

WORK SESSION

3RD REVISION – MAY 19, 2008

AGENDA

**WORK SESSION
MILWAUKIE CITY COUNCIL**

MAY 20, 2008

MILWAUKIE CITY HALL

Second Floor Conference Room
10722 SE Main Street

A light dinner will be served.

WORK SESSION – 5:30 p.m.

Discussion Items:

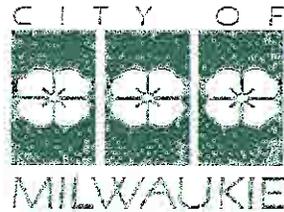
	<u>Time</u>	<u>Topic</u>	<u>Presenter</u>
1.	5:30 p.m.	Board and Commission Interviews	Mayor & Council
2.	5:45 p.m.	Downtown Business Organization	Alex Campbell
3.	6:00 p.m.	TriMet Intergovernmental Agreement	Kenny Asher / Dave Unsworth
4.	6:45 p.m.	Adjourn	

EXECUTIVE SESSION

Executive Session: The Milwaukie City Council may go into Executive Session pursuant to ORS 192.660(2). All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions as provided by ORS 192.660(3) but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

Public Notice

- The Council may vote in work session on non-legislative issues.
- The time listed for each discussion item is approximate. The actual time at which each item is considered may change due to the length of time devoted to the one previous to it.
- For assistance/service per the Americans with Disabilities Act (ADA) please dial TDD (503) 786-7555.
- The Council requests that all pagers and cell phones be either set on silent mode or turned off during the meeting.



To: Mayor and City Council

**Through: Mike Swanson, City Manager
Kenneth Asher, Director of Community Development & Public Works**

From: Alex Campbell, Resource and Economic Development Specialist

Subject: Downtown Business Organization

Date: April 23 for May 06, 2008 Work Session

Action Requested

None. Staff seeks Council's advice and direction on possible staff work to support efforts to organize a downtown business group.

History of Prior Actions & Discussions

The Milwaukie Downtown Development Association (MDDA), a non-profit association, was supported through a combination of a special assessment (Economic Improvement District), business license fee surcharge and a City general fund contribution. The MDDA was most active between 1990 and 2003. The organization focused on downtown beautification projects and promoting downtown. City Council took action to end the special assessment in April 2003, because the membership of MDDA preferred that it be discontinued. The MDDA largely ceased to function around that same time.

Background

Based on the experiences of many successful business districts, some form of downtown organization is often a critical component in downtown revitalization efforts. Such organizations commonly:

- Facilitate communication between city officials, on one hand, and the downtown business community on the other.
- Represent or advocate on behalf of the city in forums that value highly business voices, for instance in the recruitment of new businesses or in support of economic development or other grant proposals.
- Provide a coherent voice calling for revitalizing downtown.
- Coordinate private activities, often in support of special events.

Staff believes that Milwaukie would benefit from an independent business voice for the revitalization and reactivation of Main Street. The contrast between the organizational base for park advocacy, to name one example, and the organizational base for maintaining and expanding a vital business district is stark. Although Milwaukie's downtown businesses can be effective in responding when a clear threat to their interests emerges (for instance, when Main Street was recently proposed as a possible route for light rail), such efforts are *ad hoc* and limited. A more cohesive group would be capable of more positive, thoughtful, and pro-active advocacy.

Downtown promotion and beautification efforts are frequently a focus of downtown organizations. However, preliminary conversations suggest that a more critical need in Milwaukie (as perceived by the businesses themselves) is developing and pushing a clear and forward-looking agenda. Such an initial focus does not preclude tackling other activities, but staff does not expect that beautification or promotional campaigns are likely to be a focal point in the near term.

Staff proposes a work program that would begin with one-on-one interviews with key stakeholders (some of which were already conducted in preparation for this Work Session, see concurrence section below). Depending upon the outcome of those discussions, staff would initiate a series of breakfast and/or lunch meetings. Meetings would likely include an informational/educational component focused on a particular issue (e.g., south downtown planning, parking capacity planning, land values and mixed-use development potential) followed or preceded by group discussion focused on developing a set of shared guiding principles around which a group might coalesce.

If a common shared agenda and some consensus about how a group of businesses (and/or property owners) might work together on an on-going basis emerges, City staff would actively support efforts to institutionalize that work in whatever manner the membership prefers. Ideally, such a group would engage in serious discussions about issues that are especially important to them (be that Riverfront Park development, parking capacity issues, business recruitment, etc.) and focus their attention on a short list of priorities. Staff is hopeful that the group would ultimately help define and implement critical elements of the next stage of downtown revitalization.

Staff is interested in Council's views on what form of organization would be most productive. However, staff proposes to initiate a discussion with potential members without presuming any specific organizational form. Initial comments from businesses suggest that an informal group, without any formal connection to city government, may be the appropriate starting point. Staff is not requesting that Council consider the establishment of a new board, commission or other formal advisory body.

Questions on which staff seeks Council's input, in particular, are:

- Does Council share staff's concern about the absence of a clear, independent voice for the downtown business district?

- Does Council believe addressing this situation is an appropriate use of staff time, particularly in light of limited staff resources?
- Which constituencies or individuals must an outreach effort include?

Concurrence

Staff sought and received concurrence from the Planning Director and the Director of Community Services on the proposed approach. The Chair of the Planning Commission suggested that the emergence of a downtown business-focused group would help clarify that downtown "belonged" to the entire community rather than any single NDA. Staff also discussed the issue with County economic development staff who are working on setting up a Main Street program. They noted that the development of a downtown business group would be a helpful step in developing a Main Street program in Milwaukie, if the City were to pursue that designation.

