parks, and schools.                                                                                                                                                         |
| Comp Plan | 7.4.1 | Implement land use and public investment decisions and standards that:<br>a) encourage creation of denser development in centers, neighborhood hubs and along corridors; and<br>b) foster development of accessible community gathering places, commercial uses, and other amenities provide opportunities for people to socialize, shop, and recreate together. |
| Comp Plan | 7.4.2 | Require that new development improves the quality and connectivity of active transportation modes by providing infrastructure and connections that make it easier and more direct for people to walk or bike to destinations such as parks, schools, commercial services, and neighborhood gathering places.                                                     |
| Comp Plan | 8.3.5 | Expand the use of incentives and other financial tools that serve to:<br>a) Encourage development in Neighborhood Hubs.<br>b) Improve housing affordability.                                                                                                                                                                                                     |

## J. Construction Excise Tax

### Rationale

Construction Excise Tax (CET) is one of few options to generate additional locally-controlled funding for affordable housing. A CET is intended to provide funding to support development of affordable housing. The funds from the CET are required by State law to be spent on developer incentives, supporting affordable housing programs, and homeownership programs.

### Description

Milwaukie collects a Construction Excise Tax. The CET revenue collected will be used to support income restricted housing development incentives, and for funding programs associated with economic development activities as designated by City Council. Staff are in the process of developing program details to align with criteria for the program that includes prioritized funding for projects that provide the most income restricted units, the depth of affordability (lower income preferences), longer guaranteed periods of affordability, financial feasibility, project readiness, transit oriented development, and service to underserved populations.

CET is a tax assessed on construction permits issued by local cities and counties. In Milwaukie, the tax is 1% of the permit value on residential, commercial, and industrial construction. The allowed uses for CET funding are defined by the state statute. The City may retain 4% of funds to cover administrative costs.

The net revenue for the residential CET is allocated as follows:

- 50% to fund incentives for the development and construction of affordable housing (e.g., fee and SDC waivers, tax abatements, etc.);
- 35% to fund programs and activities related to affordable housing; and
- 15% flows to Oregon Housing and Community Services for homeowner programs.

The net revenue from the tax on commercial improvements is allocated as follows:

- 50% to fund incentives for the development and construction of housing that is affordable at up to one hundred twenty percent (120%) of median family income; and
- 50% for economic development programs with an emphasis on areas of the City that are subject to plans designated as eligible by the City.

As of September 2022, the City had the following CET funds available:

- \$1.4 million for affordable housing at or below 80% MFI,
- \$600,000 for housing at or below 120% MFI, and
- \$600,000 for economic development programs.

The City may use CET funds to support other Actions in the HPS such as backfilling SDC reductions or a revolving loan fund for homeownership assistance, the City may put out a Request For Proposals for affordable housing or mixed-income developments

## City Role

The City should continue to decide on an annual basis how to use CET funding.

## City Policy

| Plan Document | Policy Number | Policy                                                                                                                                                                                                                                                                      |
|---------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MHAS          | 1.1           | Explore program(s) for affordable housing through the existing construction excise tax (CET)                                                                                                                                                                                |
| MHAS          | 1.1.1         | Create an oversight committee for the establishment of the CET programming and create criteria for distributing the funds                                                                                                                                                   |
| MHAS          | 1.1.2         | Develop a workplan for the programming and establish criteria for distribution (keep in mind regional initiatives and leverage opportunities)                                                                                                                               |
| MHAS          | 1.1.3         | Develop the marketing plan for the CET fund distribution                                                                                                                                                                                                                    |
| Comp Plan     | 7.2.2         | Allow and encourage the development of housing types that are affordable to low or moderate-income households, including middle housing types in low and medium density zones as well as larger apartment and condominium developments in high-density and mixed-use zones. |
| Comp Plan     | 7.2.3         | Pursue programs and incentives that reduce the impacts that development/design standards and fees have on housing affordability, including modifications to parking requirements, system development charges, and frontage improvements.                                    |
| Comp Plan     | 7.3.5         | Increase economic opportunities for locally owned and operated businesses by encouraging the development and redevelopment of more housing near transit, shopping, local businesses, parks, and schools.                                                                    |
| Comp Plan     | 8.3.5         | Expand the use of incentives and other financial tools that serve to: <ul style="list-style-type: none"> <li>a) Encourage development in Neighborhood Hubs.</li> <li>b) Improve housing affordability.</li> </ul>                                                           |

## Preliminary evaluation of each action

The proposed evaluation criteria, summarized below fall into five categories: impact, income-level served, feasibility, administrative complexity, flexibility.

### Income Level Served

The HPS is intended to result in development and preservation of housing affordable at all income levels. We discuss affordability Median Family Income (MFI) that is defined by the U.S. Department of Housing and Urban Services (HUD) for the Portland-Vancouver-Hillsboro, OR-WA MSA for a family of four people.

A household of four people earning 100% of MFI (about \$96,900) could afford monthly housing costs of \$2,420. The income and affordable monthly costs vary by household size. For example, a household of one person with an income of 100% MFI has income of \$67,830 and can afford monthly housing costs of \$1,696. A household of six people at 100% of MFI has income of \$112,404 and can afford monthly housing costs of \$2,810.

We define income levels based on MFI for a household of four people, as follows:

| Extremely Low and Low Income                                                                                                                                               | Low Income                                                                    | Middle Income                                                                      | High Income                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Extremely Low Income: Less than 30% MFI or \$29,100 or less for a household of four<br><br>Very-Low Income: 30% to 50% of MFI or \$29,100 to \$48,500 for a family of four | Low Income: 50% to 80% of MFI or \$48,500 to \$77,500 for a household of four | Middle Income: 80% to 120% of MFI or \$77,500 to \$116,300 for a household of four | High Income: 120% of MFI or more \$116,300 or more for a household of four |
| <i>39% of Milwaukie households</i>                                                                                                                                         | <i>22% of Milwaukie households</i>                                            | <i>21% of Milwaukie households</i>                                                 | <i>19% of Milwaukie households</i>                                         |
| <i>Can afford \$1,210 or less in monthly housing costs.</i>                                                                                                                | <i>Can afford \$1,210 to \$1,940 in monthly housing costs.</i>                | <i>Can afford \$1,940 to \$2,910 in monthly housing costs.</i>                     | <i>Can afford \$2,910 or more in monthly housing costs.</i>                |

## Impact for Housing Development

For many of the actions described below, we give an approximate scale of impact. **The purpose of the scale of impact is to provide some context for whether the policy tool generally results in a little or a lot of change in the housing market.** The scale of impact depends on conditions in the City, such as other the City's other existing (or newly implemented) housing policies, the land supply, and housing market conditions. We define the scale of impact as follows:

| Small                                                                                                                                                                                                                                                                        | Moderate                                                                                                                                                                                                 | Large                                                                                                                                                                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Will not directly result in development of new housing or it may result in development of a small amount of new housing.</p> <p>May not improve housing affordability in and of itself.</p> <p>May be necessary but not sufficient to increase housing affordability.</p> | <p>Could directly result in development of new housing.</p> <p>May not improve housing affordability in and of itself.</p> <p>May be necessary but not sufficient to increase housing affordability.</p> | <p>Could directly result in development of new housing.</p> <p>May improve housing affordability in and of itself.</p> <p>May still need to work with other policies to increase housing affordability.</p> |
| <p><i>~1-3% of needed housing<br/>17 to 50 new dwelling units<sup>8</sup></i></p>                                                                                                                                                                                            | <p><i>~3% to 5% of needed housing<br/>50 to 84 new dwelling units</i></p>                                                                                                                                | <p><i>~5% to 10% (or more) of needed housing<br/>84 to 167 new dwelling units</i></p>                                                                                                                       |

