



Regular Session

RS

Milwaukie City Council



**MILWAUKIE CITY COUNCIL
REGULAR SESSION**

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

**AGENDA
APRIL 19, 2016**

2,220th Meeting

- 1. CALL TO ORDER** **Page #**

Pledge of Allegiance.

- 2. PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS**
 - A. Milwaukie High School (MHS) Outstanding Student Achievement Award for April 2016 to Emily McCarty**
Presenter: Mark Pinder, MHS Principal

 - B. National Building Safety Proclamation** **2**

 - C. Air Quality Update**
Introduced by Mayor Mark Gamba with comments from Nina DeConcini, Department of Environmental Quality (DEQ) Northwest Region Administrator and Jay Khetani, Precision Castparts Corp. (PCC)

- 3. CONSENT AGENDA**

These items are considered routine, and therefore, will not be allotted discussion time on the agenda; these items may be passed by the Council in one blanket motion; any Councilor may remove an item from the "Consent" agenda for discussion by requesting such action prior to consideration of that part of the agenda.

 - A. City Council Minutes:** **5**
 - 1. March 29, 2016, Study Session; and**
 - 2. April 5, 2016, Work Session.**

- 4. AUDIENCE PARTICIPATION**

The presiding officer will call for citizen statements regarding City business. Pursuant to Milwaukie Municipal Code (MMC) Section 2.04.140, only issues that are "not on the agenda" may be raised. In addition, issues that await a Council decision and for which the record is closed may not be discussed. Persons wishing to address the Council shall first complete a comment card and submit it to the City Recorder. Pursuant to MMC Section 2.04.360, "all remarks shall be directed to the whole Council, and the presiding officer may limit comments or refuse recognition if the remarks become irrelevant, repetitious, personal, impertinent, or slanderous." The presiding officer may limit the time permitted for presentations and may request that a spokesperson be selected for a group of persons wishing to speak.

- 5. PUBLIC HEARING**

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

 - A. Code Amendments for Short-Term Rentals, Vacation Rentals, Bed and Breakfasts, and Related Changes – Ordinance** **13**
File # ZA-15-03
Staff: Denny Egner, Planning Director

6. OTHER BUSINESS

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

- A. Adoption of Supplemental Budget – Resolution** **46**
Staff: Casey Camors, Finance Director

- B. Approve Expedited Annexation of the Property Located at 9404 SE Stanley Ave – Ordinance Application A-2016-001** **50**
Staff: Brett Kelter, Associate Planner

- C. Declare a Housing Emergency – Ordinance and Resolution** **76**
Staff: Alma Flores, Community Development Director

- D. Establishing a New Milwaukie Municipal Code Chapter 5.60 Relating to No Cause Evictions – Ordinance** **82**
Staff: Alma Flores, Community Development Director

- E. Adoption of Solar Goals for the City of Milwaukie – Resolution** **87**
Staff: Clare Fuchs, Sustainability Director

- F. Council Reports**

7. INFORMATION

8. ADJOURNMENT

Public Notice

Executive Sessions: The Milwaukie City Council may meet in Executive Session immediately following adjournment pursuant to ORS 192.660(2). All Executive Session discussions are confidential and those present may disclose nothing; representatives of the news media may attend as provided by ORS 192.660(3) but must not disclose any information discussed. Executive Sessions may not be held for the purpose of taking final actions or making final decisions and they are closed to the public.

The Council requests that mobile devices be set on silent or turned off during the meeting.

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**Regular Session
Agenda Item No.**

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



**MILWAUKIE CITY COUNCIL
STAFF REPORT**

Agenda Item: **RS 2. B.**
Meeting Date: **April 19, 2016**

To: Mayor and City Council
Through: Bill Monahan, City Manager
Subject: **Proclamation—Building Safety Month**
From: Samantha Vandagriff, Building Official
Date: April 19th, 2016

ACTION REQUESTED

Proclaim that the City will recognize May 2016 as Building Safety Month.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

The City of Milwaukie proclaimed a previous building safety month in 2014.

BACKGROUND

The City of Milwaukie's Building Department and the SafeBuild Alliance would like to invite the Mayor and Council to support a proclamation recognizing May 2016 as "Building Safety Month".

The mission of Safety Month is to eliminate worker injury by coming together as an industry and community to raise awareness about the importance of safety in the workplace; share safety ideas and best practices that can save lives and prevent injuries; and inspire the entire construction workforce to make the commitment to be pioneers in promoting a strong safety culture on every job site, every day.

CONCURRENCE

The Community Development Director and the Building Official agree that this is an important statement for Milwaukie to make. It means that the City cares about its working industry and wants to help promote them working in a safe environment.

FISCAL IMPACTS

None

WORK LOAD IMPACTS

Some staff time will be required to coordinate material and handouts to help promote this proclamation.

ALTERNATIVES

Reject this initiative.

ATTACHMENTS

1. The Building Safety Month Proclamation



CITY OF MILWAUKIE
"Dogwood City of the West"

PROCLAMATION

WHEREAS, construction is vital to our strong local economy yet remains one of the most dangerous professions; and

WHEREAS, our confidence is achieved through the devotion of building safety and fire prevention officials, operations personnel, architects, engineers, builders, tradespeople, laborers in the construction industry who work year around to ensure safe construction; and

WHEREAS, Building Safety Month encourages all Americans to raise awareness of the importance of building safety and resilient construction. Building Safety Month 2016 encourages everyone to take steps to ensure that the places we live, learn, work, travel, worship, and play are safe and sustainable; and

WHEREAS, a diversity of stakeholders will enrich the dialogue and accelerate the adoption of the best safety practices; and

WHEREAS, the Milwaukie Building Department encourages all members of the building community to share and learn in safety from one another; and

WHEREAS, every day should be include a focus on safety, a coordinated annual event across the region serves to heighten awareness;

NOW, THEREFORE, I, Mark Gamba, Mayor of the City of Milwaukie, a municipal corporation in the County of Clackamas, in the State of Oregon, do hereby proclaim May 2016 to be Building Safety Month.

IN WITNESS WHEREOF, and with the consent of the City Council of the City of Milwaukie, I have hereunto set my hand on this 19th day of April, 2016.

Mark Gamba, Mayor

ATTEST:

Pat DuVal, City Recorder



**Regular Session
Agenda Item No.**

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Consent Agenda



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STUDY SESSION
MARCH 29, 2016
City Hall Conference Room

Mayor Mark Gamba called the Study Session to order at 6:00 p.m.

Council Present: Council President Lisa Batey and Councilors Scott Churchill, Wilda Parks, and Karin Power

Staff Present: City Manager Bill Monahan, City Recorder Pat DuVal, Planning Director Denny Egner, Senior Planner David Levitan, and Community Development Director Alma Flores

Region-wide and City Housing Issues

Ms. Flores discussed the upcoming housing needs analysis and introduced the City's new Senior Planner, David Levitan. She also introduced presenters Katie Ray with North Clackamas School District (NCSD), Jerry Johnson with Johnson Economics, Betty Dominquez with the Housing Authority of Portland, Ruth Adkins with the Oregon Opportunity Network, and Chuck Robbins with the Clackamas County Housing Authority.

Ms. Dominquez discussed her role in Home Forward and the housing programs and needs in the region. She distributed information explaining statistics about the working poor and housing affordability and data regarding housing affordability in Milwaukie.

Councilor Power understood large affordable housing units affected the averages of higher income neighborhoods. **Mr. Robbins** said that was correct, the impact of the number of public housing units in certain neighborhoods did impact of the overall household income statistics. However, he clarified that public housing did not lower property values. **Ms. Flores** also noted that the data may not reflect current figures, since the housing market moved so fast.

Mr. Johnson and **Ms. Dominquez** discussed the competitiveness of purchasing a home and used Sellwood's housing market as an example.

Councilor Churchill was trying to understand why the median household income did not reflect today's experience. **Ms. Flores** noted the data was from 2010-2014.

Ms. Dominquez explained her work with small communities and how it was important to get them thinking ahead with a jobs, housing, and transportation balance in mind. She noted the needs for affordable housing would increase as populations increased.

Mr. Johnson discussed a Land Bank Authority (LBA). There was a lack of home ownership in today's economy, and he explained how that affected the housing market.

Ms. Dominquez discussed the difference between housing that was affordable by accident and affordable by design. Affordable by design housing was typically owned by a non-profit or a housing authority and was regulated by public money and available for many years. Affordable by accident housing was often available because of poor living conditions with unsafe and unhealthy living environments.

Ms. Adkins discussed the Oregon Opportunity Network (Oregon ON), a statewide network of affordable housing non-profits that provided housing and services. She reported that the Legislative Short Session had beneficial outcomes. She discussed inclusionary zoning and a construction excise tax (CET) dedicated to affordable housing. She also explained the Local Innovation and Fast Track (LIFT) Housing

Program with the State of Oregon which had \$40 million in general bonds to fund the program.

Ms. Flores and **Ms. Dominguez** commented on the role Metro had played in the initiative to create more affordable housing.

Ms. Dominguez distributed summaries of housing legislation that had recently been adopted. She noted that she was pleased to see the housing crisis being discussed and with multiple parties working towards solutions. She noted that inclusionary zoning was not the silver bullet, but she was optimistic there would be more progress in 2017.

Councilor Power understood the construction excise tax ban would be sun-setting in 2018. **Ms. Adkins** responded that when the sunset lifted, there would be the need to advocate for affordable housing, and 50% of the funds would go back to the developers. **Councilor Power** noted the limitations and the trade-off that occurred.

Ms. Ray explained her role as the Homeless Liaison for NCSO and discussed the problems facing families in the area. She described school transportation needs and challenges for homeless and relocated students. She clarified that the duration of the transportation depended on the level and length of the homelessness. There were long waiting lists for family housing. The only emergency family shelter in the City of Milwaukie was the Annie Ross House which currently had a 2 to 3 months waiting list. Of the 17,000 students in the District, 300 were homeless. She discussed the Springwater Transitional Program which also had a waitlist. The group noted the high rate of children on free or reduced lunch in Milwaukie.

Councilor Churchill noted statistics that the Council had heard at a previous meeting made him think that the homeless percentage in Milwaukie was higher. **Ms. Dominguez** explained the difficulties with the homeless count.

The group discussed other reasons the numbers may not be matching up. **Ms. Dominguez** explained the Federal Poverty Level (FPL) was based on USDA food budgets from the 1950s. She contrasted that with the Self-Sufficiency Standard which was based on all major budget items, including housing, child care, food, taxes, and others. She discussed the gap between the FPL and the Self Sufficiency Standard.

Ms. Flores discussed compounded issues such as transportation costs and social networks when people were relocated. **Mr. Johnson** talked about gentrification and at-risk families being displaced. **Ms. Dominguez** discussed the differences of moving families out of their homes to high opportunity areas versus revitalizing and bringing opportunities to their neighborhoods.

Ms. Adkins discussed the impact of housing on health.

Mr. Robbins said building units at any level would be a big help, but his focus was on the poorest of the poor. He believed the first piece to bring in would be subsidized housing with a set rent, and then Section 8 vouchers could be incorporated. He explained Section 8 vouchers and how they functioned. He discussed problems related to the 1% Fair Market Rent (FMR) increase versus the 11% increase in market rent. **Ms. Dominguez** explained how this led to voucher holders becoming homeless. **Mr. Robbins** and **Ms. Dominguez** discussed funding from the United States Department of Housing and Urban Development (HUD).

Mr. Robbins reported the Housing Authority of Clackamas County had 545 public housing units, 400 affordable housing units, and 1600 vouchers.

Ms. Dominguez explained HUD set FMRs for the entire country. There was a national housing coalition developing a strategy to explain to HUD that the market on the West Coast was not the same as the market on the East Coast or in the Midwest. **Mr. Robbins** argued that it went farther than just the region, and gave examples of differences in availabilities amongst cities in the same state.

Mayor Gamba asked if the housing unit numbers that Mr. Robbins reported included affordable housing owned by other organizations. **Mr. Robbins** clarified those were the numbers of units that the Housing Authority owned. **Ms. Flores** responded with the statistics that there were 3655 total affordable units in Clackamas County, with 829 in Milwaukie.

Council Power and **Councilor Churchill** discussed cities that did or did not comply with offering affordable housing requirements. **Mr. Robbins** discussed the need to purchase affordable land in order to build affordable housing.

Ms. Dominquez, Mr. Robbins, and **Mr. Johnson** discussed funding disparities related to the need for more housing. **Mayor Gamba** asked about tiny homes and cottage clusters, and **Mr. Johnson** discussed zoning challenges.

Mr. Robbins wanted to build units with restricted incomes to alleviate the competition from higher incomes. He discussed the Murphy Site in the City of Milwaukie and the Housing Authority's property of Hillside Park and Hillside Manor to the north. The Housing Authority was looking to redevelop both areas to higher density and mixed income units. He discussed selling properties in Oregon City and using the funds to help fill funding gaps.

Councilor Churchill asked about the reasoning to sell lower cost land in favor of higher cost land. **Mr. Robbins** responded that the land in Oregon City was very expensive and had little access to services. Therefore, there was greater value in the Milwaukie site because of transit and other services like the Providence Milwaukie Hospital across the street.

Council President Batey asked about mixed use, and if the Housing Authority became the landlord of the property that was at market rate. **Mr. Robbins** explained the Housing Authority would likely partner with developers but maintain ownership of some of the units. There were many opportunities.

Ms. Dominquez pointed to North Main as the perfect example of half market rate housing, and half affordable housing. **Council President Batey** pointed out that it was a private ownership. **Ms. Dominquez** discussed the limited amount of private companies that wanted to build affordable housing, and she explained the many partnerships the Housing Authority has had with non-profits.

Mr. Robbins discussed the Housing Authority's plans to sell the 200 units in Oregon City and build 800 units elsewhere. He also discussed plans to own small apartment complexes in other cities, such as Lake Oswego.

Ms. Dominquez outlined some examples of how Milwaukie could incorporate affordable housing and noted the vertical housing tax credit zone that the City had adopted.

Mr. Johnson discussed the increasing demand for housing and decrease in units built.

The group discussed the change in demand for types of housing over the years. **Ms. Flores** noted that Milwaukie's housing needs analysis would include a code review.

Mayor Gamba asked for statistics on the number of houses that banks were sitting on. **Mr. Johnson** said he had been trying to get those numbers but did not have them.

The group discussed possible solutions to vacant homes.

Mr. Robbins pointed out that "low-income" did not mean "no-income", and explained the revenue that low income housing could bring into cities. **Councilor Churchill** noted that North Main did not result in the revenue increases for local businesses. The group discussed the commercial spaces in downtown Milwaukie.

Councilor Power understood that when Portland voted to extend the timeline for no cause evictions and the notice timeline for rent increases, that the lawsuit was challenging the city only on rent increases as a form of rent control, but not on the no cause evictions.

Ms. Adkins and **Ms. Dominguez** were not sure, but said they could check on that. **Councilor Power** was also interested to see if any other municipalities were extending that timeline, given the 3% vacancy rates.

The group discussed state laws about increasing rent and discussed tenant protections.

Ms. Dominguez explained the problems that families faced with coming up with first and last months' rent for a new unit after being evicted.

Councilor Power understood other municipalities had enacted no-net loss policies, which included a one-for-one aim to replace. The group discussed what happened after federal tax credits expired. She asked for a list of those about to expire in Milwaukie. She understood other municipalities had enacted a notice provision. **Ms. Flores** noted they could work with the Network for Oregon Affordable Housing (NOAH) and get a list of expiring Milwaukie units.

The group discussed funding options. **Mr. Robbins** explained how the Housing Authority could help with bonds. **Ms. Flores** discussed the misnomer of waiving of system development charges (SDCs), and explained it was rather a transfer of funds. She also discussed Bancroft financing. **Mayor Gamba** and **Ms. Flores** discussed how the SDC process could be improved upon.

Ms. Dominguez explained the Housing Authority's ability to use friendly condemnation.

Councilor Power asked if the City inspected rental properties in compliance with the City's Code. **Ms. Flores** responded that the City did, and explained the flyer that she handed out to Council. She also provided examples and discussed foreclosed homes.

Ms. Dominguez suggested partnering with land trusts. **Ms. Flores** discussed the connection with the Land Bank for brownfield sites.

Mr. Robbins discussed the lack of a habitability code with the County and reiterated the importance of building more housing units.

Ms. Flores discussed the need for a City Council Liaison for the City's Housing Needs Analysis Technical Advisory Group. **Councilor Power** was interested. **Mayor Gamba** would coordinate with Councilor Power and attend meetings if she could not.

Ms. Flores said with the City's Comprehensive Plan and Housing Needs analysis there would be community involvement in the form of open houses and public forums.

Mr. Robbins discussed the County's involvement with HUD's Assessment of Fair Housing (AFH) plan. The County was in the process of putting together a survey, and would be communicating with the City to get the word out in Milwaukie.

Mayor Gamba suggested involving the folks with Meals on Wheels.

Mayor Gamba adjourned the Study Session at 8:20 p.m. and announced Council would meet in Executive Session pursuant to ORS 192.660(2)(e) to deliberate with persons designated by the governing body to negotiate real property transactions. Council would not return to open session.

Respectfully submitted,

Amy Aschenbrenner, Administrative Specialist II



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WORK SESSION
APRIL 5, 2016
City Hall Conference Room

Mayor Mark Gamba called the Work Session to order at 4:02 p.m.

Council Present: Council President Lisa Batey and Councilors Scott Churchill, Wilda Parks, and Karin Power

Staff Present: City Manager Bill Monahan, City Recorder Pat DuVal, Assistant to the City Manager Mitch Nieman, Community Development Director Alma Flores, Engineering Director Chuck Eaton, Public Works Director Gary Parkin, and City Attorney Peter Watts.

City Manager's Report

Mr. Monahan reported there was no executive session and no audience participation report for March 15, 2016. The group discussed the retention period for City Council emails in the City's electronic records management system, and they felt 25 years was sufficient. The Department of Environmental (DEQ) report was scheduled for the April 19, 2016, regular session, and Mr. Monahan discussed a possible tour of Precision Castparts Corp. (PCC) on April 25 or 26.

Downtown Milwaukie Business Association (DMBA) Quarterly Update

DMBA President **Kelli Keehner** provided the organization's first quarterly report. The DMBA set goals in January and established that Alma Flores and Vera Kalias would be the City partners and attend the monthly Association meetings. The DMBA was working on a downtown beautification project that initially included planters, trash cans, and banners. Downtown business owners will be asked to participate in funding, outreach, and maintenance. She discussed the creation of a team of downtown ambassadors in order to help enhance communications.

Councilor Power asked if there was a mechanism that could help with the business registration piece. **Ms. Flores** discussed the current process, and **Ms. Keehner** made some suggestions for improvements.