Ed Zumwalt concurred with a need for such a group but stated that he felt it was important to maintain an arms-length distance from City Council/City Manager to allow for frank and open discussion. Several business leaders (including representatives of Dark Horse, Reliable Credit, ODS, and Milwaukie Lumber) expressed an interest in a new organization, but argued that it should be less "boosterish" than the MDDA was and focus more on the "big picture." Ed Parecki said that he is pursuing the development of a private business group that would not have any ties to City government.

Fiscal Impact

None.

Work Load Impacts

Staff work would be absorbed within current staff positions, but could be significant, particularly for the Resource and Economic Development Specialist. Staff believes a successful effort would require a significant investment of time over an extended period.

Alternatives

One alternative would be to wait and see if an entirely private sector-led group emerges and/or limit staff involvement to passive responses to requests for information. Council might direct staff to pursue outreach in a different manner than as proposed, for instance working through a pre-existing organization such as the North Clackamas Chamber, the Historic Milwaukie NDA, or the Community Services Department.

Attachments

None



To: Mayor and City Council

Through: Mike Swanson, City Manager

**From: Kenneth Asher, Community Development and Public Works Director
Katie Mangle, Planning Director**

Subject: Downtown and Riverfront Plan Briefing

Date: May 9, 2008 for May 20, 2008 Work Session

Action Requested

None. This is a briefing requested by the Council to help current councilors understand the Downtown and Riverfront Plan, and the various ways in which the City relies on it to make choices and decisions.

History of Prior Actions and Discussions

- **September 2000** – City Council adopted the *Milwaukie Downtown and Riverfront Land Use Framework Plan* and the *Public Area Requirements* by ordinance no. 1880 as ancillary document to the Comprehensive Plan. Council also adopted a new zoning districts, the Downtown Zones, and Code section 19.312 – Downtown Zones. The Council adopted amendments to Section 19.312 in 2003 and 2004.
- **April 2003** – City Council adopted the *Milwaukie Downtown Design Guidelines*.
- **June 2005** – City Council adopted amendments to the *Public Area Requirements* document to revise the street design of Main Street in front of the North Main Village site.
- **January 2008** – City Council directed staff to revisit code requirements that development implement public area requirements.

Background

The *Milwaukie Downtown and Riverfront Land Use Framework Plan* guides the development of private and public land in downtown Milwaukie – a small area centered around ten blocks that exhibit the classic structure and scale of a small town downtown.

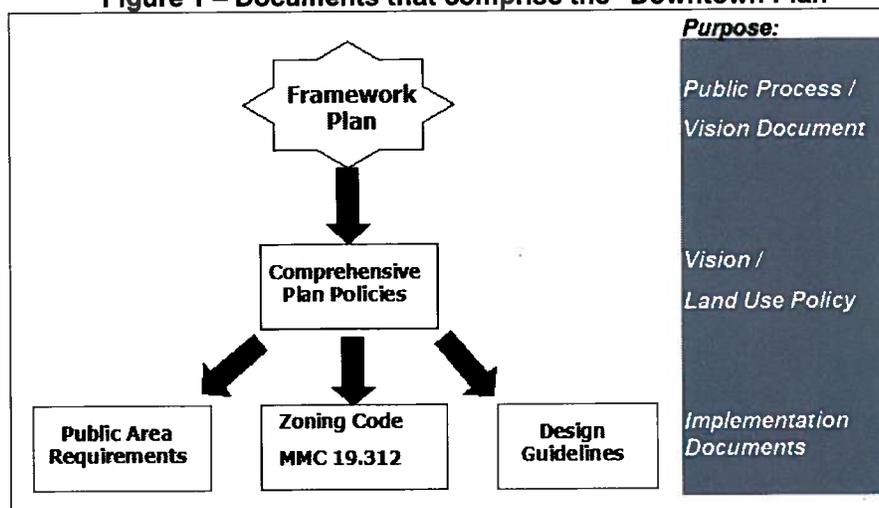
The Plan was written over 19 months in 1999 and 2000 with the input of more than 2000 citizens.

Elements of the “Downtown Plan”

As a result of the downtown planning process, the City amended its Comprehensive Plan and zoning code to include five elements that together establish and implement Milwaukie’s local vision for its small downtown. The community commonly uses the term “Downtown Plan” to refer to any of the documents listed below. As illustrated in Figure 1, these five documents each play a different role in defining the City’s vision and establishing City policy.

- **Milwaukie Downtown and Riverfront Land Use Framework Plan** - describes the vision for downtown: a vibrant place redeveloped with mixed use buildings served by multimodal transportation system with easy access to great open spaces. Adopted as an ancillary document to the Comprehensive Plan.
- **Comprehensive Plan Land Use Element** – includes broad objectives and policies that direct the City to focus redevelopment efforts on the downtown and riverfront.
- **Milwaukie Municipal Code Section 19.312 – Downtown Zones** - specifies how the City requires development projects to implement various aspects of the vision (land use, public improvements, and building design).
- **Public Area Requirements** - provides transportation circulation plans for all modes of transportation, and detailed design of streetscape improvements.
- **Downtown Design Guidelines** - establishes a checklist of what it means for a new or renovated building to fit with Milwaukie’s character.

Figure 1 – Documents that comprise the “Downtown Plan”



Each of these planning documents accomplishes different things, as described in more detail below:

Framework Plan

As described in the City's 2003 *Implementation Plan for Downtown Revitalization*, the Framework Plan is a "conceptual plan" that proposes a variety of projects and establishes a vision for downtown development. The local vision established in the *Framework Plan* was built on just a few key principles:

1. Build on existing assets, existing uses (including businesses), the few remaining historic buildings, and the town's unique character.
2. Feature the natural environment, especially the Willamette River.
3. Strengthen Main Street as a source of community pride and to ensure economic success.