## Administrative Complexity

Administrative complexity for implementation considers how much staff time and resources (financial or otherwise) are required to implement the action? Is it difficult or costly to administer once it is in place? For funding sources, the easier it is to administer the tax or fee, the more net revenue will be available for housing production or preservation. For other actions, this criterion assesses the costs to establish and maintain tool implementation. We define administrative complexity, as follows:

| Low                                                                                                                                                                                                                                                                                    | Medium                                                                                                                                                                                                                                                                                      | High                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Requires some staff time to develop the action and requires some on-going staff time to implement the action.</p> <p>May require review by the Planning Commission. May require acceptance or adoption by City Council.</p> <p>Has relatively small funding or revenue impacts.</p> | <p>Requires more staff time to develop the action and requires more on-going staff time to implement the action.</p> <p>Will require review by the Planning Commission. Will require acceptance or adoption by City Council.</p> <p>Has relatively moderate funding or revenue impacts.</p> | <p>Requires significant staff time to develop the action and/or significant on-going staff time to implement the action.</p> <p>Will require review by the Planning Commission. Will require acceptance or adoption by City Council.</p> <p>Has relatively larger funding or revenue impacts.</p> |

<sup>8</sup> Milwaukie's Housing Capacity Analysis projects that the City will grow by 1,670 new dwelling units between 2023 and 2043.

## Feasibility

Feasibility assesses the acceptability of the action for stakeholders. It considers expected political acceptability for elected officials and the public at large likely to support or have concerns about the action. If the action is dependent on the action of another organizational entity, the action is likely to be less feasible than if the City controlled all aspects of tool implementation. We define feasibility, as follows:

| More Feasible                                                                                                                                                                                                            | Moderately Feasible                                                                                                                                                                                                                | Less Feasible                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Likely to have little resistance from stakeholder groups, the public at large, and/or elected officials.<br><br>The action may require little or no coordination with another organizational entity to implement or use. | Likely to have moderate resistance from stakeholder groups, the public at large, and/or elected officials.<br><br>The action may require one-time or on-going coordination with another organizational entity to implement or use. | Likely to have significant resistance from stakeholder groups, the public at large, and/or elected officials.<br><br>The action may require significant coordination with another organizational entity to implement or use in an on-going basis. |

## Flexibility

Flexibility assesses whether the action can be flexibly used to achieve multiple outcomes? Does it have legal limitations or other barriers that limit its utility for achieving goals of supporting housing development, increasing housing stability or other HPS goals? This category considers limitations on the types of projects that can be implemented with a given action. Given development market cycles, a funding source especially may be less useful to the City if its use is limited to certain types of projects.

We define feasibility, as follows:

| More Flexible                                                                                                                                               | Moderately Flexibility                                                                                                                           | Less Flexible                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| The action can be used to achieve multiple outcomes, has few barriers on its use, or supports multiple goals in the HPS. It can be used in many situations. | The action can be used flexibly for multiple outcomes but there may be some barriers on its use. It can be used in somewhat specific situations. | The action can be used in specific situations, to achieve specific outcomes with little flexibility in its use. |

|                                                                                            | Level of Affordability Addressed |             |              |                        |                  |                                        |             |
|--------------------------------------------------------------------------------------------|----------------------------------|-------------|--------------|------------------------|------------------|----------------------------------------|-------------|
| Action Name                                                                                | <50% MFI                         | 50%-80% MFI | 80%-120% MFI | Impact for Development | Admin Complexity | Feasibility                            | Flexibility |
| <b>Actions</b>                                                                             |                                  |             |              |                        |                  |                                        |             |
| A. Develop a Land Bank Strategy and Partnerships to Support Affordable Housing Development | X                                | X           | X            | Moderate to large      | High             | Moderate                               | More        |
| B. Reduced SDCs or Planning Fees                                                           | X                                | X           |              | Small                  | Low              | Moderate                               | Moderate    |
| C. Multiple-Unit Property Tax Exemption Program (Locally Enabled And Managed)              | X                                | X           |              | Moderate               | Medium           | Moderate                               | Moderate    |
| D. Increase densities in the High-Density Residential (HDR) Zone                           | X                                | X           | X            | Small to Moderate      | Low              | More                                   | Moderate    |
| E. Evaluate Incentives for Affordable Housing Development such as Density Bonuses.         | X                                | X           |              | Small                  | Low              | More                                   | Moderate    |
| F. Inclusionary zoning                                                                     |                                  | X           |              | Small to Moderate      | High             | Less                                   | Moderate    |
| G. Develop Housing Options And Services To Address And Prevent Houselessness               | X                                |             |              | Moderate               | Medium           | Moderate to Less<br>Depends on funding | More        |
| H. Revolving loan fund for homeownership assistance                                        | X                                | X           |              | Small to Moderate      | Medium           | Moderate to Less<br>Depends on funding | More        |
| <b>Funding Sources</b>                                                                     |                                  |             |              |                        |                  |                                        |             |
| I. Urban Renewal / Tax Increment Finance (TIF)                                             | X                                | X           | X            | Moderate               | High             | Less to Moderate                       | More        |
| J. Construction Excise Tax                                                                 | X                                | X           | X            | Moderate to large      | Medium           | Less to Moderate                       | More        |



RS 7. B. 2/7/23  
Presentation

# Milwaukie: Housing Capacity and Housing Production Strategy

February 7, 2023



# Process for Developing the HPS

Oct 2022-Jan 2023

## **Narrow down the list of potential actions:**

Provide long list of potential actions to the HCTC to identify actions with the most promise for the City of Milwaukie.



Jan-Feb 2023

## **Additional action evaluation**

Provide additional detail on remaining actions. Vet narrower list of strategies with relevant stakeholders and the HCTC