Ms. Keehner explained that along with downtown cleanup, another aggressive goal of the DMBA was to develop a walking map that focused on the downtown corridors. She also discussed the decision to keep the DMBA in the core area of downtown in order to refine the process and then branch out from there.

Ms. Flores discussed the wayfinding project that included a mobile app.

Councilor Power endorsed the DMBA's efforts.

Ms. Keehner discussed the concept of forming an events committee to bring people into downtown Milwaukie and help generate sales. The committee was looking at a fall activity centered on sustainability, locally grown produce, and local artists. She also discussed making businesses more active in First Fridays. She reported that businesses were excited about the wayfinding project. She discussed recognizing business anniversaries and holding ribbon cuttings for new businesses.

Fee in Lieu of Construction (FILOC) Update

Mr. Eaton provided updated information on the proposed code amendments that included removing the 10-year timeframe and the addition of a 1,000 foot distance from the development. He discussed sections D and E which had to do with proportionality rules that would allow the City to receive funds rather than construct part of an improvement. He explained the proportionality issue was becoming more common.

The group discussed improvements and parking at 19th Avenue and Sparrow Street. **Council President Batey** felt Milwaukie had historically asked for too little and was not collecting enough. **Mr. Eaton** discussed the fees, and explained that FILOCs were only collected for transportation and not, for example, water lines. **Mayor Gamba** liked the flat fee per linear foot recently adopted by Portland but wondered if that solved the proportionality issue.

Mr. Watts said the question was whether the fee in lieu was roughly proportional to the benefit. He explained the background of the City of Portland example, and believed that since in that case the Home Builders Association (HBA) signed off on it that the \$600 per linear foot was fair.

Council President Batey discussed the Portland HBA example, and reported it was purposefully not called FILOC, but rather a transportation infrastructure charge.

Mr. Watts discussed Nollan/Dolan and other court decisions. **Mayor Gamba** commented on partitions and the size of subdivisions.

Mr. Watts discussed infill scenarios including sidewalk and undergrounding utilities.

Council President Batey supported going ahead and making the initial changes while looking at the fees. She felt sections D and E and required more discussion.

Consensus supported what Mr. Eaton presented, and directed him to bring it to a regular session discussion.

Councilor Churchill wanted Mr. Eaton to take a look at \$600 per linear foot to see if it made sense in Milwaukie. He suggested looking into applicability to commercial.

Mr. Eaton summed up that Council was looking at a separate resolution for fee establishment, and items D and E would be left in until deliberations during a City Council Regular Session.

Wastewater Treatment Issues

Mr. Parkin introduced the topic. The Kellogg Treatment Plant was constructed in the 1970s. Beginning in 2008, the City and the County had a series of agreements as a wholesale customer with fees calculated on flow and infrastructure costs. As the plant reached end of life, the City started looking at moving to the TriCity Wastewater Treatment Plant, but that did not prove to be feasible. A series of pump stations were installed to bring the flow from Happy Valley as it continued to develop. An agreement was signed in 2012 that resolved some of the issues. Mr. Parkin discussed the cost per equivalent dwelling unit (EDU) that did not distinguish between residential and commercial.

Councilor Power explained the Portland State University (PSU) growth forecast was not reflective of what was being seen on the ground, and there was a significant treatment capacity issue. The growth was converging with significantly deferred public infrastructure maintenance. She provided an update on the Regional Committee and RiverHealth Committee. The Regional Committee was meeting without Commissioner Savas, as he believed the districts should be merged with a citizen's advisory committee. John Ludlow was the new representative appointed to the two committees. She reported that she was appointed Chair of the Regional Committee.

The group discussed the solids handling capacity. **Council President Batey** discussed subsidizing growth east of I-205. **Councilor Churchill** agreed and discussed deferred maintenance. **Councilor Power** commented on the difficulty of figuring out specific loads.

Mr. Watts understood the TriCity capacity was seriously over-estimated and system development charges (SDCs) were under calculated. He noted regional growth assumptions were off.

Councilor Power discussed the rationale for not having a board made up of elected officials. She reported that the committee had a valuable discussion about growth projections. She reported that odor control had been moved up to the highest priority project and should be done by 2017.

Mr. Parkin would bring the Citizens Utility Advisory Board (CUAB) to the second meeting in June. **Councilor Power** felt the City should weigh in on sewer SDCs as well.

Bulky Waste Collection Day

Mr. Nieman provided options for the event and explained it was more cost effective if the event was on a hauler's regular collection day. The first decision was if it would be a one day event or scheduled to coincide with the haulers' collection dates. He did not have the costs at this time.

Council President Batey envisioned a one day event, which would be easier to promote. **Mr. Nieman** discussed promotion of the event, and noted the City was depending on the haulers to promote the event in their bills.

The group discussed promotion and concerns about people who lived outside city limits.

Mr. Nieman explained how the costs would be calculated; Council had previously agreed to roll costs into customer rates.

It was consensus to have a standalone collection day in September.

Mr. Nieman reported Metro had a hazardous waste event scheduled for September 10.

Mayor Gamba adjourned the Work Session at 6:00 p.m.

Respectfully submitted,

Amy Aschenbrenner, Administrative Specialist II



**Regular Session
Agenda Item No.**

5

Public Hearing



MILWAUKIE CITY COUNCIL
STAFF REPORT

Agenda Item: **RS 5. A.**
Meeting Date: **April 19, 2016**

To: Mayor and City Council

Through: Bill Monahan, City Manager

Subject: **Code Amendments for Short-Term Rentals,
Vacation Rentals, Bed and Breakfasts, and related
changes**

From: Dennis Egnor, Planning Director

Date: March 31, 2016

ACTION REQUESTED

Approve application ZA-15-03 and Findings of Approval found in Attachment 1 Exhibit A. This action would result in zoning ordinance text amendments for short-term rentals, vacation rentals, bed and breakfasts, and related changes.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

- **March 15, 2016:** The Council held a work session to learn about the Planning Commission recommendation.
- **February 9, 2016:** The Planning Commission held a public hearing and voted unanimously (5-0) to recommend that Council approve a set of code amendments to allow greater flexibility for short term rentals and related uses.
- **January 12, 2016:** A worksession was held with the Planning Commission. Key issues discussed included the use of accessory dwelling units for short-term rental purposes and parking.
- **October 13, 2015:** The Planning Commission held a worksession on the topic and provided general guidance for development of an initial set of draft code amendments.
- **September 23, 2015:** Staff held a worksession with owners/operators of local short-term rental businesses and Neighborhood District Association (NDA) representatives. The meeting was attended by ten local owners/operators and two representatives from NDAs.
- **July 23, 2015:** The City Council held a study session to discuss the sharing economy and provide staff with direction regarding program development and regulation. The Council directed staff to move forward with a process to provide greater flexibility for short-term rentals.
- **February 17, 2015:** During the Community Development Update at the Council meeting on February 17, 2015, the Planning Director noted that staff was developing an interim approach to allow short-term rentals in single family zones provided that a room was only rented once per month. This approach was in response to concerns about code enforcement on a number of short-term rental operations following a complaint about an Airbnb rental in a single family neighborhood.
- **February 7, 2015:** The City Council held a goal setting forum at City Hall on February 7, 2015. Among the 228 comments received at the forum were several that addressed the

sharing economy and opportunities for short-term rentals. Council members expressed interest in the subject but did not prioritize it during further discussion of goals.

BACKGROUND

A. Proposal

The proposal would amend the text of the zoning ordinance to allow short-term rentals in residential areas as a home occupation (rentals for less than 30 consecutive days) provided the house is occupied by an owner or primary occupant for no less than 270 days per year. Unhosted rentals would be allowed for up to 95 days per year. In the case of hosted rentals, the rentals would be limited to no more than two different parties (under different reservations) at a given time. For unhosted rentals, only one party may occupy the premises at a time. The owner/occupant would be required to register their short term rental to operate within the City. The registration process would include an inspection to verify that the sleeping rooms meet minimum building code requirements.

As a home occupation, the short-term rental would be expected to maintain the outward appearance of a residence and present no perceptible impacts on the surrounding neighborhood. Failure to maintain the residential character of the property would result in revocation of the home occupation by the City.

The proposal defines bed and breakfasts as a form of commercial lodging where the hosts rent rooms to three or more different parties on any given evening (rental to one or two parties is defined as a short-term rental). The proposal would make bed and breakfasts a conditional use in low density residential zones. Today they are prohibited.

The proposal defines a vacation rental as a type of unhosted short-term rental where the owner or primary occupant is absent for more than 270 days per year. The proposal would make vacation rentals a conditional use in residential districts and the DMU zone.

Hotels and motels are common forms of commercial lodging but there are none located within the Milwaukie city limits. The proposal would continue to allow hotels and motels in commercial and mixed use zones but would prohibit hotels and motels in all residential zones except the R1-B zone where it would remain a conditional use. Today, hotels and motels are permitted as conditional uses in the R-1 and R-2 high density residential zones. In the C-L zone and the C-G zone, hotels and motels are currently allowed as "High Impact Commercial Businesses" though the conditional use process. The changes would allow these uses outright in the C-G zone and clarify that they are conditional uses in the C-L zone.

Boarding houses are a form of residential lodging where rooms in a building are provided for lodging in exchange for compensation. Boarding house operators may provide meals to lodgers. Boarding houses are not occupied as a single-family unit and are subject to capacity requirements of the UBC. No substantive change is proposed for boarding houses.

B. Planning Commission Action

On February 9, 2016, the Planning Commission held a public hearing and voted to recommend that Council approve the proposed zoning text amendments. The Commission held two worksessions to craft a proposal leading up to the February 9, 2016 public hearing. Worksessions were held on October 13, 2015 and January 12, 2016.

KEY ISSUES/ANALYSIS

The Planning Commission addressed the following issues during their deliberation:

- Adequacy of findings regarding housing need.
- Parking for short-term rentals
- Number of parties permitted to occupy a short-term rental
- Approval process for vacation rentals and bed and breakfasts

Each issue is addressed below.

A. Adequacy of Findings Regarding Housing Need

Prior to the Planning Commission hearing, the City received a letter from Jennifer Brager of Land Housing Advocates stating that the draft staff report did not adequately address Statewide Planning Goal 10 in regard to the impact of converting houses into rental properties (included as Attachment 2). In response, staff prepared a set of supplemental findings (included as Finding 7 in Exhibit A of Attachment 1). The supplemental findings make the following key points:

- Income from short term rentals will help to make housing more affordable for those choosing to operate short-term rentals.
- Due to the small number of short-term rentals expected in the community, there will be very little impact on housing supply. Based on the ratio of the number of licensed legal short-term rentals to housing units in Portland, Milwaukie can expect less than 20 short-term rental properties to operate within the city.
- Vacation rental conversion will be rare given the conditional use process that will be required in residential and downtown mixed use zones.

In adopting its findings, the Planning Commission found that the supplemental findings satisfied statewide planning goal 10 requirements and the issues raised by Housing Land Advocates.

B. Parking for Short-Term Rentals

The initial draft proposal required an additional off-street parking space for dwellings with a short-term rental. The Planning Commission received testimony that in some cases, this would prevent properties from becoming legal given the City's requirement that required off-street parking not be located in the front or street side yard. In addition, it was noted that no other home occupation is required to provide off-street parking (see Attachment 3 - the letter from Cindy Blase). Based on this information, the Commission decided to recommend that no additional parking be required.

C. Number of Parties Permitted to Occupy a Short-Term Rental

The initial draft limited the occupancy of a short-term rental to a single party (under a single reservation). After hearing testimony from operators of short-term rentals, the Commission recommended that two parties be allowed to occupy a short-term rental property provided that the owner/operator is present. It was noted that Portland allows rentals to two parties.

D. Approval Process for Vacation Rentals and Bed and Breakfasts

The Commission agreed that vacation rentals and bed and breakfasts should only be permitted through the conditional use process in residential zones and in the downtown mixed use zone. Given that the recent amendments creating the GMU and NMU zones made hotels and motels permitted uses in these zones, the proposed amendments were written to allow vacation rentals and bed and breakfasts as outright permitted uses in the

GMU and NMU zones. The amendments also address the C-L and C-G zones and would allow vacation rentals and bed and breakfasts as permitted uses in both of these zones. The Commission did not have a detailed discussion about these designations.

CONCLUSIONS

The Planning Commission has recommended the following:

1. Approval of the proposed Zoning Ordinance text amendments for short-term rentals, vacation rentals, bed and breakfasts and related changes.
2. Adoption of the attached Findings of Approval.

CODE AUTHORITY AND DECISION-MAKING PROCESS

The proposal is subject to the following provisions of the Milwaukie Municipal Code (MMC).

MMC Section 19.902 Amendments to Maps and Ordinances

MMC Section 19.1008 Type V Review

This application is subject to Type V review, which requires the Council to consider whether the proposal complies with the code sections shown above. The criteria are addressed in the Findings for Approval (Exhibit A of Attachment 1). The application is a legislative action and is not subject to the 120-day clock.

COMMENTS

Notice of the proposed changes was given to the following agencies and persons: Milwaukie's Neighborhood District Associations, Metro, the Department of Land Conservation and Development, and the following City of Milwaukie departments: Engineering, Finance, and Police. Notice was also posted at City Hall, Ledding Library, Public Safety Building, and the Johnson Creek Facility.

CONCURRENCE

The Planning Commission held a public hearing on this application on February 12, 2016 and voted 5-0 to recommend that the Council approve the proposal. Changes recommended by the Commission have been incorporated into the draft ordinance and the supplemental findings presented to the Commission have been incorporated into the recommended findings included as Exhibit A of Attachment 1.

FISCAL AND WORK LOAD IMPACTS

Following completion of the City budget process, the planning staff will work with finance staff to develop a registration process specifically for lodging businesses. The work will include preparation of a lodging room tax proposal for consideration by the Council.

ALTERNATIVES

- A. Approve the proposed amendments.
- B. Approve the proposed amendments with modifications to the materials in Attachment 1.
- C. Do not approve the proposed amendments.
- D. Continue the hearing.

ATTACHMENTS

1. Ordinance
Exhibit A: Recommended Findings in Support of Approval
Exhibit B. Proposed Zoning Ordinance Amendments (Strikeout/Underline)
Exhibit C. Proposed Zoning Ordinance Amendments (Clean)
2. February 9, 2016 letter from Housing Land Advocates.
3. Letter to the Planning Commission from Cindy Blase



CITY OF MILWAUKIE

"Dogwood City of the West"

Ordinance No.

An ordinance of the City Council of the City of Milwaukie, Oregon to amend Title 19 Zoning to allow and regulate short-term rentals, vacation rentals, and bed and breakfasts, and make related changes associated with commercial lodging uses. (File #ZA-2015-003).

WHEREAS, there currently are no authorized commercial lodging facilities in Milwaukie and it is in the public interest to provide more opportunities for lodging;

WHEREAS, community members have expressed a desire for the City to provide greater flexibility and opportunities so that homes can be used for short-term rentals, vacation rentals, and bed and breakfasts;

WHEREAS, on September 23, 2015, the Planning staff held a worksession with owners/operators of local short-term rental businesses and Neighborhood District Association leaders to discuss the topic of short-term rentals;

WHEREAS, the Planning Commission held worksessions on October 13, 2015 and January 12, 2016 to develop and refine a draft proposal for short-term rentals, vacation rentals, bed and breakfasts, and related changes;

WHEREAS, the Planning Commission held a duly-advertised public hearing on the amendments on February 9, 2016, with notice provided per the requirements of the Milwaukie Municipal Code and the Oregon Revised Statutes, and recommended approval; and

WHEREAS, the City Council held a duly-advertised public hearing with notice provided per the requirements of the Milwaukie Municipal Code and the Oregon Revised Statutes.

Now, Therefore, the City of Milwaukie does ordain as follows:

Section 1. Findings. Findings of fact in support of the proposed amendments to Title 19 are attached as Exhibit A.

Section 2. Amendments. Title 19 Zoning is amended as described in Exhibit B (strikeout/underline version) and Exhibit C (clean version).

Read the first time on _____, and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____.

Signed by the Mayor on _____.

Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Pat DuVal, City Recorder

City Attorney

Findings in Support of Approval
File ZA-2015-003, Zone Text Amendment for Short Term Rentals, Vacation Rentals, Bed and Breakfasts, and Related Changes

Sections of the Milwaukie Municipal Code not addressed in these findings are found to be inapplicable to the decision regarding this application.

1. The applicant, the Milwaukie Planning Director, has applied for a zoning ordinance text amendment (File ZA-2015-003) to generally provide greater flexibility in the code for short term rentals and for various forms of commercial lodging. The amendments add and revise definitions (MMC 19.201), make changes to base zones to specify where short term rentals and commercial lodging uses are permitted, add new home occupation standards for short term rentals (MMC 19.507.5), and allow guest houses to be used as short term rentals (MMC 19.503.1).
2. The proposed amendments make the following changes to base zone requirements:

Uses Allowed by Base Zone				
Base Zone	Short Term Rental	Vacation Rental	Bed and Breakfast	Hotel and Motel
Low Density Residential				
▪ R-10, R-7, R-5	P (adds use)	CU (adds use)	CU (adds use)	N (no change)
Medium Density Residential				
▪ R-3, R-2.5,	P (adds use)	CU (adds use)	CU (no change)	N (no change)
▪ R-2, R-1,	P (adds use)	CU (adds use)	CU (no change)	N (removes use)
▪ R-1-B	P (adds use)	CU (adds use)	CU (no change)	CU (no change)
Mixed Use Zones				
▪ GMU and NMU	P (adds use)	P (adds use)	P (no change)	P (no change)
▪ DMU	P (adds use)	CU (adds use)	P (no change)	P (no change)
Commercial Zones				
▪ C-L	P (adds use)	P (adds use)	P (from CU)	CU (no change)
▪ C-G	P (adds use)	P (adds use)	P (from CU)	P (from CU)
Key: P – Permitted Outright; CU – Conditional Use; N – Not Permitted/Prohibited; Adds Use – New permitted use to be added; Removes Use – Existing permitted use to be prohibited; No change – amendments make no change to existing use status; From CU – Expands permitted uses with a change from conditional use to permitted use				

3. The proposal is subject to the following provisions of the Milwaukie Municipal Code (MMC):
 - MMC Section 19.902 Amendments to Maps and Ordinances
 - MMC Section 19.1000 Review Procedures
4. The application has been processed and public notice provided in accordance with MMC Section 19.1008 Type V Review. A public hearing before the Planning Commission was held on February 9, 2016 as required by law.
5. MMC Chapter 19.1000 establishes the initiation and review requirements for land use applications. These requirements have been met as follows.
 - a. MMC Subsection 19.1001.6 requires that Type V applications be initiated by the Milwaukie City Council, Planning Commission, Planning Director, or any individual.
The amendment is proposed by the City of Milwaukie and was initiated by the City Planning Director.
 - b. MMC Section 19.1008 establishes requirements for Type V review.
 - (1) MMC Subsection 19.1008.3.A.1 requires opportunity for public comment and review. Opportunity for public comment and review has been provided. Public notice in the form of email to the Neighborhood District Associations, posted notices, and information on the City website have publicized the Planning Commission's hearing on the proposed amendment to encourage comment by any interested party.
 - (2) MMC Subsection 19.1008.3.A.2 requires notice of public hearing on a Type V Review to be posted on the City website and at City facilities that are open to the public. A notice of the Planning Commission's February 9, 2016, hearing was posted at City Hall, the Ledding Library, and the City's Johnson Creek Building Offices on January 8, 2016.
 - (3) MMC Subsection 19.1008.3.A.2 requires notice be sent to individual property owners if the proposal affects a discrete geographic area. The Planning Director has determined that the proposal affects a large geographic area. Notice to individual property owners was not provided.
 - (4) MMC Subsection 19.1008.3.B and C require notice of a Type V application to be sent to Metro 45 days prior to the first evidentiary hearing and to the Department of Land Conservation and Development 35 days prior to the first evidentiary hearing. This notice was sent to both Metro and DLCD on December 17, 2015.
 - (5) MMC Subsection 19.1008.3.D requires notice to property owners if, in the Planning Director's opinion, the application would affect the permissible uses of land for those property owners. Given that the proposal will generally expand the range of uses permitted rather than place limits on existing permitted uses, no Measure 56 notices were sent.
 - (6) MMC Subsection 19.1008.4 and 5 establish the review authority and process for review of a Type V application. The Planning Commission held a duly advertised public hearing on February 9, 2016, and passed a motion recommending that the City Council approve the zoning ordinance text amendment. The City Council held a duly advertised public hearing on April 19, 2016, and approved the text amendment.

