

**CITY OF MILWAUKIE
CITY COUNCIL WORK SESSION
JUNE 16, 1998**

The work session came to order at 4:45 p.m. in the City Hall second floor conference room.

Present: Mayor Tomei; Councilors Lancaster, Kappa, King, Lancaster, and Marshall; and Planning Commissioners Cook, Hammang, and Miller.

Staff present: City Manager Bartlett; Assistant City Manager Richards; and Chris Eaton and Jean D'Agostino, W&H Pacific.

Information Sharing

1. The group discussed the proposed dispatch center consolidation and related issues. **Councilor Kappa** said he had been contacted by AFSCME union representatives about reports that City of Milwaukie Dispatch Supervisor Gossett had prepared for the City Council and Clackamas Fire District #1. He further recommended scheduling a special work session on the subject and inviting the union members to attend and present their cases.

Bartlett said the AFSCME representatives were invited to the Fire Oversight Committee meeting on June 18. That union does not represent Milwaukie dispatch and does not have standing. CCOM dispatchers are represented by AFSCME, and those concerns should be addressed through the Clackamas County Board of Commissioners. The plan does exist in draft form, but AFSCME has not made a formal records request through the City Recorder. He noted that Hoodland Fire District had requested Milwaukie provide a proposal for dispatch services.

2. The group scheduled a work session to review the light rail telephone survey results for Wednesday, June 24 at 5:30 p.m. so the Mayor and Council could attend the June 23 "At the Water's Edge" conference.
3. **Councilor King** was concerned that Code Enforcement Specialist Anderson might be used to staff the Teen Center. **Bartlett** said staff would address issues relating to code enforcement manpower allocations.
4. **Mayor Tomei** said a Main Street business owner had complained about vehicles parking on that street for long periods of time. The group discussed enforcement issues.

5. **Councilor Lancaster** asked what criteria had been used to change the City's insurance coverage to CCIS. **Bartlett** said CCIS is a pool through which the City buys its auto liability insurance. He discussed the rebates that are or have been granted by Liberty and Northland. Staff will arrange a briefing with Sedgwick James, the City's designated agent of record, to describe the program and answer questions. **Councilor Lancaster** commented agents can be biased, and he wanted the broker of record to get the best possible deal for Milwaukie. He agreed to meet with Bartlett to discuss insurance-related concerns.

Solid Waste Rates and Franchise Fees

Herrigel provided information on the haulers' rates of return. This year's 15% rate of return was 5% higher than standard. Staff proposed a 1.2% residential and 1.7% commercial reduction in rates and a 2% increase in franchise fees. This reduction was based on the decreased tip fee rather than applying an arbitrary rate.

Councilor Lancaster supported the rate reduction, but the customers' savings were very small. He asked if it was feasible to use those funds for other services such as the youth center. **Herrigel** said there has been a lot of press, and residents know tip fees have decreased. The proposed action adds funding through the franchise fee. The increased franchise fee does not effect rates. The haulers, she noted, do not isolate the franchise fee on their bills as TCI does.

Estele Harlan, consultant to the haulers, pointed out it would increase the haulers' costs if the Council wanted them to account for funds going to the Teen Center.

Councilor Lancaster said his original thought was to keep the rate differential for an identified purpose. Donations to the Teen Center, based on this reduction, could be sought in the Council's newsletter.

Councilor Marshall asked how many haulers served the City, and **Herrigel** responded there were seven. **Councilor Marshall** suggested a 2.1% residential decrease and 1% franchise fee increase. He asked if the reduction was primarily due to Metro's actions or hauler efficiencies.

Harlan said the customer rate decrease is a result of Metro's tip fee reduction, and the excess franchise fee is a result of efficiencies. **Councilor Marshall** said it seemed, to a certain degree, the haulers should be rewarded for their efficiencies. **Herrigel** said the haulers' agreements identify a 10% rate of return benchmark, and in turn the haulers have a certain number of customers for the term of that agreement.

Councilor Kappa thought the customers should get the larger break in their rates. **Herrigel** said the application of the percentages would be arbitrary and not calculated on the tip fees as applied to tonnage.

Councilor Marshall stated 1% would put Milwaukie in the mid-range of the region. **Herrigel** felt, if the City actually wanted to look at how much it costs to provide a specific service such as this, a cost of service study would have to be done. This would be a very expensive process. The alternative method would be to reduce rates according to tip fees as supplied by Metro. The City's rates are similar to others in the region, and there are few customer complaints.