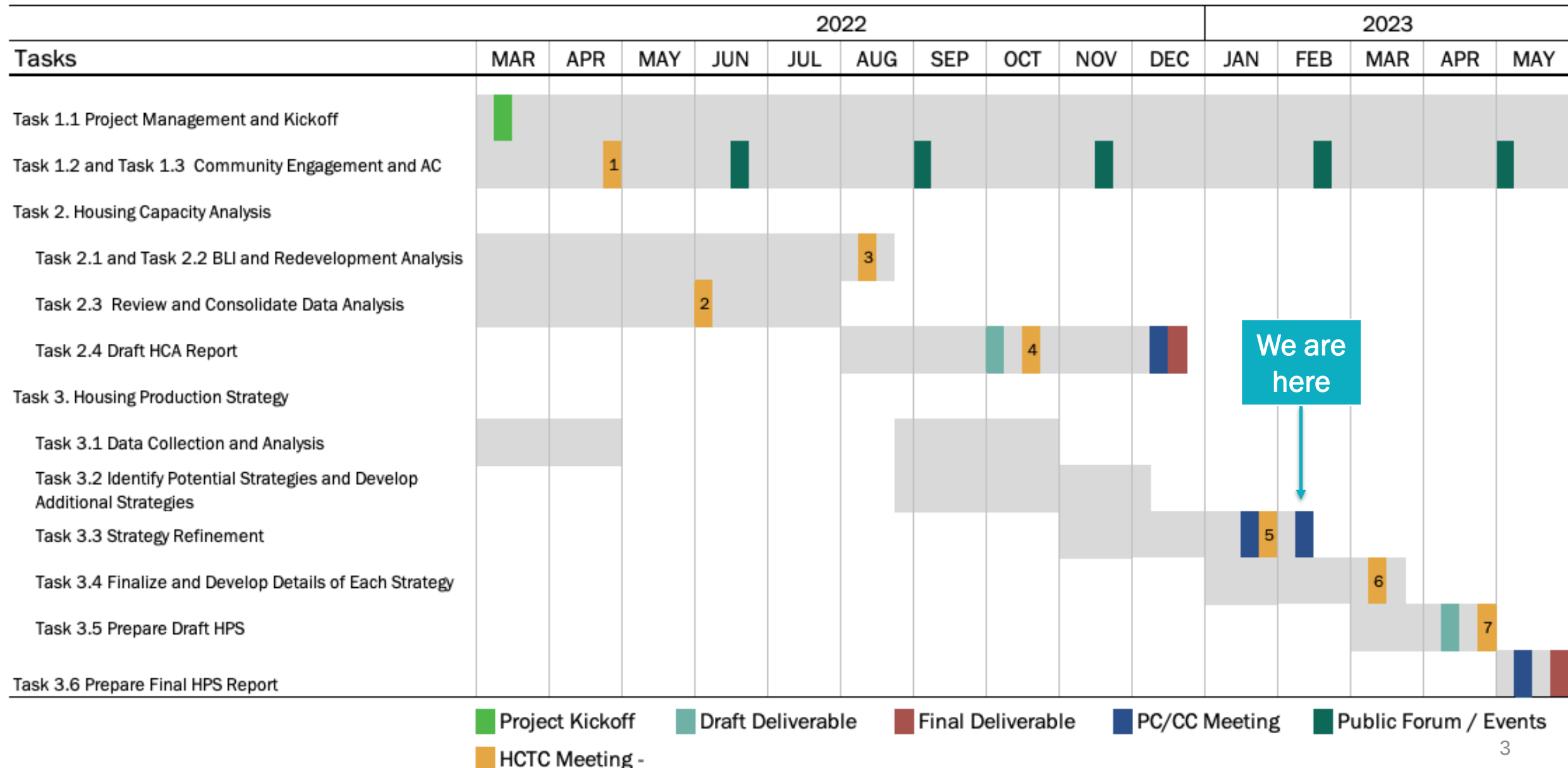


Mar-May 2023

## **Draft HPS**

Refine actions for City Council to consider, working in conjunction with local partners.

# Project Schedule





# Potential Actions for Inclusion in the HPS

# Requirements of Strategies in the HPS

- For strategies identified in the final HPS, the City of Milwaukie will:
  - Commit to implementation
  - Be required to update DLCD on implementation progress, and be required to comment on its effectiveness in the future
  - Adjust the actions in the HPS as needed over the 6-year implementation period
- Strategies not identified in the HPS may still be implemented by the City, but the City will not be held to specific action by the State.



# Questions for Discussion

- Do you have questions about any of the actions proposed to be included in the HPS? Where do you need more information to understand the action?
- Are these the right actions to include in the HPS? Should any be added?
- Are there actions that could be left out of the HPS?



## Outreach to date

- **Engage Milwaukie** activity & survey on housing needs
- Meeting with the **Equity Steering Committee** (ESC)
- Five meetings with the **Housing Capacity Technical Committee** (HCTC)
- One meeting with the **Planning Commission** and one with the **City Council**

## Upcoming outreach

- **Engage Milwaukie** share information about housing strategies - March
- Interviews with **service providers & housing developers** (focus on affordable and middle housing) – late Feb / early March
- Two meetings with the **HCTC**
- One meeting with the **Planning Commission** and one with the **City Council**

# Engage Milwaukie - Survey Findings from October 2022

The following feedback about housing issues Milwaukie should focus on is helping guide development of the HPS:

1. Long term affordable housing (67% of respondents rated as high importance);
2. Increase access to goods/services accessibly by bike and walking (61%)
3. Affordable renting options for households under \$50k (60%)
4. Preserve/maintain existing housing (53%)
5. Prevent housing displacement (49%)

# Examples of Existing Strategies in Milwaukee

- **Construction Excise Tax (CET)** – the City collects a tax on certain construction permits to generate funding opportunities for affordable housing projects.
- **Urban Renewal Funds** – A portion of the tax increment is allocated for funding opportunities for affordable housing projects.
- **Rental Relief Program** – the City has provided several rounds of emergency rent relief to support lower-income families.
- **Potential Fee Reductions/Waivers** for affordable housing projects
- **Non-Profit Low Income Tax Exemption** – Qualifying affordable housing projects can request the local taxing districts to forego property tax on an annual basis

# Evaluation Criteria for Actions to include in the HPS

- **Level of Affordability Addressed**– focuses on incomes below 120% of MFI
- **Impact for Development** – scale of impact on housing development
- **Administrative Complexity** – staff time required to implement and administer action
- **Feasibility** – political and community acceptability; potential need to coordinate with other organizations
- **Flexibility** – used to achieve multiple outcomes

# Actions in the HPS Build on Previous Plans

Actions in the HPS build from policies in the MHAS and the updated Comprehensive Plan

| Plan Document | Policy Number | Policy                                                                                                                                                                                                                                                                                                         |
|---------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MHAS          | 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.)                                                                                                                                             |
| MHAS          | 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.)                                                                                        |
| MHAS          | 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.                                                                                                                            |
| MHAS          | 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.                                                                                                                   |
| MHAS          | 1.6.3         | Continue to find opportunities to land bank and perform necessary due diligence in property negotiations.                                                                                                                                                                                                      |
| Comp Plan     | 7.1.1         | Provide the opportunity for a wider range of rental and ownership housing choices in Milwaukie, including additional middle housing types in low and medium density zones                                                                                                                                      |
| Comp Plan     | 7.2.5         | Expand and leverage partnerships with non-profit housing developers and other affordable housing providers and agencies that preserve or provide new low to moderate income-housing units, create opportunities for first-time homeownership, and help vulnerable homeowners maintain and stay in their homes. |
| Comp Plan     | 7.2.12        | When negotiating public-private land transactions, pursue the goal of reserving some portion for affordable housing where appropriate.                                                                                                                                                                         |
| Comp Plan     | 7.2.13        | Continue to seek out opportunities to land bank for the purpose of affordable housing and perform necessary due diligence in property negotiations.                                                                                                                                                            |
| Comp Plan     | 7.4.6         | Reduce development code barriers for intentional communities                                                                                                                                                                                                                                                   |
| Comp Plan     | 8.3.5         | Expand the use of incentives and other financial tools that serve to:<br>a) Encourage development in Neighborhood Hubs<br>b) Improve housing affordability.                                                                                                                                                    |

# Action A: Develop a Land Bank Strategy and Partnerships to Support Affordable Housing Development

**Purpose:** Land banks supports affordable housing by reducing or eliminating land cost from development. Land trusts hold land in perpetuity and sell or lease the housing on the land at below- market rate prices

**Implementation considerations:** Requires staff capacity, requires potentially substantial funding, and a non-profit partner with capacity

## Action Evaluation

| Level of Affordability | Impact            | Administrative Complexity | Feasibility | Flexibility |
|------------------------|-------------------|---------------------------|-------------|-------------|
| Up to 120% MFI         | Moderate to large | High                      | Moderate    | More        |

# Action B: Reduced System Development Charges (SDC) or Planning Fees

Purpose: Reduces development costs and can incentivize qualifying housing types or building features

Implementation considerations: City must identify ways to “backfill” the cost of reducing SDCs.