6. MMC Section 19.902 Amendments to Maps and Ordinances

- a. MMC 19.902.5.A establishes the review process for zoning text amendments.

The code states that changes to Title 19 shall be subject to Type V review per MMC 19.1008.

- b. MMC 19.902.5.B establishes five criteria (listed below) for approval of changes to the zoning ordinance text. The City finds that the approval criteria have been met for the reasons listed below each of the criterion.

- (1) The proposed amendment is consistent with other provisions of the Milwaukie Municipal Code.

The proposed code amendment creates opportunities for lodging in the community. The amendments allow the use of dwelling units for short term rental purposes provided home occupation standards are met. The amendments also allow bed and breakfasts and vacation rentals in low density areas through the conditional use process. Other amendments are intended to eliminate code conflicts and clarify requirements for other commercial lodging uses. The changes have been carefully crafted to not conflict with any provision of the Milwaukie Municipal Code. All other code provisions can operate and be enforced with this change.

- (2) The proposed amendment is consistent with the goals and policies of the Comprehensive Plan.

Only the goals, objectives, and policies of Comprehensive Plan that are listed below are found to be relevant to the proposed text amendment.

Relevant goals, objectives, and policies include:

Residential Land Use and Housing Element:

- Objective #4 – Neighborhood Conservation states:

To maximize the opportunities to preserve, enhance and reinforce the identity and pride of existing well-defined neighborhoods in order to encourage the long-term maintenance of the City's housing stock.

- Objective #4 – Policy #5 states:

Within Low Density areas, new projects will maintain a single family building bulk, scale and height when abutting existing single family areas, or when abutting a street where existing single family houses face the project.

Economic Base and Industrial/Commercial Land Use Element:

- Objective #2 – Employment Opportunity states:

To continue to support a wide range of employment opportunities for Milwaukie citizens.

- Objective #2 – Policy #4 states:

The City will support home occupations (income-producing activities in the home) as long as these activities do not detract from the residential character of the area.

- Objective #6 – Commercial Land Use states:

To encourage new commercial uses to locate within designated commercial areas of the City, in order to take maximum advantage of existing access and public facilities serving these areas.

Neighborhood Element:

- The Neighborhood Element Goal Statement reads:
To preserve and reinforce the stability and diversity of the City's neighborhoods in order to attract and retain long-term residents and ensure the City's residential quality and livability.
- Objective #1 Neighborhood Character reads:
To maintain the residential character of designated neighborhood areas.
- Objective #1 - Policy 2 reads:
Improve standards for home occupations to ensure that adequate parking and other compatibility measures are provided.

The relevant goals, objectives, and policies are satisfied for the following reasons:

There are no specific Comprehensive Plan policies or objectives that provide clear guidance regarding whether a newly recognized use such as short-term rentals should be permitted in a given zone. Rather, the policies and objectives speak generally about maintaining the residential character of existing neighborhoods and opportunities for employment and home occupations.

The proposed text amendment provides a community benefit by allowing establishment of short-term rentals as an accessory use through the home occupation process. Allowing short term rentals creates opportunities for residents to operate a home business and provide a needed service for visitors to Milwaukie and the region. Home occupation standards require that the dwelling maintain a residential character and not have a negative impact on surrounding properties. Similarly, the proposal would amend the code to allow bed and breakfasts and vacation rentals to locate in residential zones through the conditional use process. The conditional use process is designed to minimize impacts to the neighborhood and ensure that the use is appropriate for the site.

In addition, the proposal recognizes that it is inappropriate to allow the potential for more intense commercial transient lodging such as hotels and motels to locate in any district that is primarily residential including the R-1 and R-2 high density districts.

For these reasons the proposal is consistent with the following goals, objectives, and policies:

Residential Land Use and Housing Element:

- Objective #4 – Neighborhood Conservation
- Objective #4 – Policy #5

Economic Base and Industrial/Commercial Land Use Element:

- Objective #2 – Employment Opportunity

- *Objective #2 – Policy #4*

Neighborhood Element:

- *The Neighborhood Element Goal Statement*
- *Objective #1 Neighborhood Character*
- *Objective #1 - Policy #2*

The proposed amendments also make adjustments to the General Commercial (C-G) and Limited Commercial (C-L) zones by clarifying which types of commercial lodging are appropriate as outright permitted uses and which type should be only permitted through the conditional use process. The proposal allows more the intense uses (hotels, motels, and vacation rentals) as outright permitted uses only in the C-G zone – which is one of the City's most permissive commercial zones. The only commercial lodging allowed outright in the C-L zone would be bed and breakfast uses and vacation rentals. These changes are consistent with the following objectives from the Economic Base and Industrial/Commercial Land Use Element of the Comprehensive Plan (Objective #2 – Employment Opportunity and Objective #6 – Commercial Land Use states) for the following reasons:

- *Commercial lodging uses provide opportunities for employment; and*
- *The proposal results in these uses being located in commercial districts where they can take advantage of existing access and public facilities.*

- (3) *The proposed amendment is consistent with the Metro Urban Growth Management Functional Plan and relevant regional policies.*

The proposed amendments were sent to Metro for comment. Metro did not identify any inconsistencies with the Metro Urban Growth Management Functional Plan or relevant regional policies.

- (4) *The proposed amendment is consistent with relevant State statutes and administrative rules, including the Statewide Planning Goals and Transportation Planning Rule.*

The proposed amendments were sent to the Department of Land Conservation and Development (DLCD) for comment. DLCD did not identify any inconsistencies with relevant State statutes or administrative rules.

Statewide Planning Goal 10 - Housing is addressed in detail in finding #7 below. The proposed amendments do not trigger review under any other state statutes or administrative rules. The changes affect commercial lodging requirements in the City and provide opportunities for individuals to provide short term rentals on residential properties within the community. Vacation rentals and bed and breakfast facilities will be allowed through the conditional use process. Demand for these types of facilities is expected to be limited and will have little or no impact on housing supply. The conditional use process provides a means of ensuring that the bed and breakfasts and vacation rentals do not proliferate to the point of having a negative effect on the community.

The amendments are found to be consistent with the Transportation Planning Rule for the following reason. The proposed text amendment does not impact the transportation system given that any development resulting from the proposed

amendments are small in scale and demand is limited. The primary nature of the changes proposed will allow scattered single family homes in the community to operate as short term rentals through the home occupation process. Under current code language, these properties have the opportunity to be used for home occupations that could conceivably generate higher levels of traffic than what would be expected as a short term rental. Nothing in the code prevents personal service use as a home occupation. These types of uses generally involve numerous trips to and from a business location on a daily basis. Given that home occupations are allowed today, the proposal does not create the opportunity for any more vehicle trips than are currently allowed.

- (5) The proposed amendment is consistent with relevant federal regulations.

Relevant federal regulations are those that address land use, the environment, or development in the context of local government planning. Typically, regulations such as those set forth under the following acts may be relevant to a local government land use process: the Americans with Disabilities Act, the Clean Air Act, the Clean Water Act, the Endangered Species Act, the Fair Housing Act, the National Environmental Policy Act, the Religious Land Use and Institutionalized Persons Act, and the Resource Conservation and Recovery Act. None of these acts include regulations that impact the subject proposal or that cannot be met through normal permitting procedures. Therefore the proposal is found to be consistent with federal regulations that are relevant to local government planning.

7. The following findings are in response to testimony regarding Statewide Planning Goal 10. The City received a letter dated February 9, 2016 from Land Housing Advocates expressing concern that the City had not adequately addressed Statewide Planning Goal 10 in its analysis of the proposed code text amendments. In essence, the letter implies that allowing short term rentals and vacation rentals will diminish the supply of housing in Milwaukie by allowing conversion of housing to commercial lodging.

The City's response follows and includes the following findings:

- a. Rentals provide income to allow people to afford housing. Anecdotal evidence demonstrates that the rental income that is gained through short term rentals allows individuals to afford to own their homes. On February 9, 2016, two individuals testified before the Planning Commission, that revenue from short-term rentals made their housing affordable. This is a point that is also made in many articles about short-term rentals on the internet.
- b. Short-term rentals will have a very small impact on the Milwaukie housing market. In a February 12 email to Milwaukie Planning Director Dennis Egner, Philip Nameny, the City of Portland's planner managing the Portland's short term rental program, estimates that there are approximately 1500 total units being offered as short-term rentals within the Portland city limits. Of the 1500 units, just over 1/3 (about 550) have been processed as legal units. The legal units represent less than a fraction of one percent (0.2%) of the total number of housing units in Portland (265,000 dwelling units

in 2010). If we assume a similar proportion of legal units in Milwaukie, we can expect to have about 18 legal short term rental properties in Milwaukie based on Milwaukie's 9,138 dwellings (2010 census). This small number is within the margin of error for any housing forecasts that have been done for the City of Milwaukie by Metro (see finding 7.e. below).

Local governments, including Milwaukie, have no control over how many short-term rental operators choose to go through the process of getting the required permits for their rentals. Illegal units will always exist and can only be managed through very labor intensive enforcement. The internet brokers (Airbnb and VRBO) have no incentive to assist local governments in the enforcement of local regulations since they get their payments regardless of whether the operation is legal or not.

- c. Vacation rental conversion is likely to be rare and will not impact housing supply significantly. The City's proposal will allow short-term rentals as home occupations for residential dwellings throughout the community. The proposal requires that a resident occupy the home with the short-term rental use for no less than 270 days per year. The proposal also includes provisions for establishing vacation rentals where the owner/occupant is absent or is there for less than 270 days per year. In these cases, an applicant must go through a conditional use process with a required public hearing before the planning commission and public notice sent to surrounding properties. Given the involved process that would be required for a vacation rental conditional use and the overall expected low demand based on the number of short-term rentals in Portland, the impact of vacation rentals on the Milwaukie housing supply is expected to be minimal.
- d. Milwaukie is a small, slowly growing, suburban community with limited growth potential. According to Portland State University population estimate, the City of Milwaukie had a population of 20,485 in 2014. The official year 2000 US census population count for the City was 20,490. Essentially, Milwaukie has seen no population growth for almost 15 years. Over a similar time frame, the number of households in Milwaukie has increased by just over 200 from 8,561 in the year 2000 to 8,764 in 2013. In addition, the number of housing units increased from 8,988 in the year 2000 to 9,095 in 2013 – an increase of only 107 units (Data source: 2000 US Census and the 2013 American Community Survey).

There are a few reasons for Milwaukie's slow growth over the past 13 to 15 years. These include:

- The community is built out. For the most part, Milwaukie is built out and the only development that can occur is through infill and redevelopment.
- The City limits are confined by existing development. Almost all of the land within the City's urban service boundary with Clackamas County is already developed with a full range of urban services including urban levels of water, sewer, park and recreation, and fire protection service provided by special districts. There is no incentive for these properties to annex to the City and redevelop.

- Opportunities for infill development are limited. The majority of the infill opportunities in the city are through small lot partitions that allow the creation of one or two flag lots in the backyard of an existing single family home.
 - Redevelopment opportunities are constrained by market forces. The City recently conducted the Moving Forward Milwaukie project to reexamine commercial zoning in the downtown and central Milwaukie. As part of that project, an economic feasibility analysis examined five redevelopment sites downtown and two in central Milwaukie. The study found that rents in Milwaukie were too low for properties to redevelop without some form of development assistance.
- e. Metro forecasts predict household growth in Milwaukie over the next 25 years. Metro is in the process of updating its forecasts for transportation analysis zones (TAZs). In January 2016, City staff submitted comments to Metro staff regarding preliminary forecasts. Preliminary Metro forecasts for Milwaukie TAZs are included below (note that TAZs do not follow city boundaries exactly):
- | | |
|-----------------------------|--------|
| ▪ 2010 Milwaukie Households | 9,470 |
| ▪ 2015 Milwaukie Households | 9,472 |
| ▪ 2040 Milwaukie Households | 11,068 |
| ▪ 2015-2040 Change in HHs | 1,596 |

The forecast indicates a 17% increase in housing units over the 25-year period. The Metroscope econometric model allocates households to different jurisdictions around the region based on a number of factors including economic factors and land availability. This forecast assumes an increase of approximately 64 households per year over the time period. Despite the lack of development over the past 15 years, this does not seem like an unrealistic number given the City's proximity to downtown Portland and the close-in commute. The key will be to have a strong redevelopment program that can help bridge the financial gaps identified in the Moving Forward Milwaukie study.

- f. The City is preparing a housing needs analysis and updating its comprehensive plan. The background section of housing element of the City of Milwaukie Comprehensive Plan was last updated in the late 1990s. It provides little reliable data that can be used to address housing needs in 2016. Recognizing this, the City of Milwaukie has hired a consultant team to assist the City with a new housing needs analysis that will serve as the basis for updating the housing element of the comprehensive plan. The plan update is envisioned as a three-year process and will include policy analysis and potential map revisions. The upcoming housing needs analysis and corresponding plan amendments will ensure that Milwaukie's diverse housing needs are met well into the future.
- g. There are no legal commercial lodging units in Milwaukie. The City has no record of any legal commercial lodging units within the Milwaukie city limits. There are no hotels or motels and no bed and breakfast establishments. Based on testimony from operators of short-term rentals, there is demand for rentals in Milwaukie and the

renters who occupy short-term rentals help support the local economy by shopping locally and visiting local restaurants.

Conclusion

The City finds that statewide planning Goal 10 is satisfied by the proposal given that there is relatively low demand in Milwaukie for short term rentals and vacation rentals and that the impact on the housing supply will be small. In addition, the majority of rentals made available for visitors will be short-term rentals rather than vacation rentals and in these cases, the short-term rental will help make the residence more affordable for the owner/occupant. Finally, short-term rentals will have the positive impact of bringing visitors to Milwaukie to spend money in local shops and restaurants.

Underline/Strikeout Amendments

Zoning Ordinance

CHAPTER 19.200 DEFINITIONS AND MEASUREMENTS

19.201 DEFINITIONS

"Bed and breakfast" means a hosted form of commercial lodging within a residence. It is similar to a short-term rental, but where on any given evening, lodging rooms are available for rental or rented by three or more different parties. Generally, some food service is provided with lodging.

"Boarding, lodging, or rooming house" means a building or portion thereof without separate housekeeping facilities to be occupied, or which is occupied primarily, by persons paying consideration for sleeping purposes where meals may or may not be provided, and which is not occupied as a single-family unit. Lodging capacity is subject to provisions of the Uniform Building Code.

"Hotel" means a commercial building or portion thereof designed or used for occupancy of transient individuals who are lodged with or without meals, and in which no provision is usually made for cooking in any individual room or suite.

~~"Motel or tourist court"~~ means 1 or more commercial buildings designed or used as temporary living quarters for transients.

"Rooming house." See "boarding house."

"Vacation rental" means a housing unit that is rented out to a single party for a period of less than 30 days in length where there are no primary occupants or where the residents who occupy the unit do so for less than 270 days per year. A vacation rental is considered a form of commercial lodging. It is a primary use and is more commercial in nature than a short-term rental.

Residential Uses and Structures:

"Short-term rental" means a housing unit, an accessory dwelling unit, or a room (or rooms) within a housing unit that is rented out for lodging for a period of less than 30 days in length. A short-term rental is an accessory use to a primary residence and allowed as a home occupation where the residence must be occupied by the owner or operator for no less than 270 days per year. A short-term rental may be hosted (where the primary occupants are present on-site during the rental) or unhosted (where the primary occupants vacate the unit or site during the rental period). For hosted rentals, occupancy is limited to no more than 2 different parties per site at a time (see "bed and breakfast" for rentals to more than 2 parties). For unhosted rentals, occupancy is limited to 1 rental party per site at a time. Short-term rental operators may offer meals to lodgers.