Councilor King asked where the additional funds would go. **Herrigel** understood if the funds were not dedicated, they would go into the general fund and be available to help administer yard debris and recycling programs.

Councilor Kappa asked why there was an extra fee for the roller cans. **Herrigel** said the only extra fees of which she was aware were the deposit and for non-curbside service.

Harlan added the roller can holds almost twice as much as the 32-gallon can, so there are additional disposal costs. The cost of the cart is also amortized over five years. The cart rate is low in Milwaukie compared to other jurisdictions, but she was not suggesting a change.

Councilor Kappa said the region wants to encourage people to recycle more, and the best way to do that is through the pocketbook.

Harlan stated part of the problem is that re-selling recyclable materials only covers about 25% of the actual cost. Hauler costs are greater the more customers recycle, and garbage rates are helping cover the recycling costs.

Councilor King wondered if people would realistically donate their solid waste savings and suggested part of the franchise fee go toward the Teen Center.

Bartlett said the City does not usually like to earmark franchise fees, but if these go into the general fund, the City Council can allocate money to programs. The general fund is flexible enough to address changing needs.

Functional Plan

Eaton said she would provide copies of the Regional Urban Growth Goals and Objectives (RUGGO) to the Council and Planning Commission.

The four key items from the last discussion were: (1) Title 1 – Requirements for Housing and Employment Accommodations had many issues yet to be discussed especially minimum densities with a focus on 1.4.A – Calculating Actual Built Densities; (2) Title 2 – Regional Parking Policy; (3) Title 3 – Water Quality, Flood Management, and Fish/Wildlife Habitat Conservation; and (4) revisiting the Regional Center/Town Center issue.

Eaton reviewed Title 1 – 2.A Minimum Densities. The rationale is to meet RUGGO goals with efficient development. Section 2.A.1 provides two options for meeting minimum densities. One is to provide that no development application including a subdivision may be approved unless the development will result in building to 80% or more of the maximum number of dwelling units per net acre permitted by the zoning. This refers to subdivisions, not building permits or partitions. For example, an 80,000 square foot lot with an existing house uses 20% of the site for a road. Zoning is R-5, and the maximum build out of the site would be 8.7 units per acre and would produce 11 lots per net acre. This section would add minimum densities, so the subdivision could have no fewer than nine lots. The subdivision plat would indicate the number of lots through efficient development.

Councilor King asked if a person could buy two lots and build one house. **Eaton** said she believed a person could buy two lots and build one house, but she did not know if there could be a lot consolidation with the house in the middle of the resulting lot.

Councilor Lancaster asked if a developer could be required to dedicate a portion of a subdivision for park land or greenspace. **Eaton** did not believe this was addressed in the Zoning Ordinance, but a certain amount of vegetative cover is required on each lot. A Planned Unit Development or multi-family residential can be required to dedicate a certain amount of land.

Hammang said the subdivision ordinance could be amended for the purpose of adding features that enhance the quality of the community.

Coleman commented on dedicating property. The City would have the ability to require public facilities that are roughly proportional to the impact of the development. City requirements would have to be very fact specific to a particular development. The City would have to get away from blanket requirements in the Zoning Ordinance that say a certain percentage of the site would be dedicated to open space. Landscaping requirements, however, can be addressed.

Councilor Kappa said that could change if a developer were required to buy 5, 10, or 15 acres and design elements were developed. **Coleman** said design elements could result in an open space that could be used in many ways, but

taking property and requiring it to be open to the public would have to be related to specific impacts.

Hammang said Coleman was referring to public use. There can be design criteria for private use that say that there should be 30% open space. That is not a public taking because it remains private property.

Coleman said the key was not taking title to the property.

Hammang asked the root of the 80% density.

Eaton said Metro assumes the efficiency will be taken down by the percentage of the streets. Milwaukie's current single-family subdivisions have been built to 97%. The infill opportunities are small, and people are building at a very efficient rate.

Hammang suggested setting the density at 70% to preserve the quality of the City. **Eaton** said the City would have to request an exception. **Hammang** understood West Linn had an ordinance that adopted 70% density. He suggested that kind of numeric change would be more feasible for the community. Burton had told the West Linn City Council that Metro did not require density. **Eaton** said that could be addressed in the Compliance Report.