## Action Evaluation

| Level of Affordability | Impact | Administrative Complexity | Feasibility | Flexibility |
|------------------------|--------|---------------------------|-------------|-------------|
| Up to 80% MFI          | Small  | Low                       | Moderate    | Moderate    |

# Action C: Multiple-Unit Property Tax Exemption

**Purpose:** Offers an incentive for preservation and development of housing for low to moderate-income households. It can offer an incentive for mixed-income housing, providing a way to leverage private, market- rate development to expand affordable housing.

**Implementation considerations:** The City and participating taxing districts will forego property tax income for the duration of the exemption.

## Action Evaluation

| Level of Affordability | Impact   | Administrative Complexity | Feasibility | Flexibility |
|------------------------|----------|---------------------------|-------------|-------------|
| Up to 80% MFI          | Moderate | Medium                    | Moderate    | Moderate    |

# Action D: Increase densities in the High-Density Residential (HDR) Zone

**Purpose:** Increasing residential densities in the HDR zone can allow for more development of multi-unit housing, both for affordable housing and market-rate multi-unit housing.

**Examples:** Evaluate increasing allowed density in the HDR zone  
Look for opportunities to rezone to add more land to the HDR zone.  
Evaluate opportunities to support redevelopment of underutilized parcels in HDR zones

## Action Evaluation

| Level of Affordability | Impact            | Administrative Complexity | Feasibility | Flexibility |
|------------------------|-------------------|---------------------------|-------------|-------------|
| All incomes            | Small to Moderate | Low                       | More        | Moderate    |

# Action E: Evaluate Incentives for Affordable Housing Development such as Density Bonuses

**Purpose:** Incentives can help support development of income-restricted housing. Providing more flexibility for development standards can allow for development of multi-unit more housing affordable at about 80% of MFI.

**Examples:** Permitting a larger number of units in a building or development site.  
Permitting smaller minimum lot sizes in a development.  
Providing a bonus height allowance or exemption from height restrictions.  
Reducing the amount of open space required on a development site.  
Setback reduction of the parent parcel.

## Action Evaluation

| Level of Affordability | Impact   | Administrative Complexity | Feasibility | Flexibility |
|------------------------|----------|---------------------------|-------------|-------------|
| Up to 80% MFI          | Moderate | Low                       | More        | Moderate    |

# Action F: Inclusionary Zoning

**Purpose:** Requires developers of multifamily housing with 20 or more units to provide a certain percentage of low-income housing.

**Implementation considerations:**

Has the potential to curtail development overall, if incentives are not calibrated in such a way to offset impacts to development feasibility.

After implementation of Portland's Inclusionary Zoning policies, the city saw an increase in construction and permitting of buildings with 19 units and fewer (exempt from IH).

The price of low-income housing is passed on to purchasers of market-rate housing.

## Action Evaluation

| Level of Affordability | Impact            | Administrative Complexity | Feasibility | Flexibility |
|------------------------|-------------------|---------------------------|-------------|-------------|
| 60-80 % MFI            | Small to Moderate | High                      | Less        | Moderate    |

## Requirements for mandatory policies:

- Can only apply to multifamily housing with 20+ units
- Can not require more than 20% of units be affordable
- Must allow fee-in-lieu of building units on-site
- Must be paired with incentives (e.g., SDC or fee waivers/reductions, property tax exemptions, or other financial incentives)

# Action G: Develop Housing Options And Services To Address And Prevent Houselessness

**Purpose:** Partner with agencies and nonprofit organizations that provide housing and services to people experiencing houselessness.

**Examples:** Partner and support Clackamas County's affordable housing development and rehabilitation projects in Milwaukie

Collaborate with community partners to provide a continuum of programs that address the needs of unhoused persons and families

Seek opportunities to leverage grants to support additional resident services or supportive housing services

## Action Evaluation

| Level of Affordability | Impact   | Administrative Complexity | Feasibility                            | Flexibility |
|------------------------|----------|---------------------------|----------------------------------------|-------------|
| Up to 30% MFI          | Moderate | Medium                    | Moderate to Less<br>Depends on funding | More        |

# Action H: Revolving loan fund for homeownership assistance

**Purpose:** Provide funds to be administered by a third party that support homeownership assistance programs

**Examples:** Down Payment Assistance, Home Repairs, Weatherization, Accessibility Improvements

**Implementation considerations:** Must identify a funding source.

## Action Evaluation

| Level of Affordability | Impact            | Administrative Complexity | Feasibility                            | Flexibility |
|------------------------|-------------------|---------------------------|----------------------------------------|-------------|
| Up to 80% MFI          | Small to Moderate | Medium                    | Moderate to Less<br>Depends on funding | More        |

# Action I: Urban Renewal / Tax Increment Finance (TIF)

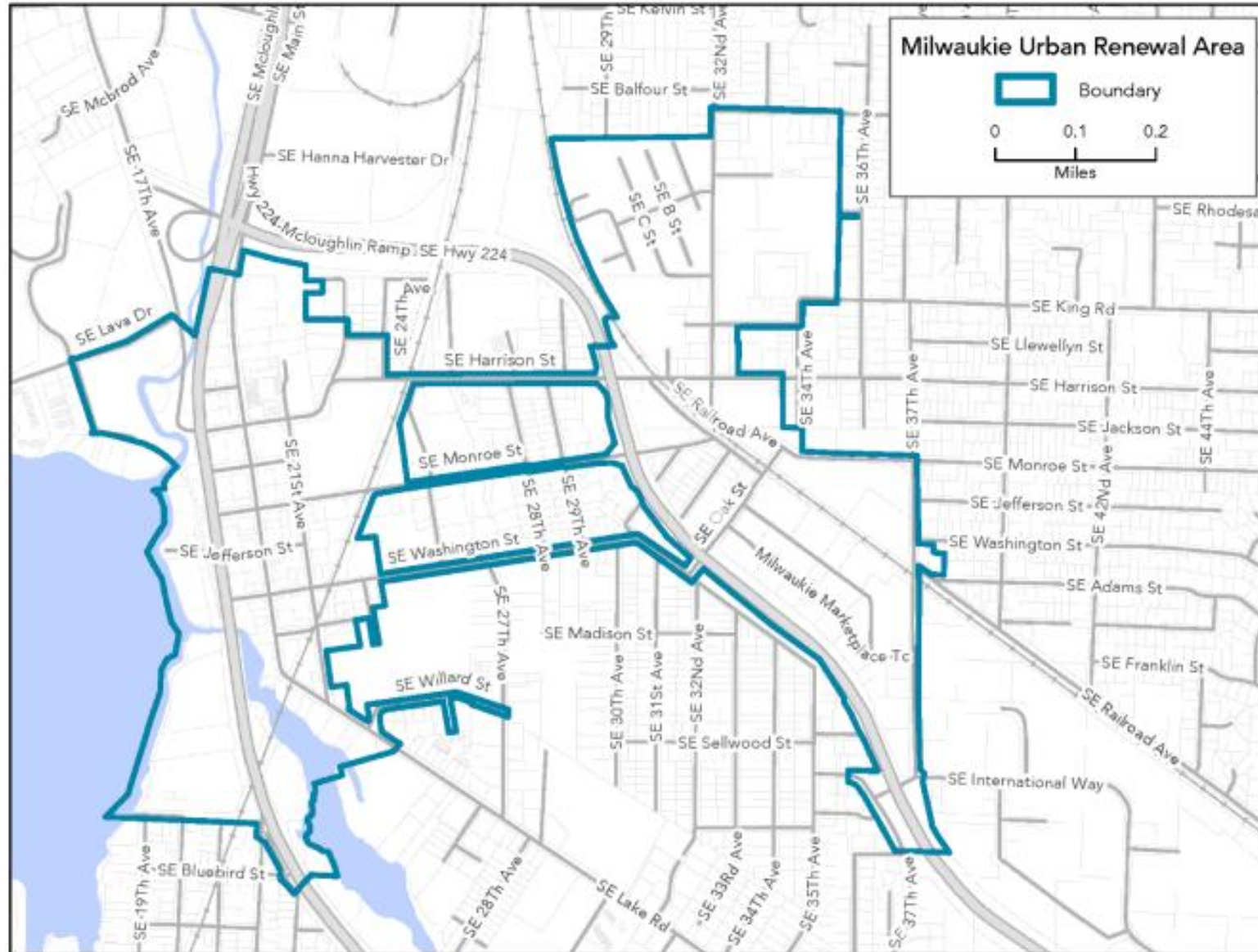
**Purpose:** Provide a flexible funding tool that can support many of the actions in the HPS, infrastructure development and affordable housing development