CHAPTER 19.300 BASE ZONES

19.301 LOW DENSITY RESIDENTIAL ZONES

19.301.2 Allowed Uses in Low Density Residential Zones

Table 19.301.2 Low Density Residential Uses				
Use	R-10	R-7	R-5	Standards/Additional Provisions
Commercial Uses				
<u>Bed and breakfast or Vacation rental</u>	<u>CU</u>	<u>CU</u>	<u>CU</u>	<u>Section 19.905 Conditional Uses</u>
Accessory and Other Uses				
<u>Short-term rental</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>Section 19.507 Home Occupation Standards</u>

19.302 MEDIUM AND HIGH DENSITY RESIDENTIAL ZONES

19.302.2 Allowed Uses in Medium and High Density Residential Zones

Table 19.302.2 Medium and High Density Residential Uses Allowed						
Use	R-3	R-2.5	R-2	R-1	R-1-B	Standards/ Additional Provisions
Residential Uses						
<u>Boarding, lodging, and rooming house</u>	<u>CU</u>	<u>CU</u>	<u>CU</u>	<u>CU</u>	<u>CU</u>	<u>Section 19.905 Conditional Uses</u>
Commercial Uses						
<u>Hotel or motel</u>	<u>N</u>	<u>N</u>	<u>CU N</u>	<u>CU N</u>	<u>CU</u>	<u>Section 19.905 Conditional Uses</u>
<u>Bed and breakfast or vacation rental</u>	<u>CU</u>	<u>CU</u>	<u>CU</u>	<u>CU</u>	<u>CU</u>	<u>Section 19.905 Conditional Uses</u>
Accessory and Other Uses						
<u>Short-term rental</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>Section 19.507 Home Occupation Standards</u>

19.303 COMMERCIAL MIXED-USE ZONES

19.303.2 Uses

Table 19.303.2 Uses Allowed in Commercial Mixed-Use Zones			
Uses and Use Categories	GMU	NMU	Standards/Additional Provisions
Residential			
<u>Boarding house</u>	<u>CU</u>	<u>CU</u>	Section 19.905 Conditional Uses
Commercial			
Commercial lodging Commercial lodging includes for-profit residential facilities where tenancy is typically less than one month. Examples include hotels, motels, <u>vacation rentals</u> , and bed-and-breakfast establishments. Does not include senior and retirement housing.	P	P	
Boarding, lodging, or rooming house Boarding, lodging, or rooming house generally means a private home where lodgers rent one or more rooms for one or more nights, and sometimes for extended periods of weeks, months, and years. The common parts of the house are maintained, and some services, such as laundry and cleaning, may be supplied. Examples include boarding house and cooperative housing.	CU	CU	Section 19.905 Conditional Uses
Accessory and Other			
<u>Short-term rentals</u>	<u>P</u>	<u>P</u>	Section 19.507 Home Occupation Standards

19.304 DOWNTOWN ZONES

19.304.2 Uses

Table 19.304.2 Downtown Zones—Uses			
Uses and Use Categories	DMU	OS	Standards/ Additional Provisions
Residential			
<u>Boarding house</u>	<u>CU</u>	<u>N</u>	Section 19.905 Conditional Uses
Commercial			
Commercial lodging Commercial lodging includes for-profit residential facilities where tenancy is typically less than 1 month. Examples include hotels, motels, <u>vacation rentals</u> , and bed-and-breakfast establishments. Does not include senior and retirement housing.	<u>P/CU</u>	<u>N</u>	Section 19.905 Conditional Uses (for vacation rentals only)
Boarding, lodging, or rooming house Generally means a private home where lodgers rent one or more rooms for one or more nights, and sometimes for extended periods of weeks, months, and years. The common parts of the house are maintained, and some services, such as laundry and cleaning, may be supplied. They normally provide “bed and board,” that is, at least some meals as well as accommodation.	CU	N	Section 19.905 Conditional Uses
Accessory and Other			
<u>Short-term rentals</u>	<u>P</u>	<u>P</u>	Section 19.507 Home Occupation Standards

19.306 LIMITED COMMERCIAL ZONE C-L

In a C-L Zone the following regulations shall apply:

19.306.1 Uses Permitted Outright

In a C-L Zone the following uses and their accessory uses are permitted outright:

G. Bed and breakfast;

H. Vacation rental;

I. Short-term rental when associated with a legally-permitted dwelling unit;

H.J. Any other use similar to the above and not listed elsewhere.

19.306.2 Conditional Uses Permitted

In a C-L Zone the following conditional uses and their accessory uses are permitted subject to the provisions of Section 19.905:

N. Hotels and motels;

NO. Any other use similar to the above and not listed elsewhere.

19.307 GENERAL COMMERCIAL ZONE C-G

In a C-G Zone the following regulations shall apply:

19.307.1 Uses Permitted Outright

In a C-G Zone the following uses and their accessory uses are permitted outright:

Z. Hotels, motels, vacation rentals, and bed and breakfasts;

AA. Short-term rentals when associated with a legally permitted dwelling unit;

Z. AB. Any other use similar to the above and not listed elsewhere.

19.307.2 Conditional Uses Permitted

In a C-G Zone the following conditional uses and their accessory uses are permitted subject to the provisions of Section 19.905:

G. High-impact commercial businesses, except adult entertainment businesses; hotels and motels are permitted uses (see Subsection 19.307.1.Z);

19.503 ACCESSORY USES

19.503.1 General Provisions

Accessory uses shall comply with all requirements for the principal use except where specifically modified by this chapter and shall comply with the following limitations:

- A. A guesthouse without kitchen facilities may be maintained accessory to a dwelling and may be used as a short-term rental, provided that the guesthouse is not occupied for more than 4 months in a calendar year. A detached accessory dwelling unit approved per Subsection 19.910.1 is not considered a guesthouse.
-

19.507 HOME OCCUPATION STANDARDS

19.507.5 Special Provisions for Specific Uses

Short-term Rentals. A short-term rental is an accessory use to a primary residence and allowed as a home occupation provided the following provisions are met:

- A. The residence must be occupied by the owner or a primary operator for not less than 270 days per year.
-

Proposed Code Amendment

- B. Unhosted rentals (where the primary occupants vacate the unit or site during the rental period) are limited to no more than 95 days per year.
 - C. If a dwelling on a property with an accessory dwelling unit is being used for short-term rental purposes, either the primary residence or the accessory dwelling unit must be occupied by the property owner for not less than 270 days per year.
 - D. A property in a low-density residential zone or any property with a duplex is limited to having 1 short-term rental operating at any given time period.
 - E. At any given time, no more than 2 rental parties (i.e. under 2 separate reservations) shall occupy a dwelling unit used for short-term rental purposes.
 - F. Building code and fire code standards must be met.
 - G. The operator of a short term rental shall register with the City and comply with all relevant requirements of Title 5 of the Milwaukie Municipal Code. The registration process will be used to verify that all code provisions have been satisfied. The right to operate the short-term rental business may be revoked if the owner or operator fails to comply with these provisions or any other home occupation standards.
-

Clean Amendments

Zoning Ordinance

CHAPTER 19.200 DEFINITIONS AND MEASUREMENTS

19.201 DEFINITIONS

"Bed and breakfast" means a hosted form of commercial lodging within a residence. It is similar to a short-term rental, but where on any given evening, lodging rooms are available for rental or rented by three or more different parties. Generally, some food service is provided with lodging.

"Boarding house" means a building or portion thereof without separate housekeeping facilities to be occupied, or which is occupied primarily, by persons paying consideration for sleeping purposes where meals may or may not be provided, and which is not occupied as a single-family unit. Lodging capacity is subject to provisions of the Uniform Building Code.

"Hotel" means a commercial building or portion thereof designed or used for occupancy of transient individuals who are lodged with or without meals, and in which no provision is usually made for cooking in any individual room or suite.

"Motel" means 1 or more commercial buildings designed or used as temporary living quarters for transients.

"Rooming house." See "boarding house."

"Vacation rental" means a housing unit that is rented out to a single party for a period of less than 30 days in length where there are no primary occupants or where the residents who occupy the unit do so for less than 270 days per year. A vacation rental is considered a form of commercial lodging. It is a primary use and is more commercial in nature than a short-term rental.

Residential Uses and Structures:

"Short-term rental" means a housing unit, an accessory dwelling unit, or a room (or rooms) within a housing unit that is rented out for lodging for a period of less than 30 days in length. A short-term rental is an accessory use to a primary residence and allowed as a home occupation where the residence must be occupied by the owner or operator for no less than 270 days per year. A short-term rental may be hosted (where the primary occupants are present on-site during the rental) or unhosted (where the primary occupants vacate the unit or site during the rental period). For hosted rentals, occupancy is limited to no more than 2 different parties per site at a time (see "bed and breakfast" for rentals to more than 2 parties). For unhosted rentals, occupancy is limited to 1 rental party per site at a time. Short-term rental operators may offer meals to lodgers.

CHAPTER 19.300 BASE ZONES

19.301 LOW DENSITY RESIDENTIAL ZONES

19.301.2 Allowed Uses in Low Density Residential Zones

Table 19.301.2 Low Density Residential Uses				
Use	R-10	R-7	R-5	Standards/Additional Provisions
Commercial Uses				
Bed and breakfast or Vacation rental	CU	CU	CU	Section 19.905 Conditional Uses
Accessory and Other Uses				
Short-term rental	P	P	P	Section 19.507 Home Occupation Standards

19.302 MEDIUM AND HIGH DENSITY RESIDENTIAL ZONES

19.302.2 Allowed Uses in Medium and High Density Residential Zones

Table 19.302.2 Medium and High Density Residential Uses Allowed						
Use	R-3	R-2.5	R-2	R-1	R-1-B	Standards/ Additional Provisions
Residential Uses						
Boarding house	CU	CU	CU	CU	CU	Section 19.905 Conditional Uses
Commercial Uses						
Hotel or motel	N	N	N	N	CU	Section 19.905 Conditional Uses
Bed and breakfast or vacation rental	CU	CU	CU	CU	CU	Section 19.905 Conditional Uses
Accessory and Other Uses						
Short-term rental	P	P	P	P	P	Section 19.507 Home Occupation Standards

19.303 COMMERCIAL MIXED-USE ZONES

19.303.2 Uses

Table 19.303.2 Uses Allowed in Commercial Mixed-Use Zones			
Uses and Use Categories	GMU	NMU	Standards/Additional Provisions
Residential			
Boarding house	CU	CU	Section 19.905 Conditional Uses
Commercial			
Commercial lodging Commercial lodging includes for-profit residential facilities where tenancy is typically less than one month. Examples include hotels, motels, vacation rentals, and bed and breakfast establishments. Does not include senior and retirement housing.	P	P	
Accessory and Other			
Short-term rentals	P	P	Section 19.507 Home Occupation Standards

19.304 DOWNTOWN ZONES

19.304.2 Uses

Table 19.304.2 Downtown Zones—Uses			
Uses and Use Categories	DMU	OS	Standards/ Additional Provisions
Residential			
Boarding house	CU	N	Section 19.905 Conditional Uses
Commercial			
Commercial lodging Commercial lodging includes for-profit residential facilities where tenancy is typically less than 1 month. Examples include hotels, motels, vacation rentals, and bed-and-breakfast establishments. Does not include senior and retirement housing.	P/CU	N	Section 19.905 Conditional Uses (for vacation rentals only)
Accessory and Other			
Short-term rentals	P	P	Section 19.507 Home Occupation Standards

19.306 LIMITED COMMERCIAL ZONE C-L

In a C-L Zone the following regulations shall apply:

19.306.1 Uses Permitted Outright

In a C-L Zone the following uses and their accessory uses are permitted outright:

- G. Bed and breakfast;
 - H. Vacation rental;
 - I. Short-term rental when associated with a legally-permitted dwelling unit;
 - J. Any other use similar to the above and not listed elsewhere.
-

19.306.2 Conditional Uses Permitted

In a C-L Zone the following conditional uses and their accessory uses are permitted subject to the provisions of Section 19.905:

- N. Hotels and motels;
 - O. Any other use similar to the above and not listed elsewhere.
-

19.307 GENERAL COMMERCIAL ZONE C-G

In a C-G Zone the following regulations shall apply:

19.307.1 Uses Permitted Outright

In a C-G Zone the following uses and their accessory uses are permitted outright:

- Z. Hotels, motels, vacation rentals, and bed and breakfasts;
 - AA. Short-term rentals when associated with a legally permitted dwelling unit;
 - AB. Any other use similar to the above and not listed elsewhere.
-

19.307.2 Conditional Uses Permitted

In a C-G Zone the following conditional uses and their accessory uses are permitted subject to the provisions of Section 19.905:

- G. High-impact commercial businesses, except adult entertainment businesses; hotels and motels are permitted uses (see Subsection 19.307.1.Z);
-

19.503 ACCESSORY USES

19.503.1 General Provisions

Accessory uses shall comply with all requirements for the principal use except where specifically modified by this chapter and shall comply with the following limitations:

- A. A guesthouse without kitchen facilities may be maintained accessory to a dwelling and may be used as a short-term rental, provided that the guesthouse is not occupied for more than 4 months in a calendar year. A detached accessory dwelling unit approved per Subsection 19.910.1 is not considered a guesthouse.
-

19.507 HOME OCCUPATION STANDARDS

19.507.5 Special Provisions for Specific Uses

Short-term Rentals. A short-term rental is an accessory use to a primary residence and allowed as a home occupation provided the following provisions are met:

- A. The residence must be occupied by the owner or a primary operator for not less than 270 days per year.
 - B. Unhosted rentals (where the primary occupants vacate the unit or site during the rental period) are limited to no more than 95 days per year.
 - C. If a dwelling on a property with an accessory dwelling unit is being used for short-term rental purposes, either the primary residence or the accessory dwelling unit must be occupied by the property owner for not less than 270 days per year.
 - D. A property in a low-density residential zone or any property with a duplex is limited to having 1 short-term rental operating at any given time period.
 - E. At any given time, no more than 2 rental parties (i.e. under 2 separate reservations) shall occupy a dwelling unit used for short-term rental purposes.
 - F. Building code and fire code standards must be met.
 - G. The operator of a short term rental shall register with the City and comply with all relevant requirements of Title 5 of the Milwaukie Municipal Code. The registration process will be used to verify that all code provisions have been satisfied. The right to operate the short-term rental business may be revoked if the owner or operator fails to comply with these provisions or any other home occupation standards.
-



February 9, 2016

BY EMAIL TO egnerd@milwaukieoregon.gov

City of Milwaukie
Planning Commission
10722 SE Main Street
Milwaukie, OR 97222

Re: Amendment allowing short term rentals as a permitted accessory use to a dwelling and allowing bed and breakfasts and vacation rentals as conditional uses in the residential zones (application ZA-2015-003)

Dear Planning Commission:

This letter is submitted by Housing Land Advocates (HLA). HLA is a non-profit organization that advocates for land use policies and practices that ensure an adequate and appropriate supply of affordable housing for all Oregonians. Please include these comments in the record for the above-reference application.

I. Proposed Amendment and Findings do not Account for Statewide Planning Goal 10 and the Affordable Housing Needs of the City of Milwaukie.

Neither the text of the proposed amendment nor the associated findings have any mention of the impact of the amendment on Statewide Planning Goal 10 (Goal 10) and the availability of affordable housing within the City beyond a brief mention that the “demand for these types of facilities is expected to be limited and will have little or no impact on housing supply.” *Recommended Findings in Support of Approval – Code Text Amendments*, Master File #ZA-2015-003, 5 (Feb. 9, 2016).

Even an amendment that is expected to have a modest impact should be analyzed through the lens of housing availability and Goal 10 because of the City’s anticipated low availability of housing over the next two decades. Metro’s medium urban growth forecast of the 2014 buildable land inventory estimates that the City will tie for last with the lowest percentage of dwelling units available of all cities within the urban growth boundary in the year 2035. *Metro UGR*, Appendix 4: Housing Needs Analysis, Table 13 (2015). Metro estimates that only 17% of dwelling units will be available as compared with 52% of units in Clackamas County as a whole and 48% within the urban growth boundary. *Id.* The relatively low anticipated availability of housing within the City means that any new non-residential use allowed in residential zones will significantly impact affordable housing and those who depend on it.

Goal 10 obligates the City to “encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.” The adoption of the amendment in question would serve to further reduce the availability of all types of housing

in a housing market (both Milwaukie specifically and the larger Portland-Metropolitan Area generally) already under pressure from high demand outpacing the development of new supply and where that pressure is only expected to increase.

Allowing owners to rent out their homes to vacationers encourages the purchase of property for that purpose and decreases the number of residences available for residential use while at the same time increasing the number of homes that are temporarily vacant because they are unrented. Shifting the use of residential property away from residents will raise rents and further limit affordable housing options, especially for low to middle income individuals and families. Such a shift is not in accordance with the “flexibility” Goal 10 aims to achieve.

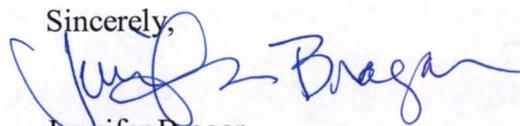
The above evinces the potential for the City’s Goal 10 obligations to be negatively impacted by the proposed amendment by decreasing the availability of affordable housing. As such, the City should not adopt the amendment until a full analysis of the amendment’s impacts on housing has been completed. See *Home Builders Assn. of Lane County v. City of Eugene*, 41 Or LUBA 370, 447 (2002) (“Petitioners have made a facially plausible showing that the disputed provisions are likely to reduce the supply of buildable lands. Under such circumstances, the city has an obligation to demonstrate that despite any such reductions in development potential for industrial, commercial and residential lands the city’s inventories continue to comply with Goals 9 and 10.”).

Moreover, in multiple reports based on 2010 census data and projections, the City has recognized the difficulty it faces to provide affordable housing. See, e.g., *Infill Housing: Tenancy, Typology and Design*, Milwaukie Housing Choices, 1; *Changing Demographics and Housing Choices: National Trends*, Milwaukie Housing Choices, 6 (both reports are available at: <http://www.milwaukieoregon.gov/planning/demographic-trends-and-housing-choices>). The City has recognized the changing demographics of its community – aging baby boomers have fixed incomes and need smaller homes; millennials often have student debt and/or lower income jobs – who will lose out on housing opportunities lost to the vacation rental market. The City has also recognized that an increase in affordable housing is necessary to support the evolving needs of the community – boomers moving on a limited budget need affordable options with a preference for ownership and millennials, not ready to buy, need affordable rental housing. The amendment proposed today lacks a sufficient analysis of its potential impact on the City’s Goal 10 obligations and the availability of the affordable housing for this changing community. The City should not adopt the proposed amendments until it has undertaken the housing analyses required by Oregon law.

Conclusion

In sum, HLA urges the Commission to decline to adopt the proposed amendment. Most importantly, the amendment would decrease the properties available for residents resulting in a further strain on low and middle income families and individuals looking for affordable housing within the City. The City has not sufficiently reported in its findings the potential impacts on its Goal 10 housing obligations and as such, should not adopt the amendment. Thank you for your consideration of these comments.

Sincerely,



Jennifer Bragar
President

ATTACHMENT 3

Dear Milwaukie Planning Commission,

Thank you for taking the necessary steps to make Milwaukie competitive in the TriMet area. As you know, we have no visitors' lodging within Milwaukie and yet we seek, as a city, to entice businesses to house themselves within our city limits. Also, the theme for Clackamas County tourism is: "linger longer" shop, eat and recreate. During their visit, business people and tourists need a place to lodge in our area. Short-Term Rentals are the answer to this shortage.

I would like to point out that a short term visitor is an advantage to a neighborhood. A larger home that may hold unsupervised, monthly renters/housemates comes with all the baggage that renters may bring; many extra cars on the streets, loud parties, unsupervised use of the property and no investment in the neighborhood. Short-term rentals have the home owner on site, the visitors are usually gone all day so any extra cars leave early and return late, and the property is well maintained to be attractive to all parties. Advantages to local businesses are obvious; the more visitors the more opportunities for customers. Visitors can walk from short-term rentals to local stores and restaurants. They can spend money in Milwaukie!