In selecting these concepts as a platform, the community expressed its affection for much of what is already downtown (the Willamette River, Main Street) and stated its preference that City leaders and other public officials not disrupt these features but rather build upon them so as not to lose contact with Milwaukie's natural and cultural settings. The vision for downtown that is outlined in the Framework has been generally confirmed by the community during the planning processes for the Transportation System Plan, Kellogg Creek restoration, and the North Main Village projects.

The *Downtown and Riverfront Land Use Framework Plan* is a concise document that lays out the community's vision in a series of statements and graphics that describe the framework for revitalizing and investing in downtown (see Figure 3). The "fundamental concepts" include:

- Reconnecting Milwaukie to the River
- Revitalization of historic buildings
- Designing new buildings that harmonize with the town's character
- Creating anchors and attractors, such as a transit center, grocery store, or arts/ entertainment / office campus.
- Strengthening the Main Street "retail armature"

Figure 3 – Fundamental Concepts Map

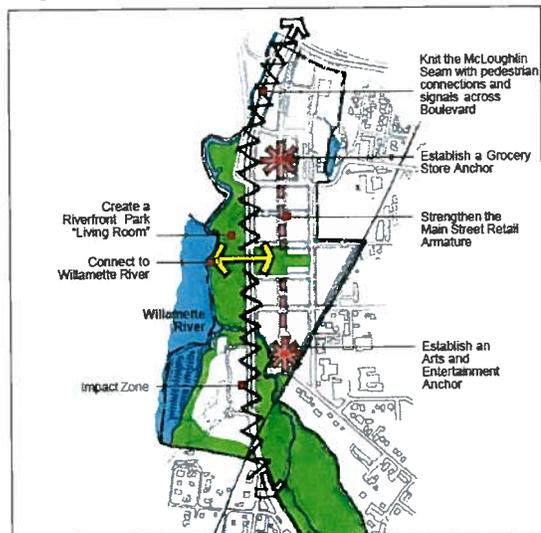
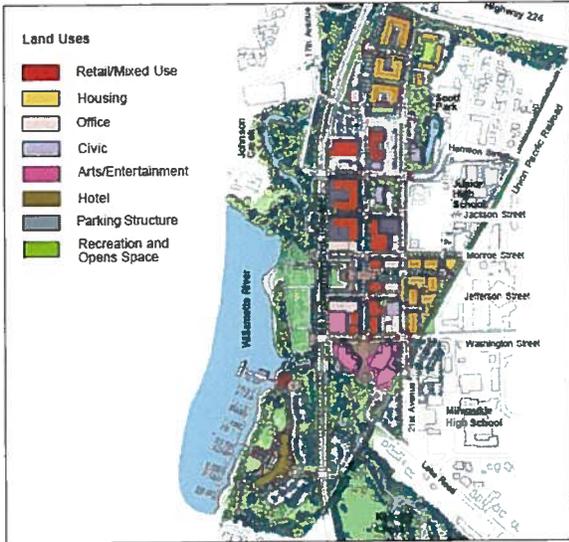


Figure 4 – Illustrative Plan



The document includes illustrative plans, which illustrate how downtown could change to better meet the vision statements outlined above. These are helpful illustrations of what investments would fit in different sections of downtown, and what Main Street “anchors” could look like (see Figure 4). They are, however, one architect’s illustration of what implementation of the “fundamental concepts” could look like. Given the same concepts and principles, another architect could create a different illustration.

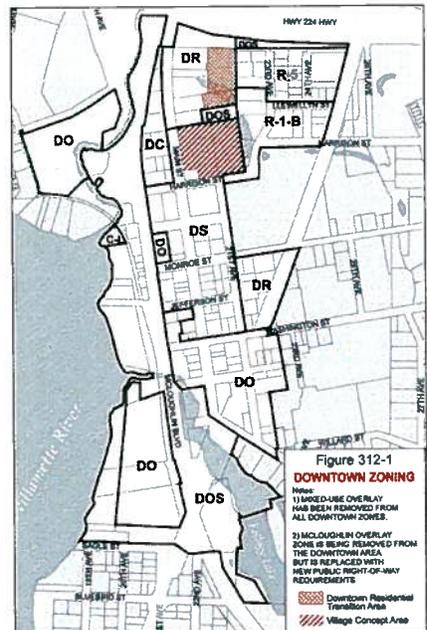
To understand what the Framework Plan is, it is helpful to understand what it is not. It is not a land use plan, but rather the framework for establishing other regulations, land use code, and design guidelines. Neither is it intended to be predictive of exact uses or building footprints. It is a framework for downtown redevelopment aspirations to be implemented by more specific land use, streetscape, and design standard documents.

Zoning Code Section 19.312 – Downtown Zones

The zoning code for the Downtown Zones implements the Framework Plan by defining the following aspects of a project:

- Development Standards – The code specifies building height, setback from the sidewalk, where ground-floor windows are required, housing density, etc.
- Land uses – Downtown is divided into five zones, each with a different emphasis (see Figure 5). Retail and restaurants are emphasized in the Main Street corridor, taller office buildings are encouraged at the north and south ends, and residential buildings are planned as a buffer between the commercial area and existing residential neighborhoods to the east. Mixed uses (combining residential, commercial, and office uses in a single building) are allowed in all downtown zones.

Figure 5 – Downtown Zones



- Public improvements – Most types of development trigger a requirement to construct improvements to the public realm.
- Design Standards – Objective standards for new and major remodeling projects. These standards include requirements for wall materials, window proportions, and roof type.

The Downtown zoning code was written to support the vision of a multimodal (non auto-oriented) environment outlined in the Framework Plan. The zoning regulations allow or require mixed use development, employment and residential density, multimodal transportation access, and assume public and private sector redevelopment (not only preservation). Though the City's current zoning was adopted without presuming light rail service to downtown, the zoning calls for a scale and type of development that would work well with high capacity transit service of any kind.