**Implementation considerations:** Funding spent on housing in the urban renewal district is unable for other priorities.

## Action Evaluation

| Level of Affordability | Impact   | Administrative Complexity | Feasibility      | Flexibility |
|------------------------|----------|---------------------------|------------------|-------------|
| All incomes            | Moderate | High                      | Less to Moderate | More        |

# Action I: Urban Renewal / Tax Increment Finance (TIF)



# Action J: Construction Excise Tax (CET)

**Purpose:** Provides a locally controlled funding source to support many of the actions in the HPS

**Fund Balance:** \$1.4 million for affordable housing at or below 80% MFI, \$600,000 for housing at or below 120% MFI, and \$600,000 for economic development programs.

Plans to use the existing CET funds include:

\$1.7 million to Hillside Phase 1, which includes 275 units affordable to 30 & 60% AMI.

\$300,000 for a middle housing courtyard by Shortstack Housing in partnership with Proudground's Land Trust.

## Action Evaluation

| Level of Affordability | Impact            | Administrative Complexity | Feasibility | Flexibility |
|------------------------|-------------------|---------------------------|-------------|-------------|
| Up to 120% MFI         | Moderate to large | Medium                    | Medium      | High        |

# Action J: Construction Excise Tax (CET)

## CET allocation requirements

| For Residential CET |                                                                         | For Commercial/Industrial CET |                                                                                                 |
|---------------------|-------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------------------|
| 50%                 | developer incentives (multifamily, market rate or affordable)           | 50%                           | incentives for the development and construction of housing that is affordable at up to 120% MFI |
| 35%                 | affordable housing programs, as defined by the City                     | 50%                           | for economic development programs                                                               |
| 15%                 | to OHCS for homeownership programs that provide down payment assistance |                               |                                                                                                 |

\*Note: Up to 4% of CET is available for administrative costs

# Recommendations for future actions

- Rental Assistance Programs
- Pursue Community Development Block Grant (CDBG) Funds from Clackamas County
- Develop Pre-Approved Plan Sets For ADUs And Middle Housing Typologies
- Allow Tiny Homes
- Support Preservation Of Manufactured Home Parks
- Relocation Assistance Requirements

# Questions for Discussion

- Do you have questions about any of the actions proposed to be included in the HPS? Where do you need more information to understand the action?
- Are these the right actions to include in the HPS? Should any be added?
- Are there actions that could be left out of the HPS?



- Refine list of actions for inclusion in the HPS
- Upcoming and on-going public engagement
- Draft HPS: April
- Next City Council Meeting: May



# ECONorthwest

ECONOMICS • FINANCE • PLANNING



Los Angeles



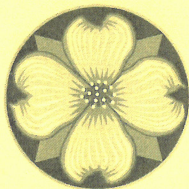
Portland



Seattle



Boise



**CITY OF MILWAUKIE  
CITY COUNCIL**

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

## Speaker Card

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 Speaker Card, once submitted to the City Recorder, becomes part of the public record.

**Name:**

Camden McKane

**Address:**

**Organization:**

**Phone:**

**Email:** camdin05@live.com

**Meeting Date:**

2/7/23

**Topic:**

Housing Production Strategy

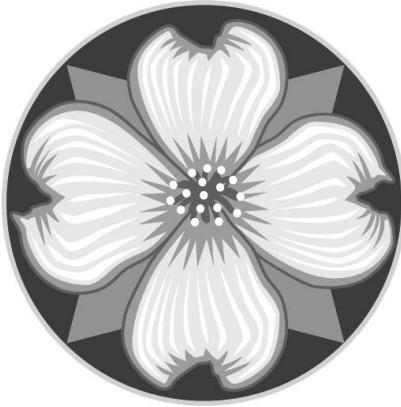
**Agenda Item You Wish to Speak to:**

- ☐ #5 Community Comments
- ☒ #7 Other Business, Topic: B
- ☐ #8 Public Hearing, Topic:

**You are Speaking...**

- ☒ in Support
- ☐ in Opposition
- ☐ from a Neutral Position
- ☐ to ask a Question

**Comments:**



**RS Agenda Item**

**9**

## **Council Reports**

A stylized, abstract illustration of a flower or shell, rendered in white, light gray, and brown tones. It features several white dots along its edge and is set against a green and brown background, all contained within a circular frame. This graphic is positioned on the left side of the slide.

**RS 9. A. 2/7/23  
Presentation**

# Legislative & Regional Issues

February 7, 2023

Scott Stauffer, City Recorder

# Key Legislative Dates

- ~~1/17 – Session Begins~~
- ~~1/25 – City Day at the Capitol~~
- 2/21 – Measure Introduction Deadline
- 2/22 – Revenue Forecast (1<sup>st</sup>)
- 4/4 – 1<sup>st</sup> Chamber Work Session Deadline
- 5/19- 2<sup>nd</sup> Chamber Work Session Deadline
- 5/17 – Revenue Forecast (2<sup>nd</sup>)
- 6/25 – Constitutional Sine Die



# Council's Watch List

- **HB 2195:** prohibits cities from applying parts of REACH code  
Climate/Energy/Env. Comm., nothing scheduled
- **HB 2505:** allows cities to increase marijuana tax rate  
Econ. Dev. And Small Bus. Comm., hearing 1/31, nothing scheduled
- **HB 2815:** standardizes building permit process  
Business and Labor Comm., WS 2/6, nothing scheduled
- **HB 2980:** affordable housing loan program for cities/counties  
Multiple committees, hearing 2/2, nothing scheduled
- **HB 3005:** Early Childhood Infrastructure Fund  
Multiple committees, hearing 1/23, nothing scheduled
- **SB 134:** extends enterprise zone sunset date  
Multiple committees, hearing 2/6, nothing scheduled
- **SB 647:** would prohibit cities from banning gas use/infrastructure  
Energy and Env. Comm., nothing scheduled



# Council Watch List (cont.)

- Executive Session Changes (Mayor Batey)
- Gun Control and Measure 114 (Mayor Batey)
- Immigration Policy Discussion on 1/28 (Councilor Stavenjord)
- Streamlining Broadband Process (Mayor Batey)