Councilor Lancaster returned to the 9-lot example with design requirements for open space. Could the developer have the option of dedicating an open space or changing the lot size to R-7 to reach the same end? **Eaton** had seen density bonuses worked the other way, and, if the City established incentives for certain things, she felt it could do that as long as they were not mandatory.

Miller asked if he could be prevented from purchasing a lot and dividing it in half with one house for himself and one for his child. **Eaton** said, in Coleman's interpretation of a development application, partitions are not included. By definition, a partition is three or less lots and does not trigger minimum densities. The City could have policies to ensure long-term land efficiency by requiring a shadow plat indicating how the lot could be partitioned further.

Councilor King said that would have an impact on the placement of the house on the lot. **Eaton** said shadow platting could get that specific.

Hammang thought this was a manner of taking. **Eaton** said that was an option if the City wanted to ensure efficiency.

Hammang asked what language would be appropriate if the City wanted to prevent inverse sprawl and dense clustering.

Eaton said, if the City does not want to apply minimum development to all zones, it would not have to, but those areas would not be used in calculating the City's capacity. Staff wanted direction from Council before getting into calculations. Section 2.A.1.B provides the option for a minimum density of less than 80% with the caveat that this cannot be used toward calculating the population targets on Table 1.

Hammang said the capacity of that land mass cannot be used in meeting the goals. The issue is a simultaneous equation in which there are three unknown variables.

Eaton said, if there is a sensitive area that is zoned R-10 and is not appropriate to build out to 80%, then efficiencies would have to be found in other places.

Hammang pointed out the current efficiencies were greater than 80% between 1990 and 1995. **Mayor Tomei** said the whole City is not built at that density.

D'Agostino said the City has the option of not applying minimum densities to all areas of the City. The numbers, however, will be much further from the target.

Eaton added that 4.A figures are used for 1.5.A calculations to determine capacity.

Councilor Kappa said, in any event, the Zoning Ordinance would have to be revisited. **Eaton** said that was correct unless the City sought an exception. She recommended a lots-per-acre density range.

Councilor Kappa recommended these minimum densities based on five to ten acre parcels. **Eaton** said Council could consider that as a policy decision.

Bartlett said he believed the draft compliance response to Metro should come to the City Council through the Planning Commission.

Councilor King asked for clarification to Functional Plan page 4, line 113 – “No comprehensive plan provision, implementing ordinance or local process (such as site or design review) may be applied and no condition of approval may be imposed that would have the effect of reducing the minimum density standard.”

Eaton interpreted it to mean design review standards cannot be so strict as to require dedication that would reduce the standard. Architectural provisions could have the same effect.

Hammang asked if changing driveway widths to virtually eliminate flaglots would be construed as a change to the previous five years' development pattern.

Coleman responded that the City will have to look at all the code provisions as applied, and most will be fairly neutral. If the effect is to take away the ability to meet minimum standards, Metro would likely see it as a pattern and practice response.

Eaton pointed out a flaglot is a partition and not a development application.

Hammang understood from reading that section it did not speak to subdivisions but rather to meeting density goals. He discussed a hypothetical case in which a lot was only sixty feet wide and no driveway could be less than fifteen feet wide for health and safety reasons. Based on that, a flaglot would not be possible unless the original house were demolished.

Bartlett said, to a certain degree, flaglots are just one way of partitioning the property. The City could suggest alternatives to flaglots such as large block redevelopment similar to Kappa's recommendation.

Hammang felt the City had to negotiate over minor changes. As land becomes more scarce, he wanted to develop a more quality community.

Bartlett said there are certain areas in the City, particularly in the Ardenwald neighborhood, that are prime for densification. In some cases, the existing housing stock is upgraded and in others, houses are torn down and new ones built. If the City did not have flaglots, redevelopment would be envisioned in pieces of land rather than single lots.

Councilor Kappa suggested having the Planning Commission revisit the subdivision ordinance. He recommended moving away from subdivisions and looking at planned communities in order to set design standards while meeting Metro's targets.

The group agreed to continue the discussion at a joint work session on Saturday, July 11, 9:00 a.m.

Board and Commission Interviews

Don Leamy and Sue Trotter were interviewed for positions on the Library Board.

Pat DuVal, Recorder