The plan that has been put together by our Planning Department looks pretty good. I do have one major concern; it is in section 19.507.5F. 19.507 Home Occupation Standards is included below. Nowhere does it mention the need for additional parking for any other home occupation. A person may run a beauty parlor out of their home, with customers come and going all day, but they do not need a parking space. The proposed section 19.507.5 Special Provisions for Specific Users contains item F. In addition to any other parking, 1 off-street parking space must be available for the short-term rental. Short-term rentals in Downtown Mixed Use (DMU) zone are exempt from this provision.

I would like to see this item struck from the proposal. I have been told that code requires a home to have a legal space 20 feet off of the road right of way. Most homes do not even have that for the owner; their space is actually in their garage. In order to comply for item F one might have to add another driveway and pave over part of the lawn. This would then probably not meet the item: Maintain the residential character of the building and premises. I do not think this would look very appealing to the neighborhoods or the property. Rather apply 19.507.4 an enforcement action; this could be applied if the street parking becomes an issue, as is the case for all other home occupations.

Please strike 19.507.5 F, concerning an additional parking space.

It has been my pleasure running (what is now termed) a short-term rental off and on in 2015. We have met interesting tourists from all over the world, hosted grandparents who wanted a quiet space away from family, and housed business people with assignments in the Milwaukie area. Our close proximity to downtown Milwaukie made it

easy for them to walk to dinner and take in the new waterfront park. Our guests were thrilled to have a place to lodge close to their desired destinations and to stay out of the traffic. Please pass the proposed code, with the removal of 19.507.5 F, so that we can start bringing more guests to our fabulous city, Milwaukie.

Sincerely and with Gratitude,

Cindy Blase

2021 SE Sparrow St.
Milwaukie, OR 97222

19.507 HOME OCCUPATION STANDARDS

It is the intent of these regulations to support and encourage home occupations but at the same time protect the residential character of the City's residential neighborhoods. A home occupation shall be allowed as an accessory use to all residential uses permitted by right, subject to the following restrictions. Home occupation businesses, which are not clearly accessory and incidental to the residential use, are prohibited. All activities permitted under this section must be consistent with this section.

19.507.1 Home Occupation Use Standards

Home occupation uses are allowed by right; however, they are subject to limitations to ensure compatibility with residential uses. A home occupation shall:

- A. Be incidental and accessory to the residential use of the property.
- B. Maintain the residential character of the building and premises.
- C. Not have the outward appearance of a business.
- D. Not detract from the residential character of the neighborhood.
- E. Be owned and operated by an occupant of the dwelling.

19.507.2 Prohibitions and Use Restrictions

- A. Outside display or storage of merchandise, materials, or equipment on the premises or any adjacent right-of-way is prohibited.
- B. Noise, odor, smoke, gases, vibration, heat, or glare that is detectable beyond the limits of the property is prohibited.
- C. In the case of on-premises instruction, no more than 5 enrollees shall be present at the same time.
- D. Motor vehicle, boat, or trailer repair is prohibited as a home occupation.
- E. Only 1 home occupation is allowed per residence, except that 2 may be permitted provided no employees not residing in the home are engaged in the conduct of any business activity on the premises.

19.507.3 Permitted Signage

Only 1 sign is permitted on any property with an approved home occupation. The sign shall not exceed 4 sq ft in area, shall not be illuminated, shall not exceed 3 ft in height, and shall not be located within the public right-of-way. Signs located within the public right-of-way may be removed by the City without prior notice.

19.507.4 Enforcement

Home occupations are allowed when consistent with provisions of this section. The following may be considered in any enforcement action against a home occupation for failure to comply with Subsection 19.507.1 of this section:

- A. Number of on-site employees who are not members of the family residing on the premises.
- B. Use of the home to distribute or receive goods.
- C. Use of the premises for parking of customer, client, or employee vehicles, and the location and number of parking spaces.
- D. The use of public streets for parking or storage.
- E. The time of day that home occupation activities may take place.
- F. Equipment or material storage, including vehicles and trailers.
- G. Noise, light, fumes, exhaust, and similar impacts. (Ord. 2025 § 2, 2011)



**Regular Session
Agenda Item No.**

6

Other Business



MILWAUKIE CITY COUNCIL
STAFF REPORT

Agenda Item: **RS 6. A.**
Meeting Date: **April 19, 2016**

To: Mayor and City Council
Through: Bill Monahan, City Manager
Subject: **Supplemental Budget Adoption**
From: Casey Camors
Date: April 19, 2016

ACTION REQUESTED

Discuss supplemental budget and adopt revised appropriations for the 2015-2016 Biennium Budget.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

June 2014 – The City Council adopted the Budget Committee approved 2015-2016 Biennium Budget.

December 2015 – The Budget Committee recommended, and the City Council adopted a supplemental budget revising appropriations for the 2017-2018 biennium.

April 19, 2016 – The Budget Committee reviewed the proposed supplemental budget.

BACKGROUND

Oregon Revised Statute 294 allows for supplemental budget adjustments when a condition arises which was not known at the time the budget was adopted. A supplemental budget that adjusts fund expenditures by 10 percent or less may be adopted at a regularly scheduled meeting of the City Council and does not require a public hearing.

The City's budget for the 2015-2016 biennium totaling \$95,661,000 was adopted by Council on June 17, 2014. A supplemental budget was adopted in December of 2014 revising appropriations and modifying the City's budget for the 2015-2016 biennium to \$95,701,000. Since the biennial budget was adopted, certain conditions and situations have arisen that necessitate changes in financial planning. These adjustments are presented in the attached draft Supplemental Budget Adoption Resolution and significant conditions are as follows:

General Fund:

- Funding for the new Sustainability Director position in the City Manager's Office.
- Funding for emergency temporary repair to the Kellogg Creek Bridge in the Community Development Department.
- Funding for legal costs related to unanticipated litigation in the Code Enforcement Department.
- Funding for additional background investigator salaries due to attrition in the Police Department.

Building Inspections Fund:

- Funding for permit costs paid to the County due to moving the permitting process for some permits in-house.

The attached draft resolution makes the appropriate budget appropriation adjustments as itemized above.

CONCURRENCE

N/A

FISCAL IMPACTS

All additional budget authority requested would be funded by transferring unused funds from other City departments or offset by new revenues identified. Based on the supplemental budget, neither General Fund Contingency nor Fund Balance would be affected by the supplemental budget.

WORK LOAD IMPACTS

N/A

ALTERNATIVES

Do not recommend, or recommend only in part, the draft supplemental budget resolution.

ATTACHMENTS

1. Supplemental Budget Adoption Resolution



CITY OF MILWAUKIE
"Dogwood City of the West"

Resolution No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ADJUSTING THE BUDGET FOR THE 2015-2016 BIENNIUM BY ADOPTING THIS SUPPLEMENTAL BUDGET AND REVISING APPROPRIATIONS

WHEREAS, certain conditions and situations have arisen since the initial adoption of the 2015-2016 biennium budget that necessitate changes in financial planning; and

WHEREAS, a Budget Committee meeting to discuss the supplemental budget adjustments was held on April 19, 2016; and

THEREFORE, the supplemental budget adjustments for the 2015-2016 biennium and for the purposes shown below are hereby appropriated as follows:

	<u>Adopted</u>	<u>Revised</u>	<u>Difference</u>
<u>General Fund</u>			
Resources:			
Intergovernmental	3,755,000	3,855,000	<u>\$ 100,000</u>
Requirements:			
City Council			
City Manager	1,509,000	1,559,000	\$ 50,000
Community Development	4,033,000	4,203,000	170,000
Engineering Services	1,190,000	1,100,000	(90,000)
Facilities Management	2,493,000	2,453,000	(40,000)
Finance	1,904,000	1,864,000	(40,000)
Fleet Services	2,297,000	2,237,000	(60,000)
Code Enforcement	343,000	490,000	147,000
Records and Information Management	874,000	837,000	(37,000)
Police Administration	1,072,000	1,112,000	40,000
Police Field Services	11,508,000	11,468,000	(40,000)
			<u>\$ 100,000</u>
	<u>Adopted</u>	<u>Revised</u>	<u>Difference</u>
<u>Building Inspection Fund:</u>			
Resources:			
Fees & Charges	\$ 473,000	\$ 498,000	<u>\$ 25,000</u>
Requirements:			
Materials & Services	25,000	50,000	<u>\$ 25,000</u>

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MILWAUKIE, OREGON THAT:

1. The budget appropriations adjustments itemized in this Resolution are hereby approved.
2. The additional requirements were not anticipated at the time of the budget preparation for the 2015-2016 biennium.

Introduced and adopted by the City Council on April 19, 2016.

This resolution shall be deemed effective upon adoption.

Attest:

Pat DuVal, City Recorder

Mark Gamba, Mayor

Approved as to form:
Jordan Ramis, PC

City Attorney



**MILWAUKIE CITY COUNCIL
AGENDA ITEM SUMMARY**

Agenda Item: **RS 6. B.**

Meeting Date: **April 19, 2016**

Title: **Expedited Annexation of 9404 SE Stanley Ave**

Prepared By: Brett Kelter, Associate Planner

Department Approval: Denny Egner, Planning Director

City Manager Approval: Bill Monahan, City Manager

Approval Date: 4/06/16

ISSUES BEFORE COUNCIL

Consideration of an expedited annexation for the property at 9404 SE Stanley Ave (File #A-2016-001)

STAFF RECOMMENDATION

Approval of application #A-2016-001

KEY FACTS & INFORMATION SUMMARY

The City has agreed to allow the Annexation Property to make an emergency connection to the City's sewer system in the Northeast Sewer Extension (NESE) area. Upon annexation, the property will be zoned Residential R-7. The existing residential structure on the site is a single-family home, which is allowed outright in the R-7 zone. Staff does not believe there are any adverse impacts to annexing this property into the City.

OTHER ALTERNATIVES CONSIDERED

Council can approve or deny the requested annexation.

CITY COUNCIL GOALS

n/a

FISCAL NOTES

Minimal fiscal impact is expected. It is expected that property taxes received by the City for this property will be roughly offset by the cost of providing services to the property.

ATTACHMENTS

1. Annexation Ordinance
 - Exhibit A. Findings in Support of Approval
 - Exhibit B. Legal Description and Tax Map
2. Annexation Site Map
3. Applicant's Annexation Application



MILWAUKIE CITY COUNCIL
STAFF REPORT

Agenda Item:
Meeting Date:

To: Mayor and City Council
Through: Bill Monahan, City Manager
Subject: **Expedited Annexation of 9404 SE Stanley Ave**
From: Brett Kelter, Associate Planner
Date: 4/12/16

ACTION REQUESTED

Approve application A-2016-001, an expedited annexation petition, and adopt the attached ordinance and associated findings in support of approval (Attachment 1). Approval of this application would result in the following actions:

- Annexation of 9404 SE Stanley Avenue (Tax Lot 1S2E30AD05200, the “Annexation Property”) into the City.
- Application of a Low Density (LD) Comprehensive Plan land use designation and a Residential (R-7) zoning designation to the Annexation Property.
- Amendments to the City’s Comprehensive Plan Land Use Map and Zoning Map to reflect the City’s new boundary and the Annexation Property’s new land use and zoning designations.
- Withdrawal of the Annexation Property from the following urban service districts:
 - Clackamas County Service District for Enhanced Law Enforcement
 - Clackamas County Service District No. 5 for Street Lights

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

February 2016: Property owner at 9404 SE Stanley Avenue approached the City’s Community Development Department with a request for an emergency connection to the City’s public sewer system in Laurel Street.

June 2010: Council approved the first annexation of property in the Northeast Sewer Extension (NESE) Project Area, at 5840 SE Morris St (Ordinance #2016, Land use file #A-10-01). Since then, Council has approved the annexation of approximately 150 additional properties in the NESE area.

January 2010: Council annexed the rights-of-way in the Northeast Sewer Extension (NESE) Project Area making all properties in this area contiguous to the City limits and eligible for annexation (Ordinance #2010).

July 1990: Clackamas County Order No 90-726 established an Urban Growth Management Agreement in which the City and County agreed to coordinate the future delivery of services to the unincorporated areas of North Clackamas County. With respect to Dual Interest Area “A,” the agreement states: *“The City shall assume a lead role in providing urbanizing services.”*

BACKGROUND

Proposal

The owner of the Annexation Property wishes to annex to the City to access City sewer service. In February 2016, the owner paid the Reimbursement Fee and applicable System Development Charges for the Annexation Property and requested approval to make an emergency connection to the City sewer service, due to failure of the Annexation Property's septic system. The City issued the necessary Land Use Compatibility Statement (LUCS) to allow the owner to obtain a plumbing permit from Clackamas County and make the sewer connection.

The Annexation Property currently has residential County land use and zoning designations and will receive equivalent residential City land use and zoning designations. The property is developed with a single-family home. Upon annexation, the existing residential use will be a conforming use, subject to the City's zoning ordinance for review and approval of any proposed alterations.

Site and Vicinity

The Annexation Property is contiguous to the existing city limits as a result of the NESE right-of-way annexation in 2010. The Annexation Property is within the City's urban growth management area (UGMA) and the NESE project area. The surrounding area consists of single-family dwellings.

Annexation Petition

The petition is being processed as an expedited annexation at the request of the Annexation Property's owner. Under the expedited process, a City land use and zoning designation is automatically applied to the Annexation Property upon annexation. Any property that is within the UGMA and contiguous to the city boundary may apply for an expedited annexation so long as all property owners of the area to be annexed and at least 50% of registered voters within the area to be annexed consent to the annexation. Clackamas County has certified that these thresholds are met for the Annexation Property.

As set forth in Milwaukie Municipal Code (MMC) Table 19.1104.1.E, the expedited annexation process automatically assigns City land use and zoning designations to the Annexation Property based on the existing Clackamas County land use and zoning designations. The existing County Comprehensive Plan land use designation for the Annexation Property is Urban Low Density Residential (LDR), which would assign the City's Low Density Residential (LD) Comprehensive Plan designation upon annexation. The current County zoning designation for the Annexation Property is Residential R7, which would assign a City zoning designation of Residential Zone R-7 upon annexation.

Pursuant to City, regional, and State regulations on expedited annexations, all necessary parties, interested persons, and residents and property owners within 400 feet of the site were notified of these proceedings, under MMC Subsection 19.1103.4.1.C. A public hearing is not required for an expedited annexation; however, Council must adopt an ordinance to implement the annexation.

Expedited Annexation Approval Criteria

Expedited annexations must meet the approval criteria of MMC Subsection 19.1102.3. Compliance with the applicable criteria is detailed in Attachment 1 (Exhibit A, Findings).

Utilities, Service Providers, and Service Districts

The City is authorized by ORS Section 222.120(5) to withdraw the Annexation Property from non-City service providers and districts upon annexation to the City. This allows for a more unified and efficient delivery of urban services to newly annexed properties and is in keeping with the City's Comprehensive Plan policies relating to annexation.

- Wastewater: The Annexation Property is within the City's sewer service area and served by the City's 8-inch sewer lines accessible in Stanley Avenue and Laurel Street.
- Water: The Annexation Property is currently served by CRW through one of the 6-inch CRW water lines adjacent to the Annexation Property in Stanley Avenue and Laurel Street. Pursuant to the City's IGA with CRW, the site should not be withdrawn from this district at this time.
- Storm: The Annexation Property is not connected to a public stormwater system. Treatment and management of on-site stormwater will be required when new development occurs.
- Fire: The Annexation Property is currently served by Clackamas Fire District No. 1 and will continue to be served by this fire district upon annexation, since the entire City is within this district.
- Police: The Annexation Property is currently served by the Clackamas County Sheriff's Department and is within the Clackamas County Service District for Enhanced Law Enforcement, which provides additional police protection to the area. The City has its own police department, and this department can adequately serve the site. In order to avoid duplication of services, the site should be withdrawn from Clackamas County Service District for Enhanced Law Enforcement upon annexation to the City.
- Street Lights: The Annexation Property is currently within Clackamas County Service District No. 5 for Street Lights (the "District"). As of July 1, 2011, an intergovernmental agreement between the City and the District transferred operational responsibility to the City for the street lights and street light payments in the NESE area. Although the City now provides the services through the IGA, many of the properties will remain in the District until they are annexed to the City. The Annexation Property should be withdrawn from the District upon annexation.
- Other Services: Planning, Building, Engineering, Code Enforcement, and other municipal services are available through the City and will be available to the site upon annexation. The Annexation Property will continue to receive services and remain within the boundaries of certain regional and county service providers, such as TriMet, North Clackamas School District, Vector Control District, and North Clackamas Parks and Recreation District.

CONCURRENCE

All City departments, necessary parties, interested persons, and residents and property owners within 400 feet of the Annexation Property were notified of these annexation proceedings as required by City, regional, and State regulations. The Lewelling Neighborhood District Association and the Southgate Planning Association also received notice of the annexation petition and meeting.

The City did not receive comments from any necessary parties with objections to the proposed annexation.

FISCAL IMPACTS

The annexation of the Annexation Property will have minimal fiscal impact on the City. As with most annexations of residential properties, the costs of providing governmental services will likely be off-set by the collection of property taxes. Per Clackamas County Assessor data, the total assessed value of the Annexation Property in 2015 was \$112,601. Total property tax collection of approximately \$1,838 is anticipated for the Annexation Property, and the City will receive approximately \$482 of this total.

WORK LOAD IMPACTS

Work load impacts will be minimal and will likely include, but are not limited to, the following: utility billing, provision of general governmental services, and the setting up and maintenance of property records.

ALTERNATIVES

The application is subject to Milwaukie Comprehensive Plan Chapter 6 City Growth and Governmental Relationships, Oregon Revised Statutes Chapter 222 City Boundary Changes, Metro Code Chapter 3.09 Local Government Boundary Changes, and MMC Chapter 19.1100 Annexations and Boundary Changes.

The City Council has two decision-making options:

1. Approve the application and adopt the ordinance and findings in support of approval.
2. Deny the application and adopt findings in support of denial.

ATTACHMENTS

1. Annexation Ordinance
 - Exhibit A. Findings in Support of Approval
 - Exhibit B. Legal Description and Tax Map
2. Annexation Site Map
3. Applicant's Annexation Application



CITY OF MILWAUKIE

"Dogwood City of the West"

Ordinance No.