Planning staff works with the Planning Commission and the Design and Landmarks Committee to apply the zoning code to all development projects in downtown.

Public Area Requirements

The Public Area Requirements document directs the City to implement a high quality, balanced streetscape that emphasizes walking but also provides “front-of-store” on-street parking that is critical to retail development, auto circulation that serves all properties, and convenient transit service to serve current and future downtown residents and employees.

The Public Area Requirements document includes both general plans for multimodal circulation (see Figure 6) and specific designs for each block of Main Street (see Figure 7), and details for designing features such as brick patterns. The requirements are implemented by public capital improvement projects or development, when triggered by the zoning code.

Figure 6 - Required On-Street Parking

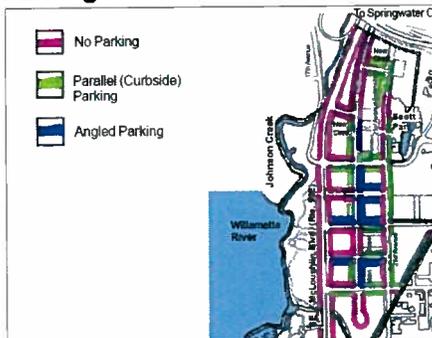
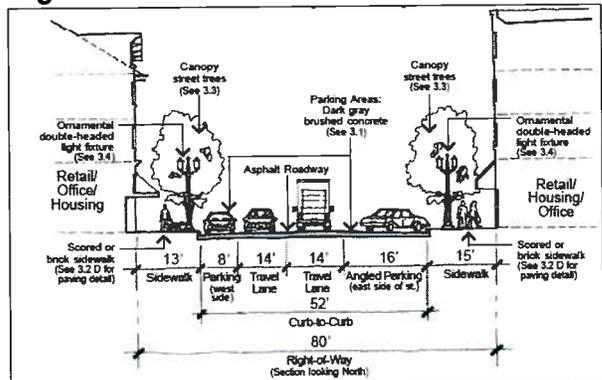


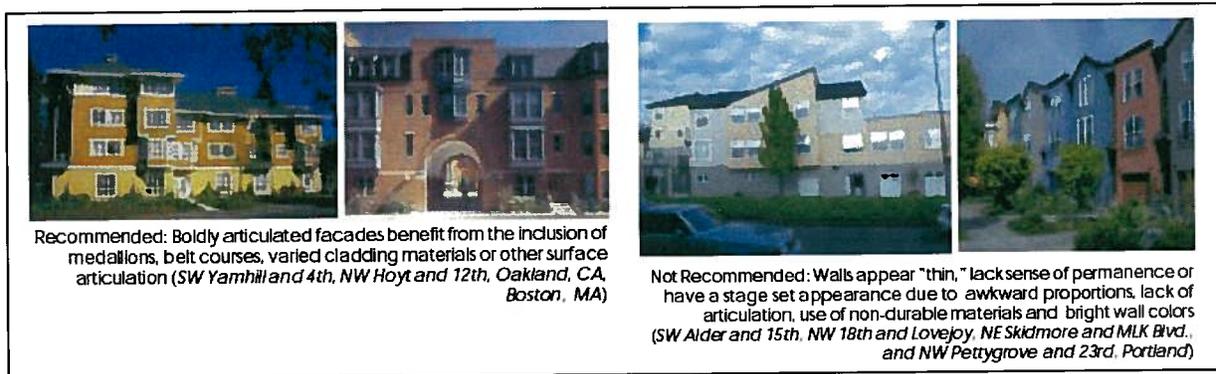
Figure 7 – Main Street Cross-section



Downtown Design Guidelines

The Downtown Design Guidelines endeavor to describe what it means for new buildings or facilities to “harmonize with the town’s character.” As explained on page 5 of the document, the Guidelines “do not prescribe specific design solutions, nor are they rigid requirements without flexibility.” The guidelines address Milwaukie character, pedestrian emphasis, architectural form and details, lighting, and signage. The Design Guidelines are used to review development projects for consistency. It is the responsibility of the Design and Landmarks Committee to review new construction and “major exterior alteration” projects; the Planning Director reviews “exterior maintenance and repair” and “minor exterior modification” projects. The standard for Design Review approval is “substantial consistency with the design guidelines.”

Figure 7 – “Recommended” and “Not Recommended” Facades



Implementing the Downtown Plan

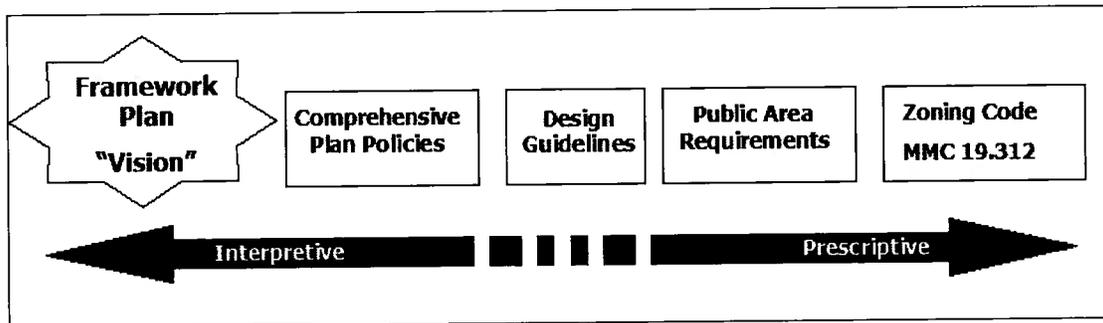
The various elements of the Downtown Plan are implemented in several ways by many different departments and stakeholders.