# Staff's Watch List

- **HB 2112:** updates terminology (fiscal, tribal cultural, historical) in public records law. Rules Committee, hearing 1/26, WS 2/9
- **HB 2136:** eliminates fees for electronic records  
Multiple committees, nothing scheduled
- **SB 417:** clarifies and preserves discretion related to public records requests (referred by PRAC). Rules Comm., 2/7 hearing
- **SB 510:** creates independently funded public records advocate office. Rules Comm., 2/7 hearing



# Regional Issue Meetings

- LOC Day at the Capitol:
  - Member visits!
  - Semiconductors...
  - Infrastructure/Capital Requests...
  - Broadband...
- Senator Merkley's Town Hall
- C4 Meeting



# Resources

- OLIS: [Oregon Legislative Information System](#)
- LOC: [CM3 – LOC Bill Summary](#)  
(Username/password: [loc@orcities.org](#))
- Thorn Run Partners  
(Metro Mayors Consortium)



## COUNCIL STAFF REPORT

**To:** Mayor and City Council  
Ann Ober, City Manager

**Reviewed:** Nicole Madigan, Deputy City Recorder

**From:** Scott Stauffer, City Recorder

**Subject:** **Council Communications Agreement & Committee Assignments**

**Date Written:** Jan. 30, 2023

---

### ACTION REQUESTED

Council is asked to provide input on the draft Council Communications Agreement and the 2023 Council committee assignments.

### HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[March 15, 2022](#): Council adopted a communications agreement via [Resolution 23-2022](#).

[January 3, 2023](#): Council reviewed and discussed its committee assignments for 2023.

### ANALYSIS

Following the election of new Council members, Council has historically reviewed its communication agreement and committee assignments. It is critical to revisit both documents when new Council members are seated.

The communication agreement outlines behavioral expectations between Council members and their Council colleagues, city staff, and the city attorney. The last agreement adopted by Council dates from March 2022 and does not reflect the input or approval of current Council members.

The committee assignments matrix, documents which Council members serve as the Council and city's representatives or liaisons to internal and external committees and groups. Council discussed the 2023 assignments on January 3 and staff understands that Council needs additional time to consider its committee assignments.

### BUDGET & WORKLOAD IMPACT

There are no budget or workload impacts related to the requested discussion.

### CLIMATE IMPACT

There is no direct impact on the climate related to Council's discussion of these documents. However, Council's (and the city's) ability to advocate for climate critical issues is influenced by the committees that Council members participate in and have a voice on.

### COORDINATION, CONCURRENCE, OR DISSENT

The city recorder worked with former assistant city manager on these draft documents.

### STAFF RECOMMENDATION

Staff recommends that Council provide feedback to staff on the documents.

**ALTERNATIVES**

Council could decline to update the communications agreement or committee assignments which would result in no current agreement being in place and vacant Council member positions on various boards, committees, and groups.

**ATTACHMENTS**

1. Draft Council Communications Resolution and Agreement
2. Draft Council Committee Assignments Matrix



**COUNCIL RESOLUTION No.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,  
ADOPTING THE COUNCIL COMMUNICATION AGREEMENT.**

**WHEREAS** open, direct, and positive communication among the Mayor and Councilors and between them, staff, and the public is critical to ensuring clear and easily understood public information, and

**WHEREAS** open, direct, and positive communication among the Mayor and Councilors and between them, staff, and the public is essential to a healthy community-wide debate on issues, and

**WHEREAS** the Council Communication Agreement is intended to ensure open public processes that lead to closure.

**Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that:**

Section 1: The Council Communication Agreement (Exhibit A) is adopted.

Section 2: Resolution 23-2022 adopted March 15, 2022, is repealed.

Section 3: This resolution is effective immediately upon adoption.

Introduced and adopted by the City Council on **February 7, 2023.**

This resolution is effective immediately.

ATTEST:

---

Lisa M. Batey

APPROVED AS TO FORM:

---

Scott S. Stauffer, City Recorder

---

Justin D. Gericke, City Attorney

## COUNCIL COMMUNICATION AGREEMENT

Guaranteed access to clear and easily understood information is a value of the City of Milwaukee. This agreement is intended to foster conduct that realizes that value and ensures a healthy debate about competing ideas. Finally, it seeks closure and a community that moves forward together, secure in the knowledge that decisions were made openly and fairly.

This agreement has one common behavioral thread—mutual respect. Thus, if the list does not anticipate a situation, a response that is respectful of all concerned should suffice.

1. In all city business, in my role as a member of Council, I will:

- a) demonstrate respect for all who are involved,
- b) respect various thoughts and avoid denigrating others,
- c) clarify facts and opinions to ensure understanding,
- d) clearly state my own opinion as being mine,
- e) look for ways to praise worthwhile efforts and accomplishments, and
- f) stay focused and participate.

2. In working with the Mayor and other Councilors, I will:

- a) provide prompt notice of items requiring Council action I am introducing at meetings,
- b) always represent the city's position before other jurisdictions unless none has been adopted, in which case I will inform the Mayor and Council in a timely manner of the position(s) I have taken,
- c) work toward consensus,
- d) not publicly (including all internet and written content) criticize Council, individual members of Council, or Council decisions, but may respectfully disagree with a decision, and
- e) first address a concern about either a violation of these agreements or any other matter in a direct, appropriate, private, and timely manner.

3. In working to seek broad-based community support, I will:

- a) communicate with the community openly and freely to exchange information and ideas,
- b) engage the community in a shared dialogue, and
- c) listen and respond to well-founded and constructive criticism made to, or by, Council or city staff, or citizens.

4. In working with staff, I will:

- a) provide direction through the city manager with the concurrence of the Mayor and Council and with respect given to the city's chain of command,
- b) refrain from contacting line staff (non-management) with requests or inquiries; this does not apply to questions stemming from Council packets when in preparation for the upcoming meeting,

- c) respect the city's "one-hour" guideline, not requesting work product from the city manager, assistant city manager, or responsible city manager / director that takes more than an hour to produce without first securing the support of a majority of Council, and
- d) never, in any public way, insult or denigrate any staff member, and if I have an unresolved disagreement concerning a staff member's actions, I will bring it to the city manager.

5. In working with the city attorney, I will:

- a) respect that the city attorney represents the city as a whole, and if the Council's direction to the city attorney conflicts with the city attorney's ethical obligations to the city, the city attorney must resolve this conflict in favor of the city,
- b) remember that information a Council member shares with the city attorney is not confidential with respect to other Council members, and the information may be disclosed to the entire Council,
- c) contain my requests for information or assistance to items that can be responded to quickly and will work to secure the support of the majority of Council for items taking more than an hour, and
- d) respect that all responses to legal questions will be sent to the entire Council in an effort to protect all parties, keep all City Councilors informed, and ensure there is no perception of favoritism.