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, ANNEXING A TRACT OF LAND IDENTIFIED AS TAX LOT 1S2E30AD05200 AND LOCATED AT 9404 SE STANLEY AVENUE INTO THE CITY LIMITS OF THE CITY OF MILWAUKIE. (FILE #A-2016-001)

WHEREAS, the territory proposed for annexation is contiguous to the City's boundary and is within the City's urban growth management area; and

WHEREAS, the requirements of the Oregon Revised Statutes for initiation of the annexation were met by providing written consent from all owners of land in the territory proposed for annexation; and

WHEREAS, the requirements of the Oregon Revised Statutes for initiation of the annexation are further satisfied in that written consent from a majority of electors is not required given that there are no electors residing on the property; and

WHEREAS, the territory proposed for annexation lies within the territory of Clackamas County Service District No. 5 for Street Lights and Clackamas County Service District for Enhanced Law Enforcement; and

WHEREAS, the annexation and withdrawals are not contested by any necessary party; and

WHEREAS, the annexation will promote the timely, orderly, and economic provision of public facilities and services; and

WHEREAS, Table 19.1104.1.E of the Milwaukie Municipal Code provides for the automatic application of City zoning and Comprehensive Plan land use designations; and

WHEREAS, the City conducted a public meeting and mailed notice of the public meeting as required by law; and

WHEREAS, the City prepared and made available an annexation report that addressed all applicable criteria, and, upon consideration of such report, the City Council favors annexation of the tract of land and withdrawal from all applicable districts based on findings and conclusions attached hereto as Exhibit A;

Now, Therefore, the City of Milwaukie does ordain as follows:

Section 1. The Findings in Support of Approval and attached as Exhibit A are hereby adopted.

Section 2. The tract of land described and depicted in Exhibit B is hereby annexed to the City of Milwaukie.

Section 3. The tract of land annexed by this ordinance and described in Section 2 is hereby withdrawn from Clackamas County Service District for Enhanced Law Enforcement and Clackamas County Service District No. 5 for Street Lights.

Section 4. The tract of land annexed by this ordinance and described in Section 2 is hereby assigned a Comprehensive Plan land use designation of Low Density Residential and a Municipal Code zoning designation of Residential zone R-7.

Section 5. The City shall immediately file a copy of this ordinance with Metro and other agencies required by Metro Code Chapter 3.09.030 and ORS 222.005 and 222.177. The annexation and withdrawals shall become effective upon filing of the annexation records with the Secretary of State as provided by ORS 222.180.

Read the first time on _____, and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____.

Signed by the Mayor on _____.

Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Pat DuVal, City Recorder

City Attorney

FINDINGS IN SUPPORT OF APPROVAL

Based on the expedited annexation staff report for 9404 SE Stanley Avenue (the “Annexation Property”), the Milwaukie City Council finds:

1. The Annexation Property consists of one tax lot comprising 0.23 acres (Tax Lot 1S2E30AD05200). The Annexation Property is contiguous to the existing City limits via the adjacent public rights-of-way in Stanley Avenue to the west and Laurel Street to the north. The Annexation Property is within the regional urban growth boundary and also within the City’s urban growth management area (UGMA).

The Annexation Property is developed with a single-family dwelling unit. The surrounding area consists of single-family dwellings.

2. The property owner seeks annexation to the City to access City services, namely sewer service.
3. The annexation petition was initiated by Consent of All Owners of Land on February 25, 2016, with an application for annexation submitted to the City on February 29, 2016. It meets the requirements for initiation set forth in ORS 222.125, Metro Code Section 3.09.040, and Milwaukie Municipal Code (MMC) Subsection 19.1102.2.A.1.
4. The annexation petition was processed and public notice was provided in accordance with ORS Section 222.125, Metro Code Section 3.09.045, and MMC 19.1104.
5. The annexation petition is being processed as an expedited annexation at the request of the property owner. It meets the expedited annexation procedural requirements set forth in MMC 19.1104.
6. The expedited annexation process provides for automatic application of City Comprehensive Plan land use and zoning designations to the Annexation Property based on its existing Comprehensive Plan land use and zoning designations in the County, which are Low Density Residential and Residential R7, respectively. Pursuant to MMC Table 19.1104.1.E, the automatic City Comprehensive Plan land use and zoning designations for the Annexation Property are Low Density Residential and Residential Zone R-7, respectively.
7. The applicable City approval criteria for expedited annexations are contained in MMC 19.1102.3. They are listed below with findings in italics.
 - A. The subject site must be located within the City’s urban growth management area (UGMA);
The Annexation Area is within the City’s UGMA.
 - B. The subject site must be contiguous to the existing city limits;

The Annexation Area is contiguous to the existing city limits via the adjacent public rights-of-way in Stanley Avenue to the west and Laurel Street to the north.

- C. The requirements of Oregon Revised Statutes for initiation of the annexation process must be met;

Pak Leong, owner of the Annexation Property, consented to the annexation by signing the petition. There are no registered voters residing at the Annexation Property. As submitted, the annexation petition meets the Oregon Revised Statutes requirements for initiation pursuant to the "Consent of All Owners of Land" initiation method, which requires consent by all property owners and a majority of the electors, if any, residing in the Annexation Area.

- D. The proposal must be consistent with Milwaukie Comprehensive Plan Policies;

Chapter 6 of the Comprehensive Plan contains the City's annexation policies. Applicable annexation policies include: (1) delivery of City services to annexing areas where the City has adequate services and (2) requiring annexation in order to receive a City service. City sewer service is available to the Annexation Property in both Laurel Street and Stanley Avenue. As proposed, the annexation is consistent with Milwaukie Comprehensive Plan policies.

- E. The proposal must comply with the criteria of Metro Code Sections 3.09.045(d) and, if applicable, (e).

The annexation proposal is consistent with applicable Metro Code sections for expedited annexations as detailed in Finding 8.

8. Prior to approving an expedited annexation, the City must apply the provisions contained in Section 3.09.045.D of the Metro Code. They are listed below with findings in italics.

- A. Find that the change is consistent with expressly applicable provisions in:

- (1) Any applicable urban service agreement adopted pursuant to ORS 195.205;

There is one applicable urban service agreement adopted pursuant to ORS 195 in the area of the proposed annexation (see Finding #9, Street lights). The City has an UGMA agreement with Clackamas County that states that the City will take the lead in providing urban services in the area of the proposed annexation. Pursuant to this agreement, the City completed construction of a public sewer system in this area. The proposed annexation is in keeping with the City's policy of requiring properties to annex to the City in order to connect to City services such as the new sewer line.

- (2) Any applicable annexation plan adopted pursuant to ORS 195.205;

There are no applicable annexation plans adopted pursuant to ORS 195 in the area of the proposed annexation.

- (3) Any applicable cooperative planning agreement adopted pursuant to ORS 195.020 (2) between the affected entity and a necessary party;

There are no applicable cooperative planning agreements adopted pursuant to ORS 195 in the area of the proposed annexation.

- (4) Any applicable public facility plan adopted pursuant to a statewide planning goal on public facilities and services;

Clackamas County completed a North Clackamas Urban Area Public Facilities Plan in 1989 in compliance with Goal 11 of the Land Conservation and Development Commission for coordination of adequate public facilities and services. The City subsequently adopted this plan as an ancillary Comprehensive Plan document. The plan contains four elements:

- *Sanitary Sewerage Services*
- *Storm Drainage*
- *Transportation Element*
- *Water Systems*

The proposed annexation is consistent with the four elements of this plan as follows:

Sewer: The City is the identified sewer service provider in the area of the proposed annexation and maintains a public sewer system that can adequately serve the Annexation Property.

Storm: The Annexation Property is not connected to a public storm water system. Treatment and management of on-site storm water will be required when new development occurs.

Transportation: The City may require public street improvements along the Annexation Property's frontage when new development occurs.

Water: Clackamas River Water (CRW) is the identified water service provider in this plan. However, the City's more recent UGMA agreement with the County identifies the City as the lead urban service provider in the area of the proposed annexation. The City is in the process of developing a water service master plan for all of the territory within its UGMA and discussing possible service provision changes with CRW. In the meantime, CRW will continue to provide water service to the Annexation Property.

- (5) Any applicable comprehensive plan.

The proposed annexation is consistent with the Milwaukie Comprehensive Plan, which is more fully described on the previous pages. The Clackamas County Comprehensive Plan contains no specific language regarding City annexations. The comprehensive plans, however, contain the City-County UGMA agreement, which identifies the area of the proposed annexation as being within the City's UGMA. The UGMA agreement requires that the City notify the County of proposed annexations, which the City has done. The agreement also calls for City assumption of jurisdiction of local streets that are adjacent to newly annexed areas. The City has already annexed and taken jurisdiction of the Stanley Avenue and Laurel Street rights-of-way adjacent to the Annexation Property.

- B. Consider whether the boundary change would:

- (1) Promote the timely, orderly and economic provision of public facilities and services;

The City is the identified urban service provider in the area of the proposed annexation, and the proposed annexation will facilitate the timely, orderly, and economic provision of urban services to the Annexation Property.

The City has public sewer service in this area via Stanley Avenue and Laurel Street, with water service available via Stanley Avenue.

- (2) Affect the quality and quantity of urban services; and

The Annexation Property is a tax lot developed with a single-family residence. Annexation of the site is not expected to affect the quality or quantity of urban services in this area, given the surrounding level of urban development and the existing level of urban service provision in this area.

- (3) Eliminate or avoid unnecessary duplication of facilities and services.

The Annexation Property will be served by the Milwaukie Police Department upon annexation. In order to avoid duplication of law enforcement services, the site will be withdrawn from the Clackamas County Service District for Enhanced Law Enforcement.

9. The City is authorized by ORS Section 222.120 (5) to withdraw annexed territory from non-City service providers and districts upon annexation of the territory to the City. This allows for more unified and efficient delivery of urban services to newly annexed properties and is in keeping with the City's Comprehensive Plan policies relating to annexation.

Wastewater: The Annexation Property is within the City's sewer service area and is served by the City's 8-inch sewer lines accessible in Stanley Avenue and Laurel Street.

Water: The Annexation Property is currently served by CRW through one of the 6-inch CRW water lines adjacent to the Annexation Property in Stanley Avenue and Laurel Street. Pursuant to the City's IGA with CRW, the site should not be withdrawn from this district at this time.

Storm: The Annexation Property is not connected to a public storm water system. Treatment and management of on-site storm water will be required when new development occurs.

Fire: The Annexation Property is currently served by Clackamas Fire District No. 1 and will continue to be served by this fire district upon annexation, since the entire City is within this district.

Police: The Annexation Area is currently served by the Clackamas County Sheriff's Department and is within the Clackamas County Service District for Enhanced Law Enforcement, which provides additional police protection to the area. The City has its own police department, and this department can adequately serve the site. In order to avoid duplication of services, the area should be withdrawn from Clackamas County Service District for Enhanced Law Enforcement upon annexation to the City.

Street Lights: The Annexation Area is currently within Clackamas County Service District No. 5 for Street Lights (the "District"). As of July 1, 2011, an intergovernmental agreement between the City and the District transferred operational responsibility to the City for the street lights and street light payments in the NESE area. Although the City now provides the services through the IGA, many of the properties will remain in the District until they are annexed to the City. The Annexation Property should be withdrawn from the District upon annexation.

Other Services: Planning, Building, Engineering, Code Enforcement, and other municipal services are available through the City and will be available to the site upon annexation. The Annexation Property will continue to receive services and remain within the boundaries of certain regional and county service providers, such as TriMet, North Clackamas School District, Vector Control District, and North Clackamas Parks and Recreation District.

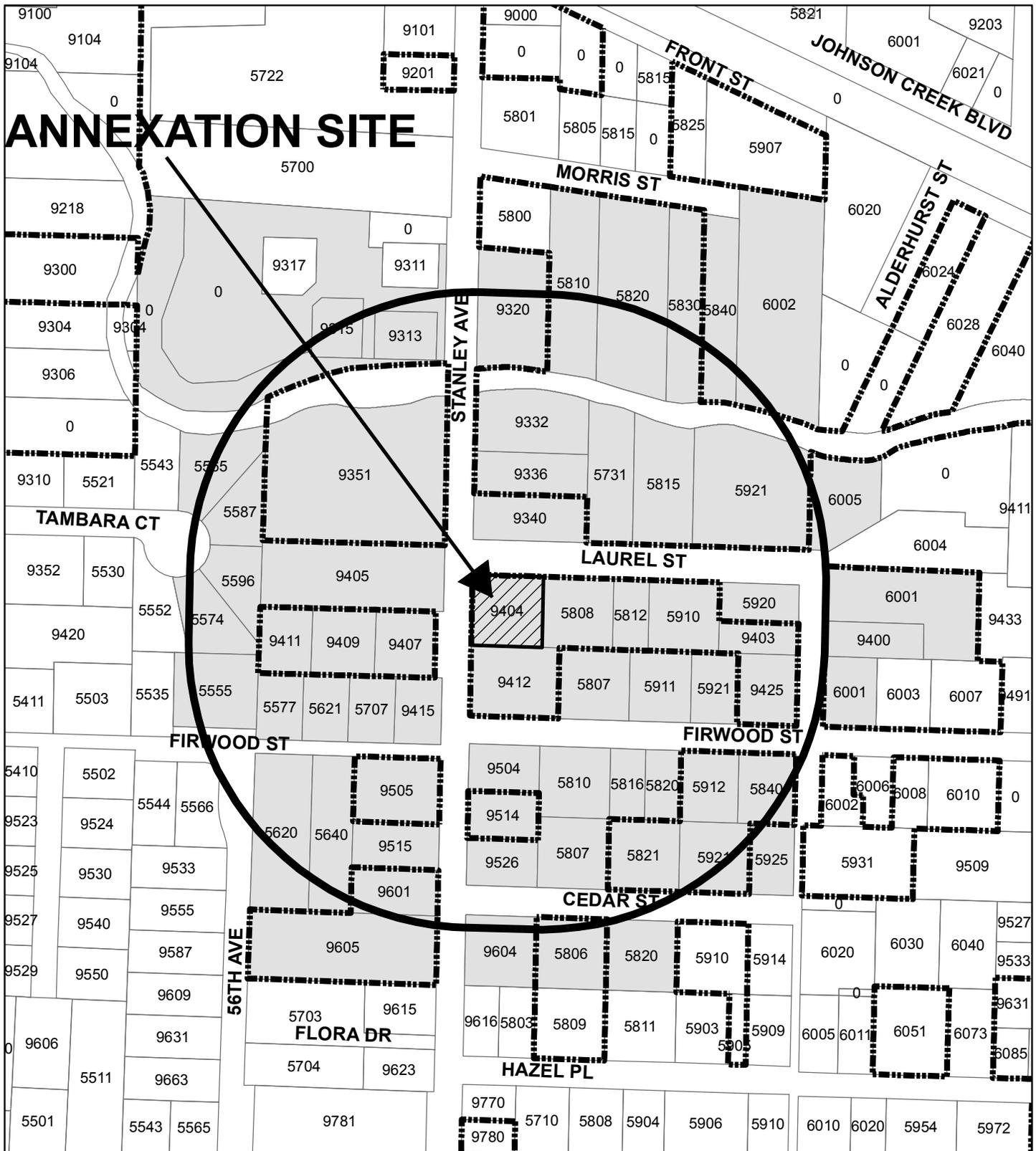
Annexation to the City Of Milwaukie
LEGAL DESCRIPTION

Milwaukie Annexation File No. A-2016-001

Property Address: 9404 SE Stanley Ave, Milwaukie OR 97222

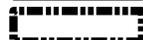
Tax Lot Description: 1S2E30AD05200

Legal Description: Lots 1 and 2, Block 2, HOLLYWOOD PARK, in the County of Clackamas and State of Oregon.



Public Notice Map
9404 SE Stanley Ave
(Tax Lot ID 1S2E30AD05200)
File# A-2016-001

Legend

-  A-2016-001 site
-  400-ft public notice boundary
-  Properties receiving notice
-  Other tax lots
-  City Limit



RS64



PLANNING DEPARTMENT

6101 SE Johnson Creek Blvd
Milwaukie OR 97206

PHONE: 503-786-7630
FAX: 503-774-8236
E-MAIL: planning@milwaukieoregon.gov
WEB: www.milwaukieoregon.gov

Expedited Annexation Application

RESPONSIBLE PARTIES:

File #: A-2016-001

APPLICANT (owner or other eligible applicant): <u>PAK LEONG</u>	
Mailing address: <u>P.O. Box 2304 Clackamas</u>	Zip: <u>97015</u>
Phone(s): <u>(503) 720-5020</u>	E-mail: <u>PAK.M.LEONG@gmail.com</u>
APPLICANT'S REPRESENTATIVE (if different than above):	
Mailing address:	Zip:
Phone(s):	E-mail:

SITE INFORMATION:

Address(es): <u>9404 SE Stanley Ave</u>	Map & Tax Lot(s): <u>1S2E30AD05200</u>	Property size: <u>0.23 acres</u>
Existing County zoning: <u>R-7</u>	Proposed City zoning: <u>R-7</u>	
Existing County land use designation: <u>LDR</u>	Proposed City land use designation: <u>LD</u>	

PROPOSAL (describe briefly):

<u>Annex to connect to sewer</u>

LIST OF ALL CURRENT UTILITY PROVIDERS:

Check all that apply (do not list water or sewer service providers)

Cable, internet, and/or phone:	<input checked="" type="checkbox"/> Comcast	<input type="checkbox"/> CenturyLink (formerly Qwest)	
Energy:	<input checked="" type="checkbox"/> PGE	<input checked="" type="checkbox"/> NW Natural Gas	
Garbage hauler:	<input type="checkbox"/> Waste Management	<input checked="" type="checkbox"/> Mel Deines	<input type="checkbox"/> Hoodview Disposal and Recycling
	<input type="checkbox"/> Wichita Sanitary	<input type="checkbox"/> Oak Grove Disposal	<input type="checkbox"/> Clackamas Garbage
<input type="checkbox"/> Other (please list):			

SIGNATURE:

ATTEST: I am the property owner or I am eligible to initiate this application per Milwaukie Municipal Code (MMC) Subsection 19.1001.6.A. I have attached all owners' and voters' authorizations to submit this application. I understand that uses or structures that were not legally established in the County are not made legal upon annexation to the City. To the best of my knowledge, the information provided within this application package is complete and accurate.

Submitted by: [Signature] Date: 2-25-2016

CONTINUED ON REVERSE

RS65

THIS SECTION FOR OFFICE USE ONLY:

File #: A-2016-001 Fee: \$ 150	Receipt #:	Rcd. by:	Date stamp:
Associated application file #'s:			RECEIVED FEB 29 2016 CITY OF MILWAUKIE PLANNING DEPARTMENT
Neighborhood District Association(s):			
Notes (include discount if any): Tax code - 012-229 Acreage = 0.23 acres			

**EXPEDITED ANNEXATION
PETITION OF OWNERS OF 100% OF LAND AREA
AND PETITION OF AT LEAST 50% OF REGISTERED VOTERS**

TO: The Council of the City of Milwaukie, Oregon

RE: Petition for Annexation to the City of Milwaukie, Oregon

We, the petitioners (listed on reverse), are property owners of and/or registered voters in the territory described below. We hereby petition for, and give our consent to, annexation of this territory to the City of Milwaukie.