- The *Framework Plan* is the “vision” document. It isn’t prescriptive – i.e., the various elements shown in the illustrations aren’t required. The big ideas are implemented through the zoning code, joint development projects, and the Capital Improvement Plan.
- Staff relies on the principles outlined in the framework plan to develop public investment projects.
- Staff works with the Planning Commission and the Design and Landmarks Committee to implement the code for the Downtown Zones.
- The Public Area Requirements are implemented by development (as directed by the code) or through public improvement projects. As directed by Council in December, staff is currently evaluating alternative code regulations to implement this document.

Each of the elements of the Downtown Plan carry a different degree of interpretation. The *Framework Plan*, as the visioning document, allows for the greatest degree of

interpretation. The Zoning Code, as the City's legal code for development, is the most prescriptive. This continuum is illustrated in Figure 2.

Figure 2 – Continuum of Interpretation



Such a continuum of interpretation manifests itself regularly in City business, as illustrated in the following examples:

- In June of 2007, staff prepared a recommendation to Council regarding a potential light rail alignment on Main Street in downtown Milwaukie. In preparing its recommendation, staff cited the Framework Plan vision, which calls for an active pedestrian-oriented retail street, and strong connections to the river, and argued that introducing light rail in such a constrained environment would run counter to the fundamental concepts outlined in the Framework. This was staff's interpretation of the tenets of the Plan. Staff also cited the Public Area Requirements and its desire for wide sidewalks, because providing these elements is directly related to the fundamental concept of creating a pedestrian-oriented retail spine on Main Street. The code and its design review requirements will ultimately apply to parts of the light rail project's design.
- During the December 2007 appeal of the public requirements imposed on the Main and Monroe redevelopment project, staff was applying the zoning code, which requires implementation of the Public Area Requirements (PAR). The code is very prescriptive in requiring staff to implement the street design shown in the PAR document. This left staff with little flexibility to determine how to apply the City's rules to the project. However, when the Planning Director made a code interpretation that allowed staff to reduce the amount of required improvements, that interpretation was based on the policy language describing the intent of the public area requirements.

- Had it moved forward, the proposed Town Center project would have requested a code amendment to allow for a fifth story in an area where the code currently allows four stories. After discussing a preliminary request from the developer and reviewing preliminary project plans, staff believed the City could support an amendment to the code by citing the Design Guidelines. In this case, staff was looking to the more interpretive documents for guidance on how the City could change the more prescriptive document. Such a request would have required approval of both the Planning Commission and City Council.

Other Implementation Efforts

In 2003, acknowledging that the zoning code alone would not be enough to achieve the goals and vision embodied in the Framework Plan and Public Area Requirements, the City worked with the Oregon Downtown Development Association and SERA Architects to develop *Milwaukie's Next Steps Project: An Implementation Plan for Downtown Revitalization*. The document recommends some specific steps the City should take to implement the plan. Most importantly, it points out that the City needs to decide "how participatory a role it will play in downtown redevelopment activities (i.e., continuing with piecemeal efforts based on grants, etc., or moving to a more comprehensive approach that utilizes Urban Renewal as a tool.)" The report continues to conclude that a laissez faire approach will make it extremely difficult to phase projects whose funding depends primarily on the availability of grants or the contributions of private developers.

The Implementation Plan recommends that the City take several actions. The City has made progress on the following key actions identified in the report:

- Focusing on solving the Transit Center issue. The City is currently actively pursuing this with TriMet.
- Focusing on detailed design of Riverfront Park. The City is actively designing and seeking funding for this high priority project.
- Developing detailed studies of certain aspects of the Framework Plan, specifically the proposed plaza location, an underpass connection to the Riverfront Park, restoration of downtown water features, and the location of a parking garage. The City's current South Downtown Concept planning project addresses all of these.

The City has not taken the following key actions identified in the report:

- Periodically updating the Framework Plan to "help make it a living document," while keeping true to the overall vision of the Plan. The report states that revisiting the Framework Plan "does not negate its value, but moves it to the next step of more detailed design, ensuring that the components fit Milwaukie from the perspective of cost, likelihood of implementation, and public support.

- Developing a strategy for public investment, particularly streetscape improvements and land acquisition for redevelopment and open space.
- Developing a strategy for incenting development.

Other recent implementation efforts not mentioned in the report include the following:

- During the TSP update project, the City updated the modal plans to comply with the circulation plans in the Public Area Requirements document. Based on public outreach, City investment in downtown parking and streetscape improvements were given a high priority.
- Over the past two years, the City worked with Metro to create a public-private partnership to develop the Town Center lot.
- City participation in the light rail SDEIS and station planning anticipates future development and transit service. From a local perspective, this work is in accordance with the principles of the Functional Plan vision for a mixed use center of housing, employment and amenities that is not auto-oriented.

Summary – Current Needs

The City undertook a significant downtown planning effort in 2000, one which charted a very different course for public and private investment in downtown. As the various parts of the plan have been implemented over the past several years, staff and community leaders have come to appreciate the wisdom of the bold plan, which led to the new McLoughlin Boulevard and the emerging Riverfront Park project. Staff believes that planning for a downtown is a dynamic, not static, process and that fresh ideas and approaches can and should be introduced without upsetting the fundamental concepts and goals of the original plan. At council's direction, staff has and will continue to pursue implementation of the plan, through developing projects like the Town Center site, Riverfront Park, and Kellogg Creek Restoration; conducting design review on new buildings to ensure compatibility with Milwaukie's desired character; and designing a multi-modal transportation system that supports a lively downtown.

Staff values the Framework Plan for its clear identification of vision, values, and principles, the Code for requiring mixed uses and high quality buildings; the Public Area Requirements for establishing the importance of a quality pedestrian-oriented public realm, and the Design Guidelines for outlining what it means for new development to keep the feel of Milwaukie's small town.