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Council Position 1 – Adam Khosroabadi

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Council Position 2 – Robert Massey

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Council Position 3 – Desi Nicodemus

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Council Position 4 – Rebecca Stavenjord

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Mayor – Lisa Batey

# City Council Communication Agreement

Discuss Draft  
Document



2021 Local and Regional Committee Assignments

| Committee                                                     | Focus                                                                                                                                                                                                                                                                                                                                                                                                     | Governing Authority                                                                                                                                                                                                                                                                                                                                                                                                                                | 2022 Appointee                                                 | 2023 Appointee                              | Staff Resources                | Elected Rep Required | Meeting Schedule                                                                                                                |
|---------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------|--------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Audit Committee                                               | The City of Milwaukie created an Audit Committee of the Milwaukie City Council to ensure that audits of the City’s financial statements are completed annually in accordance with Oregon state law, to share oversight responsibility of the City’s independent auditors with management, and to assist City management in the review and selection of the City’s independent auditor (Res. No. 56-2012). | The Audit Committee is to consist of one member of the City Council and one member of the City Budget Committee each appointed by the Council for two-year staggered terms and two citizen members with an interest in City government financial operations, with preference first given to a Certified Public Accountant residing within City limits and second to a Certified Public Accountant with City affiliation, also for a two year term. | <u>Kathy Hyzy</u>                                              | <u>Robert Massey</u>                        | Toby LaFrance, Michael Osborne | Yes                  | Meetings are held at least twice annually                                                                                       |
| Boards, Committees, and Commissions (BCC) Selection Committee | Purpose is to interview citizens who have applied to serve on citywide Boards, Committees, and Commissions.                                                                                                                                                                                                                                                                                               | Comprised of the Mayor, rotating Councilor, and Staff Liaison.                                                                                                                                                                                                                                                                                                                                                                                     | <u>Mayor: Mark Gamba</u><br><br><u>Councilor: Rotating</u>     | <u>Lisa Batey</u>                           | Scott Stauffer                 | Yes                  | Interviews are held as needed.                                                                                                  |
| Budget Committee                                              | The Budget Committee is established in accordance with the provisions of ORS 294.336 to review the annual city budget document as prepared by the city budget officer and to recommend an approved budget to the City Council for adoption.                                                                                                                                                               | The Committee includes five City Councilors plus an equal number of City residents who are registered voters. The Council appoints the citizen members for four-year terms. The Budget Committee meets as directed by City Council. Typically, the budget preparation meetings are held in the early spring, with additional meetings scheduled as needed and to review revenue and expenditure reports.                                           | <u>Mayor and Council</u>                                       | <u>Mayor and Council</u>                    | Toby LaFrance, Michael Osborne | Yes                  | Meetings are held quarterly                                                                                                     |
| Clackamas Cities Association (CCA)                            | 12 cities in Clackamas County get together for dinner and speaker events to share ideas and to network.                                                                                                                                                                                                                                                                                                   | City of Lake Oswego provides general coordination for cities.                                                                                                                                                                                                                                                                                                                                                                                      | <u>Mayor and Council</u>                                       | <u>Mayor and Council</u>                    | Ann Obers, Scott Stauffer      | No                   | Dinners are held monthly. Typically, dinners are held on the third Thursday of the month.                                       |
| Clackamas County Coordinating Committee (C-4)                 | C-4 was founded by the County to promote a partnership between the County, its Cities, Special Districts, Hamlets, Villages and Community Planning Organizations (CPOs).<br><br>C-4 provides Councilors with an opportunity to network and work on building consensus on regional issues.                                                                                                                 | Voting membership shall consist of one elected representative and an elected alternate appointed by the City Council                                                                                                                                                                                                                                                                                                                               | <u>Primary: Kathy Hyzy</u><br><br><u>Alternate: Mark Gamba</u> | <u>Adam &amp; Rachel expressed interest</u> | Ann Ober                       | Yes                  | Meetings are held on the first Thursday of the month starting at 6:45 p.m. in the Public Services Building of Clackamas County. |

2021 Local and Regional Committee Assignments

DRAFT - 2/7/23

| Committee                                                           | Focus                                                                                                                                                                                                                                                                                                    | Governing Authority                                                                                                                                                        | 2022 Appointee                                                           | 2023 Appointee                                              | Staff Resources | Elected Rep Required | Meeting Schedule                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-------------------------------------------------------------|-----------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Clackamas County Coordinating Committee (C-4) – Metro Sub-Committee | <p>C-4 members who are within the Metro jurisdiction shall be a subcommittee of C-4 named Metro subcommittee to discuss JPACT and MPAC issues.</p> <p>This subcommittee shall at a minimum be the body which nominates and elects cities’ representatives to: JPACT, MPAC, TPAC, MTAC, respectively.</p> | Nominations and elections shall occur in November of each even numbered year in accordance with Metro Charter requirements.                                                | <p><u>Primary: Kathy Hyzy</u></p> <p><u>Alternate: Mark Gamba</u></p>    | <p><u>Adam &amp; Rachel expressed interest</u></p>          | Ann Ober        | Yes                  | Meetings are held on the third Wednesday of the month from                                                                                                                                                                                                                                                                                                             |
| Clackamas County Fire District #1 District Board Subcommittee       | Purpose is to discuss collaborative opportunities, long-term facility needs, emergency preparedness, impacts of compression, and other challenges facing communities being served.                                                                                                                       | Subcommittee consists of two Fire Board members and two Council Members appointed by respective jurisdiction.                                                              | <p><u>Lisa Batey</u></p> <p><u>Angel Falconer</u></p>                    | <p><u>Adam Khosroabadi</u></p> <p><u>Desi Nicodemus</u></p> | Ann Ober        | Yes                  | Development Services Building<br>150 Beavercreek Rd.<br>Oregon City, OR 97045                                                                                                                                                                                                                                                                                          |
| Clackamas County Library District Advisory Committee                | Purpose is to advise the Clackamas County Library Service District (Board of County Commissioners) to support two county libraries and ten city libraries.                                                                                                                                               | <p>Committee involves 10 members that are typically appointed by respective library board.</p> <p>The advisory committee was created after the 2008 District creation.</p> | <p>(Recommendations for this Committee come from the Library Board.)</p> | <p><u>No Council Rep Needed</u></p>                         | Katie Newell    | No                   | Meetings are held as needed.                                                                                                                                                                                                                                                                                                                                           |
| Clackamas County Childcare for All Task Force                       | A group convened by Clackamas County and Clackamas Education Service District on ways to provide greater access to affordable childcare options.                                                                                                                                                         |                                                                                                                                                                            | <p><u>Angel Falconer</u></p> <p><u>Kathy Hyzy</u></p>                    | <p><u>Desi Nicodemus</u></p>                                |                 |                      | Meeting schedule under development.                                                                                                                                                                                                                                                                                                                                    |
| Clackamas County Mayor and Chair                                    | Broad topics that fall outside the scope of C4.                                                                                                                                                                                                                                                          | Ad hoc group – no formal appointment process.                                                                                                                              | <p><u>Mark Gamba</u></p>                                                 | <p><u>Lisa Batey</u></p>                                    | Ann Ober        | No                   | Oregon City Library                                                                                                                                                                                                                                                                                                                                                    |
| Community Action Board                                              | Members are appointed by the Clackamas County Board of County Commissioners. The group advocates both locally and at the state level on issues related to people and households with low-incomes.                                                                                                        | Board is run by Clackamas County. 8 members and one alternate.                                                                                                             | <p><u>Mark Gamba</u></p> <p><u>Alternate: Yelena Voznyuk</u></p>         | <p><u>Adam &amp; Rachel expressed interest</u></p>          |                 | No                   | Clackamas County Social Services is looking for an elected official representative to serve on the Community Action Board, an advisory board to the Board of County Commissioners. The Community Action Board is an advisory group that advises Clackamas County Social Services Division on their Meetings are the first Wednesday of each month, 7:30 a.m. to 9 a.m. |
| Homeless Solutions of Clackamas County (HSCC)                       | HSCC’s purpose is to bring together citizens, agencies, governments, churches, businesses, and schools in the Oregon City region to create partnerships that reduce homelessness.                                                                                                                        | Steering committee made up of co-founders and representatives of agencies, governments, churches, businesses, and schools.                                                 | <p><u>Angel Falconer</u></p>                                             | <p><u>Rebecca Stavenjord</u></p>                            |                 | No                   | Meetings are held on the second Wednesday of the month from 2:00 p.m. to 3:30 p.m. at Providence Community Center in Oregon City.<br>*Steering committee is expected to attend community meetings quarterly.                                                                                                                                                           |