This petition includes a request for the City to assign a zoning and land use designation to the territory that is based on the territory's current zoning designation in the County, pursuant to the City's expedited annexation process.

The territory to be annexed is described as follows:

(Insert legal description below OR attach it as Exhibit "A")

See attached legal description.

PETITION SIGNERS

NOTE: This petition may be signed by qualified persons even though they may not know their property description or voter precinct number.

SIGNATURE	PRINTED NAME	I AM A:*			DATE
		PO	RV	OV	
	PAK LEONG	✓	✓	✓	2-25-16
PROPERTY ADDRESS	PROPERTY DESCRIPTION				VOTER PRECINCT #
	TOWNSHIP	RANGE	¼ SEC.	LOT #(S)	
9404 S.E. Stanley Ave	1S	2E	30 AD	05200	

SIGNATURE	PRINTED NAME	I AM A:*			DATE
		PO	RV	OV	
PROPERTY ADDRESS	PROPERTY DESCRIPTION				VOTER PRECINCT #
	TOWNSHIP	RANGE	¼ SEC.	LOT #(S)	

SIGNATURE	PRINTED NAME	I AM A:*			DATE
		PO	RV	OV	
PROPERTY ADDRESS	PROPERTY DESCRIPTION				VOTER PRECINCT #
	TOWNSHIP	RANGE	¼ SEC.	LOT #(S)	

SIGNATURE	PRINTED NAME	I AM A:*			DATE
		PO	RV	OV	
PROPERTY ADDRESS	PROPERTY DESCRIPTION				VOTER PRECINCT #
	TOWNSHIP	RANGE	¼ SEC.	LOT #(S)	

SIGNATURE	PRINTED NAME	I AM A:*			DATE
		PO	RV	OV	
PROPERTY ADDRESS	PROPERTY DESCRIPTION				VOTER PRECINCT #
	TOWNSHIP	RANGE	¼ SEC.	LOT #(S)	

SIGNATURE	PRINTED NAME	I AM A:*			DATE
		PO	RV	OV	
PROPERTY ADDRESS	PROPERTY DESCRIPTION				VOTER PRECINCT #
	TOWNSHIP	RANGE	¼ SEC.	LOT #(S)	

*PO = Property Owner RV = Registered Voter OV = Owner and Registered Voter

Clackamas County Official Records 2015-006022
Sherry Hall, County Clerk 02/05/2015 09:48:25 AM
D-D Cnt=1 Str=6 KARLYN \$58.00
\$10.00 \$16.00 \$10.00 \$22.00

RECORDING REQUESTED BY:
Fidelity National Title Company of Oregon

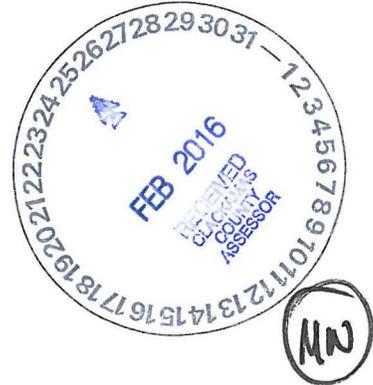
GRANTOR:
Michael E Winkler and Karen M Winkler, as
tenants by the entirety
1565 NE Cochran Drive
Gresham, OR 97030

GRANTEE:
P&M Renovation LLC
PO BOX 2304
Clackamas, OR 97015

SEND TAX STATEMENTS TO:
P&M Renovation LLC
9404 SE Stanley Avenue
Milwaukie, OR 97222

AFTER RECORDING RETURN TO:
same as above

Escrow No: 20150109940-FTPOR07
9404 SE Stanley Avenue
Milwaukie, OR 97222



SPACE ABOVE THIS LINE FOR RECORDER'S USE

20150109940-07 LLC

Fidelity National Title of Oregon

STATUTORY WARRANTY DEED

Michael E Winkler and Karen M Winkler, as tenants by the entirety, Grantor, conveys and warrants to

P&M Renovation LLC, an Oregon Limited Liability Company, Grantee, the following described real property, free and clear of encumbrances except as specifically set forth below, situated in the County of Clackamas, State of Oregon:

12E30AD05200 00070112

Lots 1 and 2, Block 2, HOLLYWOOD PARK, in the County of Clackamas and State of Oregon.

THE TRUE AND ACTUAL CONSIDERATION FOR THIS CONVEYANCE IS \$116,000.00. (See ORS 93.030)

Subject to and excepting: Taxes, covenants, conditions, restrictions, easements, rights of way, homeowners association assessments, if any, and other matters now of record

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

20150109940-FTPOR07
Deed (Warranty-Statutory)

bb

DATED: 2/2/15

Michael E Winkler
Michael E Winkler

Karen M Winkler
Karen M Winkler

State of OREGON

COUNTY of ~~Gleekemas~~ MULTNOMAH ^(m)

This instrument was acknowledged before me on Feb 2, 20 15

by Michael E Winkler and Karen M Winkler.

Michelle Lynn Card
Notary Public - State of Oregon

My commission expires: 12/23/17



**CERTIFICATION OF PROPERTY OWNERSHIP OF
100% OF LAND AREA**

I hereby certify that the attached petition contains the names of the owners¹ (as shown on the last available complete assessment roll) of 100% of the land area of the territory proposed for annexation as described in the attached petition.

*P&M Renovation LLC
(Pak Leong, owner)*

Name Mary Neigel
Title Cartographer II
Department Assessment + Tax
County of Clackamas
Date 02.29.16



¹ Owner means the legal owner of record or, where there is a recorded land contract which is in force, the purchaser thereunder. If a parcel of land has multiple owners, each consenting owner shall be counted as a percentage of their ownership interest in the land. That same percentage shall be applied to the parcel's land mass and assessed value for purposes of the consent petition. If a corporation owns land in territory proposed to be annexed, the corporation shall be considered the individual owner of that land.

CERTIFICATION OF LEGAL DESCRIPTION AND MAP

I hereby certify that the description of the territory included within the attached petition (located on Assessor's Map 1S2E30AD05200) has been checked by me. It is a true and exact description of the territory under consideration and corresponds to the attached map indicating the territory under consideration.

Name Mary Neigel
Title Cartographer II
Department Assessment + Tax
County of Clackamas
Date 02-29-16



CERTIFICATION OF REGISTERED VOTERS

I hereby certify that the attached petition contains the names of at least 50% of the electors registered in the territory proposed for annexation as described in the attached petition.

Name Paul, Henry
PAUL HANES

Title DEPUTY CLERK.

Department CLERK/ELECTIONS

County of CLACKAMAS

Date 2/29/16

CLACKAMAS COUNTY ELECTIONS
SHERRY HALL, COUNTY CLERK
1710 RED SOILS CT, SUITE 100
OREGON CITY, OR 97045



NOTICE LIST

(This form is NOT the petition)

LIST THE NAMES AND ADDRESSES OF ALL PROPERTY OWNERS AND REGISTERED VOTERS IN THE TERRITORY PROPOSED FOR ANNEXATION.

	Name of Owner/Voter	Mailing Street Address	Property Address
		Mailing City/State/Zip	Property Description <small>(township, range, ¼ section, and tax lot)</small>
1	PAK LBONG	P.O. Box 2304	9404 SE Stanley Ave.
		Clackamas OR, 97015	152E30AD05200
2			
3			
4			
5			
6			
7			
8			
9			
10			

EXPEDITED ANNEXATION CODE EXCERPTS

MILWAUKIE MUNICIPAL CODE SECTIONS

19.1104.1 Expedited Process

- A. A petition for any type of minor boundary change may be processed through an expedited process as provided by Metro Code Chapter 3.09.
 - 5. Approval criteria for annexations are found in subsection 19.1102.3.

19.1102.3 Annexation Approval Criteria. The city council shall approve or deny an annexation proposal based on findings and conclusions addressing the following criteria.

- A. The subject site must be located within the city urban growth boundary;
- B. The subject site must be contiguous to the existing city limits;
- C. The requirements of the Oregon Revised Statutes for initiation of the annexation process must be met;
- D. The proposal must be consistent with Milwaukie comprehensive plan policies;
- E. The proposal must comply with the criteria of Metro Code Sections 3.09.050(d) and, if applicable, (e).
- F. The proposal must comply with the criteria of Section 19.902 for Zoning Map Amendments and Comprehensive Plan Map Amendments, if applicable.

METRO CODE SECTIONS

3.09.050 Hearing & Decision Requirements for Decisions Other Than Expedited Decisions.

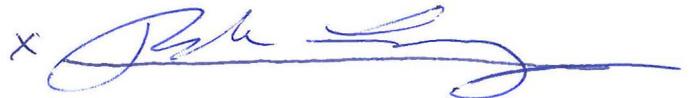
- (d) To approve a boundary change, the reviewing entity shall apply the criteria and consider the factors set forth in subsections (d) and (e) of Section 3.09.045.

MILWAUKIE COMPREHENSIVE PLAN

Chapter 6: City Growth and Governmental Relationships; City Growth Element

Goal Statement: To identify the City's future planning and service area, establish the respective responsibilities for reviewing and coordinating land use regulations and actions within the area, and determine the most cost-effective means to provide the full range of urban services within the area.

The proposal meets all of the above requirements.

x 



MILWAUKIE CITY COUNCIL
STAFF REPORT

Agenda Item: **RS 6. C.**
Meeting Date: **April 19, 2016**

To: Mayor and City Council

Through: Bill Monahan, City Manager

Subject: **Adopt an ordinance granting the legislative authority to declare a housing emergency and adopting a resolution declaring a housing emergency**

From: Alma Flores, Community Development Director

Date: April 12, 2016

ACTION REQUESTED

Adopt an Emergency Ordinance authorizing the City Council to declare a housing emergency and adopt a Resolution declaring a housing emergency.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

In the end of 2015 and beginning months of 2016 the city has been monitoring the evolving housing shortage. In response, the city council heard a panel of housing experts at the March 29, 2016 Study Session. These housing experts in the region discussed the state of housing and its impacts on the community as well as the housing related legislation that was recently passed by the State. At the April 5, 2016 City Council meeting, the City Council continued to discuss the evolving housing shortage as well as the efforts of the Oregon Legislature as it considered adopting laws to provide more protection for tenants.

BACKGROUND

Over the last several years, strong job growth and in-migration in the Portland metropolitan region has resulted in significant increases in rental prices and a significant decrease in the vacancy rate for rental units. For the 12 month period ending in December 2015, US Census data shows that the metropolitan region had the highest rent increase (11.3%) and lowest vacancy rate (2.4%) in the nation.¹

What began as a problem primarily for the City of Portland has rapidly become a crisis for the entire region, one which has garnered intense media coverage over the past year. As residents have been pushed out by Portland's high rents, many have sought more affordable homes in close proximity to Portland. In short time, Milwaukie's location and improved mass transit options have made it a popular location for renters. Personal accounts from local residents of rent increases of up to and above 25% have become common in Milwaukie, many of which have been relayed on to the Mayor and City Council.

ORS Chapter 90 contains the Residential Landlord and Tenant Act. ORS 90.115 provides that the chapter "applies to, regulates and determines rights, obligations and remedies under a rental agreement, wherever made, for a dwelling unit located within this state." However, under

¹ <https://www.pdx.edu/financial-services/news/psu-center-real-estate-releases-february-quarterly-report>

its Home Rule authority, the City may adopt regulations in addition to those in the Residential Landlord and Tenant Act. The purpose of the proposed ordinance is to declare that the City has authority to adopt a housing emergency and the authority to adopt legislation which will impose greater requirements on landlords than those imposed by the Residential Landlord and Tenant Act. The proposed Resolution then declares a housing emergency for the duration of one year with the opportunity to extend the housing emergency in six month increments. The City Council may then consider a proposed ordinance which adopts a 90 days' notice requirement for "no cause" evictions.

The City of Portland adopted similar legislation in October, 2015 in order to implement code changes which also adopt the 90 days' notice requirement.

CONCURRENCE

The Community Development Director has worked with staff to and the city attorney to develop the language in the proposed Ordinance and Resolution and to ensure that it is consistent with local, state, and federal laws. The City Attorney has reviewed the Ordinance and Resolution and concurs.

FISCAL IMPACTS

None.

WORK LOAD IMPACTS

This Ordinance and Resolution is not expected to impact work load. Staff has time available to make any revisions requested by the City Council.

ALTERNATIVES

The Council could choose to take no action; or research other options for action by the City.

STAFF RECOMMENDATION

Staff recommends that City Council approve the proposed Ordinance and declare it an emergency. Staff further recommends adoption of the proposed Resolution.

ATTACHMENTS

- 1.EXHIBIT A: ORDINANCE
- 2.EXHIBIT B: RESOLUTION



CITY OF MILWAUKIE

"Dogwood City of the West"

Ordinance No.

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING THE CITY COUNCIL TO DECLARE A HOUSING EMERGENCY UNDER SPECIFIED CIRCUMSTANCES, DEFINING DURATION AND CITY COUNCIL POWERS DURING A HOUSING EMERGENCY AND DECLARING AN EMERGENCY

WHEREAS, the Portland metropolitan region had the lowest residential vacancy rate in the nation as of the fourth quarter of 2015, estimated at 2.4%; and

WHEREAS, the region's low vacancy rate has resulted in significant rent increases over the last several years, including a 11.3% yearly increase as of the fourth quarter of 2015; and

WHEREAS, Milwaukie's proximity to Portland has resulted in increased gentrification and displacement of residents in recent years; and

WHEREAS, at the same time, many city residents have experienced a decrease in inflation adjusted wages and a reduced ability to find adequate and affordable housing; and

WHEREAS, the combination of high rents and low vacancy rates has resulted in heightened housing uncertainty for many Milwaukie residents; and

WHEREAS, the City Council finds that the uncertainty created by the possibility of losing affordable housing and homelessness is a danger to the public health, safety and welfare,

Now, Therefore, the City of Milwaukie does ordain as follows:

- Section 1. The City Council is authorized to declare a housing emergency when there is an immediate need to address the shortage of affordable housing, in order to avoid human suffering.
- Section 2. The initial duration of a housing emergency shall not exceed one year, but may be extended in six-month increments.
- Section 3. The Milwaukie City Council shall terminate a housing emergency by resolution when the emergency no longer exists or when the threat of an emergency has passed.

- Section 4. Upon the declaration of a housing emergency, in addition to any other powers that may be exercised by a local government, the City Council may:
- A) Utilize City owned resources;
 - B) Designate persons to coordinate the work of public, private or nonprofit relief agencies responding to the housing emergency;
 - C) Order such other measures as may be necessary to protect the life, safety and health of persons, property or the environment.

Section 5. Emergency. With increasing housing uncertainty and fear of homelessness for city residents, this Ordinance is necessary for the immediate protection of public health, safety and general welfare; therefore an emergency is declared to exist and this Ordinance shall become effective upon the date of its adoption.

Read the first time on _____, and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____.

Signed by the Mayor on _____.

APPROVED:

Approved by Milwaukie City Council this _____ day of _____, 2016.

Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Pat DuVal, City Recorder

City Attorney



CITY OF MILWAUKIE
"Dogwood City of the West"

Resolution No.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,
DECLARING A HOUSING EMERGENCY PURSUANT TO ORDINANCE NO.**

WHEREAS, the City Council is authorized to declare a housing emergency in order to immediately address housing needs affecting the health, safety and welfare of city residents; and

WHEREAS, the Portland metropolitan region had the lowest residential vacancy rate in the nation as of the fourth quarter of 2015, estimated at 2.4%; and

WHEREAS, the region's low vacancy rate has resulted in significant rent increases over the last several years, including a 11.3% yearly increase as of the fourth quarter of 2015; and

WHEREAS, Milwaukie's proximity to Portland has resulted in increased gentrification and displacement of residents in recent years; and

WHEREAS, the combination of high rents and low vacancy rates has resulted in heightened housing uncertainty for many Milwaukie residents; and

WHEREAS, on March 29, 2016, the City Council heard a panel of housing experts discuss the state of housing in the region and its impacts on the community; and

WHEREAS, on April 5, 2016, the City Council continued to discuss and gather information on the shortage of affordable housing; and

WHEREAS, local residents have expressed concern to the Mayor and City Council over the lack of affordable housing and the rent increases of up to 25% with only 30 days' notice; and

WHEREAS, based on the information, evidence and concerns expressed by residents, it is appropriate for the City Council to declare a housing emergency to address the affordable housing crisis in the City; and

WHEREAS, the City Council has authority under Ordinance No. _____ to declare a housing emergency for the public health, safety and welfare of the City's residents;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Milwaukie, Oregon, that:

Section 1. There is an immediate need to address the shortage of affordable housing in order to avoid human suffering, therefore a housing emergency is declared within the City of Milwaukie.

Section 2. The duration of the housing emergency shall be for a period of one year from the effective date of this resolution, unless extended by the City Council pursuant to Ordinance No. _____ or terminated sooner by the City Council.

Section 3. The City Council may exercise the legislative authority granted by Ordinance No. _____ to enact legislation to address the housing crisis and protect the public health, safety and welfare of city residents.

Section 4. This resolution is effective immediately.

Introduced and adopted by the City Council on April _____, 2016.

Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Pat DuVal, City Recorder

City Attorney



MILWAUKIE CITY COUNCIL
STAFF REPORT

Agenda Item: **RS 6. D.**
Meeting Date: **April 19, 2016**

To: Mayor and City Council

Through: Bill Monahan, City Manager

Subject: **Establishing a new Milwaukie Municipal Code Chapter 5.60 relating to no cause evictions**

From: Alma Flores, Community Development Director

Date: April 12, 2016

ACTION REQUESTED

Adopt an Emergency Ordinance to create Chapter 5.60 of the Milwaukie Municipal Code, which would establish a minimum time period of 90 days for no cause evictions of residential tenants.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

In the end of 2015 and beginning months of 2016 the city has been monitoring the evolving housing shortage. In response, the city council heard a panel of housing experts at the March 29, 2016 Study Session. These housing experts in the region discussed the state of housing and its impacts on the community as well as the housing related legislation that was recently passed by the State. At the April 5, 2016 City Council meeting, the City Council continued to discuss the evolving housing shortage as well as the efforts of the Oregon Legislature as it considered adopting laws to provide more protection for tenants.

BACKGROUND

Chapter 90 of the Oregon Revised Statutes (ORS) is known as the Residential Landlord and Tenant Act ("Act"). Section 90.427 of the Act establishes the legal requirements for evicting residential tenants. As established in Section 90.427, landlords are required to provide tenants that are within the first year of their occupancy with at least 30 days' notice before terminating the rental agreement for reasons not covered under ORS 90.392 ("for cause," or "just cause" evictions), and at least 60 days' notice to tenants that are beyond their first year of occupancy. The provisions for these "no cause" evictions apply to both month-to-month rental agreements and fixed term rental agreements of at least one year that become month-to-month agreements after the fixed term. ORS 90.427 does not apply to week-to-week tenancies.