However, after working to implement all of these documents, staff believes the following aspects of these documents could be updated or refined as follows:

- Refine vision in the Framework Plan – Update the details in the illustrative plan (including the possible locations of a plaza, downtown bus facilities, and closed

streets). The illustrative plan could be periodically updated without calling into question the fundamental concepts and values of the Framework Plan.

- Refresh the code – Review the code, which is very prescriptive, to allow for a little more flexibility as downtown and its real estate market evolves.
- Add incentives for development to support private investment in downtown, including new tools such as urban renewal.
- Consider a technical clean-up of existing policies and documents, including:
 - Moving the street design details into the recently adopted Public Works Standards.
 - Developing more detailed studies for specific sub-areas, including South Downtown, Riverfront Park, and the Kellogg Treatment Plant site.

By proposing refinement of such elements, staff believes the value and importance of existing plans and policies will be enhanced. The City must continue to plan for downtown, including sub-area planning and refinement, and to adjust the code, to help realize the community vision that was established in 2000.

Concurrence

There is no action with which to concur.

Fiscal Impact

None.

Work Load Impacts

None.

Alternatives

None.

Attachments

1. Executive Summary of *Milwaukie's Next Steps Project: An Implementation Plan for Downtown Revitalization*. October 2003.

ATTACHMENT 1

Milwaukie's Next Steps Project: An Implementation Plan for Downtown Revitalization

Milwaukie's Next Steps Project: An Implementation Plan for Downtown Revitalization

Project Team:

Lead: Vicki Dugger
Oregon Downtown Development Association

Team Members:
SERA Architects, Inc.
Bing Sheldon
Timothy Smith
Matthew Arnold

Team Support:
City of Milwaukie Staff
Alice Rouyer
Jeffrey King

Project Funding:
Oregon Housing & Community Services Department
City of Milwaukie

October 2003



Executive Summary

The goal of Milwaukie's Next Steps Project is to provide a framework for implementing projects outlined in the Downtown and Riverfront Plan, a conceptual Masterplan for downtown adopted by the City in 2000.

The process used to create this implementation plan consisted of interviewing stakeholder groups to share their ideas and plans; a developers' tour and follow up meeting; gathering of information through a variety of documents, including the Downtown and Riverfront Plan, Downtown and Riverfront Land Use Framework Plan, Downtown Design Guidelines, updated Codes for Downtown Zones and Downtown Milwaukie Parking and Traffic Management Plan; and through additional information supplied by City staff.

As the process to develop this plan unfolded, it became clear that recommendations were needed to holistically address a variety of issues associated with Milwaukie's downtown revitalization and development. For that reason, the report covers more than physical improvements and redevelopment, it delves into planning issues, partnerships, marketing and communication and business development.

A brief overview of the recommended next steps follow. However, it is hoped that the following summary does not serve as a 'USA Today' version of the report, as Executive Summaries sometimes do. Rather, it is hoped the entire report is carefully read and considered, as it contains many pieces of the plan too numerous to list in a summary.

The precise phasing of the implementation plan cannot be determined *until* the City decides how participatory a role it will play in downtown redevelopment activities (i.e., continuing with piecemeal efforts based on grants, etc., or moving to a more comprehensive approach that utilizes Urban Renewal as a tool.) Whichever choice is made, the 'business as usual' approach will make it extremely difficult to phase projects whose funding depends primarily on the availability of grants.

Public Improvements

Goal: Highly visible public improvements are implemented as a component of downtown redevelopment efforts.

- **Action:** Implement streetscape improvements. This can be done in one of two ways: 1) status quo; or 2) new approach. Under the status quo approach a 'green up downtown' street tree planting program should be implemented as a quick way to make a big difference in how downtown looks and feels. Under the new approach concept that would use Urban Renewal as a tool, comprehensive streetscape improvements should be

implemented, including sidewalk, street trees, lighting and pedestrian amenities.

- **Action:** Implement improvements to Riverfront Park. Under the status quo approach, planning, design and implementation efforts should continue to move forward. Under the new approach, improvements could be planned and implemented in a more timely and cohesive manner.

Private Redevelopment

Goal: Private redevelopment is occurring due in part to the City's support activities and programs.

- **Action:** Create an incentive package for redevelopment. Under the status quo approach, continue to offer existing incentive(s) (Vertical Housing Development Zone) and develop other incentives as possible. Under the new approach, develop bold, additional incentives as a complement to existing incentives.
- **Action:** Create marketing plan and materials to encourage and support redevelopment.

Planning/Partnerships

Goal: City strategies/policies are adopted that support redevelopment efforts.

- **Action:** Develop internal strategies/policies for dealing with a range of downtown redevelopment issues, including strategies for implementing public improvements, land acquisition, incentives, and streamlining processes to create a 'developer friendly' environment.

Goal: In-process studies are completed and acted upon. Recommended studies are begun.

- **Action:** Complete studies and move forward based on recommendations.
Status quo approach: Fund projects as possible through grants and Systems Development Charges. Although a priority list may be developed, implementation will depend heavily on grants available.
New approach: Develop a priority list for project implementation, then move forward with implementation through a multi-pronged approach of Urban Renewal, grants and Systems Development Charges.
- **Action:** Initiate 'revisit' & refinement of Downtown (Conceptual) Plan. Through a public process, revisit and refine the Downtown and Riverfront Plan based on public support and likelihood of implementation.
- **Action:** Initiate recommended studies, including Feasibility Studies for Urban Renewal and Multi-Use Performing Arts Center; and Downtown Stream, Creek and Spring Restoration Study.

Goal: New and expanded partnerships and roles in downtown development enhance redevelopment efforts.