## 2021 Local and Regional Committee Assignments

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2021 Local and Regional Committee Assignments

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| Committee                                                          | Focus                                                                                                                                                                                                                                                                                                                                                                                                                          | Governing Authority                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2022 Appointee                                                | 2023 Appointee          | Staff Resources                                      | Elected Rep Required | Meeting Schedule                                                                                                  |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-------------------------|------------------------------------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------|
| North Clackamas Chamber of Commerce and Public Policy Team         | Purpose is to discuss policy issues in front of the Chamber for position consideration.                                                                                                                                                                                                                                                                                                                                        | Representatives appointed by the Chamber Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Suggest councilors rotate through, but always have a presence | <u>Adam Khosroabadi</u> | Leila Aman<br>Vera Kolas<br>Kelly Brooks<br>Ann Ober | No                   | Meetings are held on the first Monday of the month from 12 p.m. to 1:15 p.m. at the Chamber Offices.              |
| North Clackamas Parks and Recreation District Advisory Board (DAC) | Purpose is to make recommendations to the District Board of Directors on the design, planning and development of parks and the provision of recreational programs in the district.                                                                                                                                                                                                                                             | Section E(2) of the May 1, 1990 Agreement between Clackamas County and the City provide for representation to the DAC. City Council appoints the DAC member.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <u>Desi Nicodemus</u><br><br><u>Ben Johnson</u>               | <u>Vacant</u>           | Peter Passarelli                                     | No                   | DAB meets monthly on the second Wednesday of every month from 5:00 to 7:00 PM                                     |
| North Clackamas Social Needs Roundtable                            | Purpose is to prevent the spread of homelessness and food insecurity in Clackamas County.                                                                                                                                                                                                                                                                                                                                      | Ad Hoc Committee comprised of school district, county, city, nonprofit, and private sector officials.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <u>Angel Falconer</u>                                         | <u>Desi Nicodemus</u>   |                                                      | No                   | Meetings are held as needed. Typically, two to three times per year at a Milwaukie Church.                        |
| North Clackamas Watershed Council                                  | The North Clackamas Watershed Council’s purpose is to advocate for the protection and enhancement of the watersheds’ fish and wildlife habitat and improve water quality through partnership with public and private entities, habitat restoration projects, community education and outreach, and strategic planning.                                                                                                         | The number of Council Representatives may vary between a minimum of four (4) and a maximum of thirty (30).<br>A minimum of one position will be reserved for each of the following watersheds and sub-basin areas; Upper Kellogg, Lower Kellogg, Lower Mt Scott, Dean, Middle Mt Scott/Cedar, Phillips, Upper Mt Scott, Minthorn Spring, Boardman Creek, River Forest, and Rinearson Creek. The term of office for Council Representatives shall be three years.                                                                                                                                                                              | <u>Lisa Batey</u>                                             | <u>Robert Massey</u>    | Peter Passarelli                                     | No                   | Meetings are held on the third Wednesday of the month from 6:00 p.m. to 8:00 p.m. at Oak Lodge Sanitary District. |
| Oregon Mayors Association (OMA), Portland Metro Region Team        | Purpose is to create a forum for discussing a wide variety of issues, and, most importantly, a unified voice in Salem.<br><br>Established in 1972, the Oregon Mayors Association is a voluntary association of persons who hold the office of mayor.<br><br>OMA is recognized as an affiliate organization in cooperation with the League of Oregon Cities.<br><br>Over two-thirds of Oregon mayors are active members of OMA. | The leadership of the OMA is vested in a Board of ten directors which include a President, President-elect, Secretary-Treasurer, Immediate Past President and six members at-large.<br><br>The Immediate Past President and the Secretary-Treasurer serve as ex-officio-Directors. The Secretary-Treasurer position is a nonvoting position held by the Executive Director of the League of Oregon Cities<br><br>Board members are elected at the annual meeting of the OMA, held at the League of Oregon Cities' Annual Conference. The OMA constitution requires that consideration be given to geographic and size diversity on the Board. | <u>Mark Gamba</u>                                             | <u>Lisa Batey</u>       | Ann Ober                                             | Yes                  | Meetings are held as needed either by way of teleconference or at League of Oregon Cities’ Meetings.              |

2021 Local and Regional Committee Assignments

DRAFT - 2/7/23

| Committee                                                                                  | Focus                                                                                                                                                                                                                                                                                                                                   | Governing Authority                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2022 Appointee                                            | 2023 Appointee            | Staff Resources  | Elected Rep Required               | Meeting Schedule                                                                                                        |
|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------|------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| WES Advisory Committee                                                                     | On Sept. 14, 2017, the Board of County Commissioners of Clackamas County (BCC) acting as the governing body of WES, created a standing advisory committee consisting of customers, stakeholders and city representatives referred to as the Water Environment Services Advisory Committee.                                              | Clackamas County                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <u>Angel Falconer</u>                                     | <u>Adam Khosroabadi</u>   | Peter Passarelli | Yes                                |                                                                                                                         |
| Regional Water Providers Consortium                                                        | <p>The Regional Water Providers Consortium serves as a collaborative and coordinating organization to improve the planning and management of municipal water supplies in the greater Portland, Oregon metropolitan region.</p> <p>Primary focus is conservation and planning interties of water systems to address emergency needs.</p> | <p>Formed in 1997, the Consortium serves the Multnomah, Clackamas, and Washington counties and is made up of 21 water providers and the regional government Metro. Together, these entities provide about 95 percent of the Portland metropolitan area’s drinking water</p> <p>Members of the Consortium are cities, water districts and a people’s utility district throughout the Portland, Oregon metropolitan area. The regional government Metro is also a member. Participation in the Consortium is voluntary and is funded through membership dues.</p> | <u>Lisa Batey</u>                                         | <u>Vacant</u>             | Peter Passarelli | No                                 | Meetings are held three times per year. Typically, from 6:00 p.m. to 8:30 p.m. at Metro. Usually in the Metro Chambers. |
| Transportation System Plan Advisory Committee (temporary duration, Spring 2023-early 2024) | Community based committee that will advise on the update of the TSP.                                                                                                                                                                                                                                                                    | Committee is appointed by City Council.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Appointment in Feb. 2023.                                 | <u>Rebecca Stavenjord</u> | Laura Weigel     | Yes, as determined by City Council | Approx. 12/16 meetings over 12-18 months. Meeting time TBD. Likely on Thursday evenings from 6:00-8:00.                 |
| Housing Capacity Technical Committee (temporary duration, work ends May 2023)              | Technical committee reviewing and advising on the Housing Capacity Analysis and Housing Production Strategy required by the state.                                                                                                                                                                                                      | Ad Hoc Committee comprised of housing experts and jurisdictional partners.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Angel Falconer (early 2022)<br>Currently Adam Khosroabadi | <u>Adam Khosroabadi</u>   | Laura Weigel     | Yes, as determined by City Council | Only three meetings left on 4th Thursday evening of the month.                                                          |

**RS 9. B. 2. 2/7/23**  
**Presentation**

# City Council Committee Assignments

Discuss Draft  
Document



# Questions?

Scott Stauffer, City Recorder  
[stauffers@milwaukieoregon.gov](mailto:stauffers@milwaukieoregon.gov)