- **Action:** Initiate efforts to create, or resurrect, a non-profit organization focused on downtown redevelopment and vitality.
- **Action:** Initiate efforts to create new partnerships with groups that have interest in downtown projects, including local schools.

Marketing/Communication

Goal: Downtown redevelopment efforts are successful, due in part, to positive marketing positioning.

- **Action:** Develop pro-active marketing plan based on branding strategy to 'sell' downtown to a variety of identified target markets.

Goal: Stakeholders are actively interested and engaged in downtown's redevelopment efforts.

- **Action:** Create a method to consistently communicate with downtown stakeholders through a monthly newsletter in printed and electronic formats.

Business Development/Assistance/Education

Goal: Downtown is a thriving, vibrant district that serves both local and out of town customers.

- **Action:** Initiate business development, support and educational activities to help downtown succeed.

Downtown Milwaukie is poised to reinvent itself through a range of redevelopment projects and activities. It has a conceptual plan that articulates the overall vision and this report lays out specific activities and steps to help achieve the vision. The question that remains is how participatory a role the City sees for itself in the process of redeveloping downtown. The answer to that question will ultimately guide the overall process.



To: Mayor and City Council

Through: Mike Swanson, City Manager

From: Kenneth Asher, Director of Community Development & Public Works

Subject: City of Milwaukie-TriMet Umbrella Agreement 2008-2018

Date: May 13, 2008 for the May 20 Work Session

Action Requested

None. This is a discussion item to introduce the terms of a Memorandum of Understanding (“MOU”) between the City and TriMet regarding the design, construction and operation of new transit facilities (including bus, light rail and park and ride facilities) in Milwaukie between 2008 and 2018. Staff is hoping Council will ask questions and provide guidance during this session so a final MOU can be presented for adoption in the next four to six weeks.

History of Prior Actions and Discussions

This is the first discussion on the MOU, although the MOU includes discussion on several matters that have been in front of council over the years, including light rail, the downtown transit center, park and rides and light rail safety and security.

Background

The prospect of a new light rail project in Milwaukie opens the door for a host of associated transit improvements in town, many of which have been contemplated or desired by Milwaukie citizens and transit patrons for years.

Additionally, the light rail project can and should help resolve issues that have come up over the past decade regarding light rail and future interactions between MAX trains, buses, cars and people. These issues include:

- The future of the downtown transit center and a strategy to dissolve it
- The design, location and policing of park and rides and bus stop shelter areas
- The mitigation of light rail impacts
- The design of new light rail stations and parking structures
- Safety and security measures
- Accommodating light rail while preserving the existing character of the town
- The anticipated strain on City resources associated with providing city support for the design and permitting and maintenance of the light rail project area
- Local funding for the light rail project
- Station area development or joint development possibilities associated with the project

Staff from the City and TriMet have been working on an MOU that describes a 10-year roadmap for future binding agreements and actions that will help resolve these issues to the satisfaction of both parties. This “Umbrella Agreement,” while not a binding document, will nonetheless commit the parties to following through on a set of improvements, agreements and joint projects that will vastly improve the look, feel, operation and integration of transit service in downtown Milwaukie.

The MOU has recently taken on additional urgency with TriMet’s decision to cancel the Southgate Park and Ride project and the bus layover location decision (also planned for the former Southgate site). The MOU will attempt to address this decision by once again resolving the bus layover and associated transit center issue (i.e. its dissolution).

Both City and TriMet staff have the goal of designing light rail into the Milwaukie community in the most comfortable manner possible. Part of that equation requires that old projects like the downtown transit center improvements occur before (or with) the light rail project.

For the City, the MOU will provide a higher level of certainty and commitment that desired improvements and interactions between agencies are going to occur. For TriMet, the MOU helps clarify how Milwaukie expects to be engaged in the various phases of the project, providing TriMet a good roadmap and set of directions for conducting its business in the City. As stated in the recital section of the MOU:

The parties recognize that serving the public interest requires exceptional coordination and partnership. The need for such collaboration does not begin with the Project. The parties have a longstanding relationship and a long history of collaborations and discussions. However the parties recognize that the relationship can and must be strengthened as part of the decision to construct a significant new transit facility in Milwaukie. The Project therefore obliges both parties to make good on a broad set of past and present expectations held by their respective publics.

Respective staffs are still negotiating the body and substance of the MOU, however the parties are quickly moving toward a draft for council review. While there remain a few points of negotiation, there is general agreement about the principles of the MOU and the directions it provides. The recitals and section headings are attached for Council review (Attachment 1). Staff expects to bring a final draft MOU before the City Council for approval at the second June meeting or the first meeting in July. The TriMet board is expected to approve the MOU at its June meeting.

Concurrence

None, as there is no action with which to concur. However, TriMet has been an active and engaged partner in this drafting effort (dating back to 2007) and is fully supportive of the MOU and the direction it provides. TriMet's General Manager has provided a letter to City Council restating TriMet's commitment to improving transit service in Milwaukie with the construction of the Portland-Milwaukie light rail project, and to building a light rail project that integrates into the community. The letter also provides another explanation of TriMet's recent decision to cancel the Southgate Park and Ride project (see Attachment 2).

Fiscal Impact

None, as there is no action requested. The MOU does propose financial commitments for the City and TriMet in helping meet the local match portion of the light rail funding. This and other commitments with fiscal impacts are still being negotiated and can be discussed at the work session.

Work Load Impacts

The MOU effort is being led by the Community Development Department with assistance from the Planning, Economic Development, Engineering, Public Works and Community Services departments. The work associated with finalizing the agreement and getting it approved by the two parties requires a significant commitment of time from the Community Development Director. This work has been at the top of the CD Directors list of priorities for several weeks and will remain there through approval. The MOU will also require limited time from the City Attorney and City Manager, both of whom have involvement with the negotiations to this point.

Alternatives

None, as there is no action requested. Any matters of importance to the Council should be raised at the work session, so City staff and TriMet staff can work to incorporate them.

Attachments

Attachment 1 - Draft MOU Recitals and List of Sections
Attachment 2 - May 12 2008 Letter from TriMet General Manager Fred Hansen to the Milwaukie City Council

MEMORANDUM OF UNDERSTANDING

**Tri-Met and City of Milwaukie
Umbrella Agreement
For Transit Improvements in Milwaukie 2008-2018**

May 2008

Recitals

The City of Milwaukie ("Milwaukie") and the TriCounty Metropolitan Transportation District of Oregon ("TriMet") have a joint interest in serving Milwaukie, north Clackamas County and the region with high quality, convenient public transit, expected to include light rail in the SE McLoughlin corridor with construction of the Phase 2 South Corridor Light Rail Project ("Project"). The Project will provide a reliable, high-frequency transportation option for Clackamas County commuters, and will benefit north Clackamas County residents and workers by providing car-free linkages to multiple destinations on the TriMet system.

As importantly for the City of Milwaukie, the Project offers the City a transportation investment that can help catalyze Milwaukie's downtown revitalization as described in local and regional land use plans.

The parties recognize that serving the public interest requires exceptional coordination and partnership. The need for such collaboration does not begin with the Project. The parties have a longstanding relationship and a long history of collaborations and discussions. However the parties recognize that the relationship can and must be strengthened as part of the decision to construct a significant new transit facility in Milwaukie. The Project therefore obliges both parties to make good on a broad set of past and present expectations held by their respective publics.

Accordingly, this Umbrella Agreement is a statement of intent to develop plans, agreements, funding strategies, service enhancements, operating agreements, development agreements and facility improvements over the next ten years (2008-2018). Such plans, strategies, agreements, enhancements and improvements will help ensure maximum benefit to transit patrons and Milwaukie residents and businesses, and will greatly enhance the likelihood of continuous and committed coordination between the parties.

Milwaukie and TriMet do therefore agree to undertake the actions necessary to fulfill the commitments described in this Memorandum of Understanding ("MOU").

Sections

1. Light Rail Local Match Commitment
2. Light Rail Safety and Security
3. Light Rail Facility Design, Engineering, Construction and Maintenance
4. Light Rail Mitigation Measures
5. Light Rail Park and Rides
6. Bus Facility Improvements
7. Joint Development

ATTACHMENT 2



May 12, 2008

Mayor James Bernard
12255 SE 41st Court
Milwaukie, OR 97222

Council President Deborah Barnes
6330 SE Furnberg St.
Milwaukie, OR 97222

Councilor Greg Chaimov
12323 SE 25th Ave.
Milwaukie, OR 97222

Councilor Susan Stone
9212 SE 32nd Ave.
Milwaukie, OR 97222

Councilor Joe Loomis
3610 SE Filbert St.
Milwaukie, OR 97222

Dear Mayor Bernard and Milwaukie City Council:

Dave Unsworth shared with me your reaction to our decision not to build a Park & Ride at Southgate. While I understand this reaction, I ask that you recognize that the circumstances have changed remarkably during the last 18 months, and that light rail from Portland to Milwaukie has moved from a long-term plan to a near horizon project largely because we were successful in securing the \$250 million in lottery-backed bonds for local match in the 2007 Oregon Legislature.

When we started this process with the City of Milwaukie in 2001, our goal was to build a Park & Ride facility that would serve bus riders in the short term and long-term would be integrated into the future Portland-Milwaukie Light Rail Project. This Park & Ride only made good financial sense in conjunction with a Main Street light rail alignment. The City's working group decision to choose a Tillamook branch alignment, which appears to still have strong support through this recent SDEIS review, makes the development of the Main Street Park & Ride lot economically inefficient. Within a few years it would become detached from the corridor's major transit spine. If the City were to reassess and choose the Main Street option as its Locally Preferred Alternative, then we would revisit this long-term investment and redesign it to meet the future transit needs of Milwaukie residents, and be compatible with the future light rail.

Additionally, as you know, appeals, delays, escalating construction costs, and code regulations all conspired to make this Park & Ride much more expensive, outstripping Federal and TriMet resources currently available for it, and with fewer years of use to justify the increased costs.

Let me assure you, TriMet and the region are firmly committed to building the Portland-Milwaukie Light Rail Project and working closely with the City of Milwaukie to create an

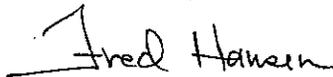
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alignment that meets the needs of the community and the region. We are taking a number of steps to strengthen our partnership.

- In addition to our lead role in securing the legislature's support for the \$250 million in local funding for this project, with Metro, we are shepherding this project through the Federal Transit Administration to secure \$750 million in federal discretionary transit dollars. Our Board also will consider a TriMet investment of \$30 million to help build this alignment.
- We will continue to collaborate with the Council and City staff on integrating stations into the community, improving safety and security, and maximizing bus service and connections. During the project development period, TriMet will invest more than \$2 million in the environmental and engineering work.
- We are working to reduce bus traffic and layovers in downtown Milwaukie. With the opening of the new Green Line in September 2009, we will reduce layovers in downtown Milwaukie by 52 percent by redirecting two bus lines to Clackamas Town Center.
- We also are working with City staff on a general Memorandum of Understanding that outlines the road ahead, so our partnership responsibilities are clear moving forward.

In closing, I want to emphasize that we are on track to deliver the Portland-Milwaukie Light Rail Project substantially sooner than anyone had anticipated a year ago. We look forward to working closely with the Council and City staff to maximize how we build this project through design, construction and the opening.

Sincerely,



Fred Hansen
General Manager