Over the last several years, strong job growth and in-migration in the Portland metropolitan region has resulted in significant increases in rental prices and a significant decrease in the vacancy rate for rental units. For the 12 month period ending in December 2015, US Census data shows that the metropolitan region had the highest rent increase (11.3%) and lowest vacancy rate (2.4%) in the nation.¹

What began as a problem primarily for the City of Portland has rapidly become a crisis for the entire region, one which has garnered intense media coverage over the past year. As residents have been pushed out by Portland's high rents, many have sought more affordable homes in

¹ <https://www.pdx.edu/financial-services/news/psu-center-real-estate-releases-february-quarterly-report>

close proximity to Portland. In short time, Milwaukie's location and improved mass transit options have made it a popular location for renters. Personal accounts from local residents of rent increases of up to and above 25% have become common in Milwaukie, many of which have been relayed on to the Mayor and City Council.

In October 2015, the Portland City Council adopted an ordinance that added language to their Municipal Code which requires 90 days advance notice for all no cause evictions. A similar provision was originally included in House Bill 4143, which was one of a number of bills passed by the state legislature aimed during their recently concluded session that sought to address the current housing crisis. However, the 90 day notice requirement for no cause evictions was removed from the version of HB 4143 that was approved and signed into law, meaning that individual jurisdictions that seek to provide renter protections beyond those included in ORS 90.427 must adopt them by local ordinance.

In response to the emerging housing crisis in Milwaukie, city staff has drafted a proposed new section (Section 5.60; Exhibit A) of the Municipal Code requiring at least 90 days' notice for no cause evictions (excluding week-to-week tenancies). Section 5.60 outlines the applicability of the 90 day no cause eviction provision as well as possible punitive damages for violating the provision.

Exercising its Home Rule authority, the City Council adopted a proposed ordinance which gives the Council the authority to declare a housing emergency. The Council then adopted a proposed resolution declaring a housing emergency (see Ordinance, Resolution and Staff Report for Agenda Item # _____). With this legislative authority and given the urgency of the housing crisis, the City Council has authority to adopt regulations which provide additional protections beyond those in the Residential Landlord and Tenant Act.

CONCURRENCE

The Community Development Director has worked with staff to develop the proposed language in Section 5.60 and ensure that it is consistent with local, state, and federal laws. The City Attorney has reviewed the Ordinance and concurs.

FISCAL IMPACTS

None.

WORK LOAD IMPACTS

This Ordinance is not expected to impact work load, as the proposed code language has already been developed. Staff has time available to make any revisions requested by the City Council.

ALTERNATIVES

The Council could choose to take no action; propose alternative language for Section 5.60; or research other options for action by the City.

STAFF RECOMMENDATION

Staff recommends that City Council approve the proposed Ordinance to add Section 5.60 to the Milwaukie Municipal Code, and declare it an emergency.

ATTACHMENTS

1. EXHIBIT A: ORDINANCE



CITY OF MILWAUKIE

"Dogwood City of the West"

Ordinance No.

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, RELATING TO RENTER PROTECTIONS, ESTABLISHING NEW CODE CHAPTER 5.60 AND DECLARING AN EMERGENCY

WHEREAS, the Portland metropolitan region had the lowest residential vacancy rate in the nation as of the fourth quarter of 2015, estimated at 2.4%; and

WHEREAS, the region's low vacancy rate has resulted in significant rent increases over the last several years, including a 11.3% yearly increase as of the fourth quarter of 2015; and

WHEREAS, Milwaukie's proximity to Portland has resulted in increased gentrification and displacement of residents in recent years; and

WHEREAS, the combination of high rents and low vacancy rates has resulted in heightened housing uncertainty for many Milwaukie residents; and

WHEREAS, in recognition of the impact of the low residential vacancy rates and increasing rents, the Milwaukie City Council has declared a housing emergency; and

WHEREAS, the Milwaukie City Council has authority under Ordinance No. _____ to take legislative action to provide adequate written notice of a no cause termination; and

WHEREAS, the Residential Landlord and Tenant Act (ORS Chapter 90) allows for no-cause terminations of month-to-month rental agreements with 30 days' notice during the first year of a tenant's occupancy, and with 60 days' notice after the first year of occupancy; and

WHEREAS, the Milwaukie City Council has determined that 30 or 60 days is not adequate time for displaced tenants to find and secure new rental housing; and

WHEREAS, in order to provide tenants enough time to find and secure a new rental unit, the minimum written notice of a no cause termination of tenancy should be 90 days.

Now, Therefore, the City of Milwaukie does ordain as follows:

Section 1. A new Chapter 5.60 is adopted and added to the Municipal Code of Milwaukie which will read as follows:

5.60 Milwaukie Renter Additional Protections

5.60.010 Purpose and Intent. The purpose of this Section is to provide residential renters in the City of Milwaukie with adequate protections in the event that they are served with a no cause eviction.

5.60.020 Definitions.

Act – the Residential Landlord and Tenant Act, codified in Chapter 90 of the Oregon Revised Statutes. For the purposes of Chapter 5.60, capitalized terms have the meaning set forth in the Act.

5.60.030 Applicability. The following apply to Tenants of Dwelling Units within the boundaries of the City of Milwaukie, which are in addition to the requirements and protections set forth in the Act:

A. A Landlord may terminate a Rental Agreement without a cause specified in the Act (“no cause eviction”) only by delivering a written notice of termination to the Tenant of (a) not less than 90 days before the termination designated in that notice as calculated under the Act; or (b) the time period designated in the Rental Agreement, whichever is longer. This requirement does not apply to Rental Agreements for week-to-week tenancies or to Tenants that occupy the same Dwelling Unit as the Landlord.

B. A Landlord that fails to comply with any of the requirements set forth in this Section 5.60.030 shall be liable to the Tenant for an amount up to three months’ Rent as well as actual damages, reasonable attorney fees and costs (collectively, “Damages”). Any Tenant claiming to be aggrieved by a Landlord’s noncompliance with the foregoing has a cause of action in any court of competent jurisdiction for Damages and such other remedies as may be appropriate.

Section 2. The Milwaukie City Council shall reconsider the protections herein should the Portland metropolitan region’s residential vacancy rate rise above 4% or in one year, whichever comes first.

Section 3. Emergency. With increasing housing uncertainty and fear of homelessness for city residents, this Ordinance is necessary for the immediate protection of public health, safety and general welfare; therefore an emergency is declared to exist and this Ordinance shall become effective upon the date of its adoption.

Read the first time on _____, and moved to second reading by _____
vote of the City Council.

Read the second time and adopted by the City Council on _____.

Signed by the Mayor on _____.

APPROVED:

Approved by Milwaukie City Council this _____ day of _____, 2016.

Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Pat DuVal, City Recorder

City Attorney



MILWAUKIE CITY COUNCIL
STAFF REPORT

Agenda Item: **RS 6. E.**
Meeting Date: **April 19, 2016**

To: Mayor and City Council

Through: Bill Monahan, City Manager

Subject: **“Solarize” Goal and Residential Program**

From: Clare Fuchs, Sustainability Director

Date: April 19, 2016

ACTION REQUESTED

Adopt a resolution setting a goal to triple the amount of solar energy produced in the City of Milwaukie by 2021. Authorize staff to promote and facilitate a residential solar program modeled after the “Solarize” format for interested citizens.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

City Council Study Session February 18, 2016: staff was directed to ascertain the volunteer capacity and staff workload impact for a residential solar program.

BACKGROUND

I. History

- A. “Solarize” started in the Mount Tabor neighborhood in Southeast Portland in 2009 by Stephanie Stewart, Southeast Uplift, and The Energy Trust of Oregon with assistance from the City of Portland. That first program produced 300 interested parties and 120 installations.
- B. The term “Solarize” is trademarked by Stephanie Stewart and the City of Portland. Staff should be able to obtain use of the trademark by request if Milwaukie’s potential program is reviewed by the City of Portland.
- C. The “solarize” method caught on to other neighborhoods and 400 installations were made in 2010. The program lasted until 2012 and is still available today in Portland. The cost of solar has declined greatly since 2011, but this program can make solar even more affordable for Milwaukians.

II. Overview

- A. “Solarize” converts solar interest into action by creating temporary cost reductions and community support to go solar. Tripling Milwaukie’s solar capacity from 732.93 kilowatts to 2.2 megawatts in five years can be achieved with 489 rooftops at only 3 kilowatts produced per home. That is a very conservative estimate and less than 8% of Milwaukie’s single family rooftops.
- B. Up Front Cost – Volume purchase and eliminating marketing costs can lower the cost of the solar installation up to 30%. The “solarize” community group can show

the entire package of tax credits, incentives, and financing. Having these items presented by the community for the community makes customers more comfortable.

- C. Streamlining - One to three solar vendors and bank or credit union lenders are already chosen by the community group through a competitive bidding process. Classes and community members are available to answer questions. This reduces confusion and complexity.
- D. Customer Inertia – Typically there are a couple months in which interested parties can sign up and then installations also happen in an approximately four month window. This limited time to receive reduced prices and support helps interest turn to purchase. The typical solar installation outside this program can take up to two years; this also provides a participatory incentive.

III. Community Promotion and Outreach

The first couple months would involve recruiting volunteers and creating a campaign.

- A. Potential outreach methods – e-mail, news releases, flyers; Milwaukie Pilot, web site, Facebook, and twitter; presentations at neighborhood associations.
- B. Campaign creation – automatic website sign-ups and database creation.
- C. Classes / question and answer sessions – These can be held throughout the approximately nine month program to help educate potential customers.
- D. Estimated hours – The “Solarize Guidebook” states that one person will be needed to allocate approximately 490 hours over a 9-month period. That can be a City staff member or a paid intern. Additionally, the program will need approximately 460 other volunteer hours.

IV. Additional Options

- A. Providing weatherization hot leads for citizens that don’t want to or cannot afford to go solar. This can include weather stripping, air duct sealing, or insulation.
- B. Providing community solar purchase options for those who want to invest in solar, but rent or don’t have a suitable roof.
- C. An apprenticeship program for chosen installation vendors to help create jobs in the community.
- D. Charging \$0.10-\$0.25 per watt to defray program administration, website, database, outreach, and inspections. This can be rolled into contract price so that the customer only needs to write one check.
- E. Program could be used to spur additional solar purchase opportunities for multi-family, commercial, industrial, and additional single family rooftop opportunities down the road. Later programs for all land use sectors will make reaching the solar goal even easier.

CONCURRENCE

Milwaukie Members of Environment Oregon; Samantha Vandagriff, Building Official

FISCAL IMPACTS

Monetary outlay for this program is not to exceed \$5,000. Staff, non-profit partners, or volunteers will apply for grants attempt to offset this cost. The program also has a precedent of charging a small fee on top of solar panels to fund personnel costs such as administration and inspections.

WORK LOAD IMPACTS

The methodology for this approach is to obtain enough citizens who are willing to volunteer their time so as to require less assistance from staff for a full-scale residential “Solarize” program. Staff will need approximately 460 volunteer hours over the course of 9 months. Additional volunteers and/or interns can be utilized for promotion, research, application, and administration of grants. The project will need one dedicated project manager, who can expect to spend an average of 54 hours a month on the project. All of these assumptions are based on the average “Solarize” program. Milwaukie’s needs and program popularity could vary.

Samantha Vandagriff, Building Official, states that most all solar installations will be, “prescriptive,” so the planning review can be done with either Building Division staff member. The structural inspections will take Ms. Vandagriff about 10 minutes, while Clackamas County still performs our electrical inspections. Ms. Vandagriff anticipates an acceptable workload based on these factors and the average program popularity.

ALTERNATIVES

Approve, modify, or deny the resolution.

ATTACHMENTS

1. Resolution
2. The Solarize Guidebook



CITY OF MILWAUKIE

"Dogwood City of the West"

Resolution No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING THE ESTABLISHMENT OF A "SOLARIZE" PROGRAM AND SETTING SOLAR ENERGY GOALS.

WHEREAS, the Oregon Climate Change Research Institute identifies several environmental hazards expected to occur in Oregon as a result of climate change, including increased occurrences and intensity of extreme weather like floods and droughts, reduced winter snowpack, rising sea levels, rising air and water temperatures, and ocean acidification; and

WHEREAS, solar power is one of the cleanest sources of energy with which to power homes, businesses and cars to reduce the carbon footprint of Milwaukie and help mitigate the effects of climate change; and

WHEREAS, the cost of solar has dropped by more than 50% since 2011; and

WHEREAS the solar industry employs 3,000 people statewide and grew at a rate of 24 percent last year while nationally the solar industry grew at a rate of 34 percent; and

WHEREAS there is currently 732.93 kW of solar capacity installed within Milwaukie; and

WHEREAS local governments can play an active role in making solar more accessible and affordable for residents by passing pro-solar policies and participating in educational and promotional activities; and

WHEREAS the U.S Department of Energy identifies four key benefits of municipal solar installations, including 1) clarifying the role solar energy will play in achieving the community's broader environmental, climate change, or sustainability goals, 2) creates momentum for a solar program with stakeholders working toward common goals, 3) guides the strategy for increasing solar installations in a community, and 4) enables leaders to track progress against a published target

Now, Therefore, be it Resolved that the City Council in recognition of the environmental and economic benefits of solar energy set a target of tripling installed solar capacity to 2.2 MW in Milwaukie by the year 2021. This goal equates to "solarizing" less than 8% of Milwaukie single family homes in 5 years if only a residential program is executed.

Be it Further Resolved that in order to assist the City in meeting this goal, City Council directs city staff to facilitate and run a "Solarize" program, aimed at streamlining the process and reducing the upfront cost of residential solar installations for Milwaukie residents. This program will be initiated within six months of the effective date of this resolution.

Introduced and adopted by the City Council on _____.

This resolution is effective on _____.

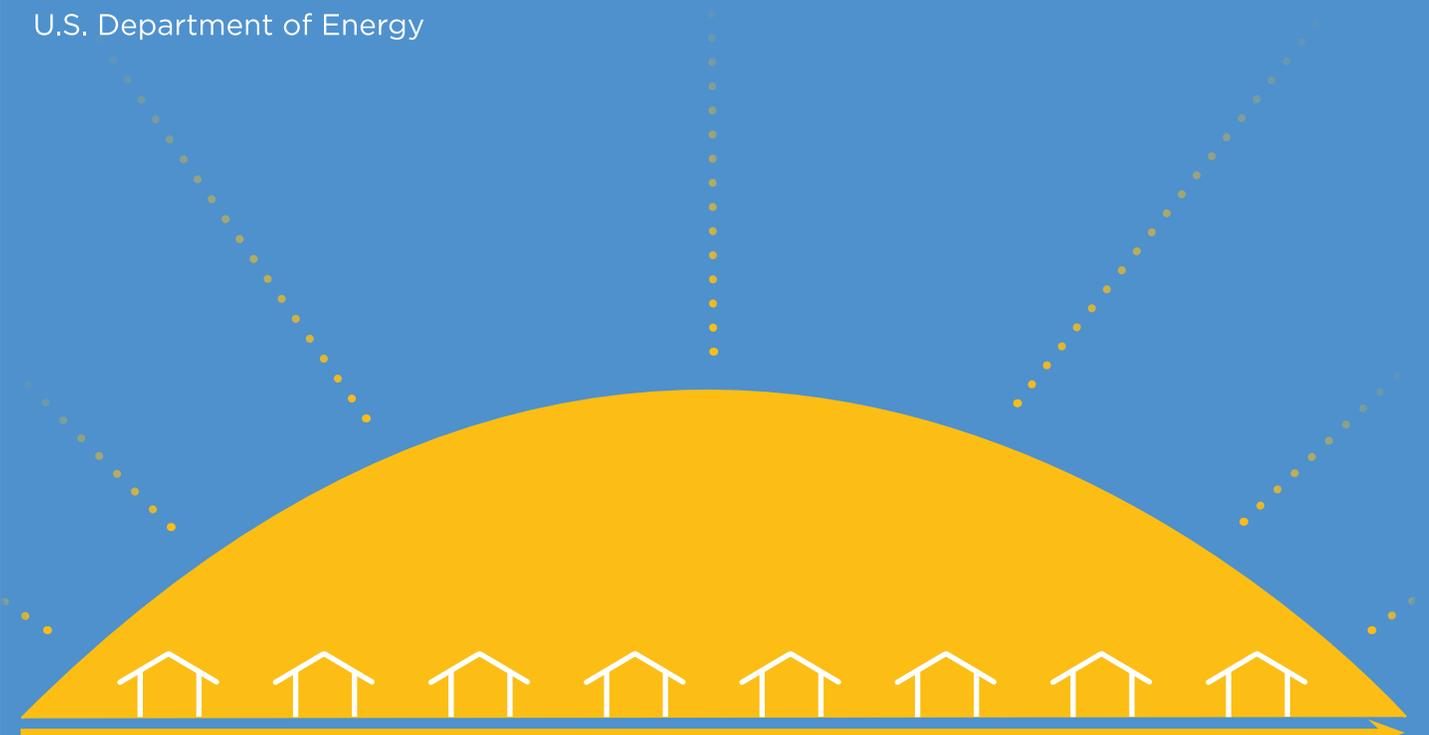
Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC

Pat DuVal, City Recorder

City Attorney



THE SOLARIZE GUIDEBOOK:

A community guide to collective purchasing of residential PV systems

ACKNOWLEDGEMENTS

This guide is an updated version of the original The Solarize Guidebook, published in February 2011 (see www.nrel.gov/docs/fy11osti/50440.pdf), which was developed for the National Renewable Energy Laboratory and the City of Portland. The original Solarize campaigns were initiated and replicated by Portland's Neighborhood Coalition network with help from the Energy Trust of Oregon, City of Portland, and Solar Oregon.

AUTHORS

Linda Irvine, Alexandra Sawyer and Jennifer Grove, Northwest Sustainable Energy for Economic Development (Northwest SEED). Northwest SEED is solely responsible for errors and omissions.

CONTRIBUTORS

Lee Rahr, Portland Bureau of Planning and Sustainability
Lizzie Rubado, Energy Trust of Oregon
Andy Brydges, Elizabeth Kennedy, and Elizabeth Youngblood, Massachusetts Clean Energy Center
Duane Peterson, Vermont Public Interest Research Group

Hilary Lovelace, AmeriCorps Volunteer with Solarize Pendleton
Jessie Denver, GroupEnergy
Dave Llorens, One Block Off The Grid
Siobhan Foley, California Center for Sustainable Energy

SPONSORS

DOE SunShot Initiative

This guidebook was made possible through funding from the U.S. Department of Energy SunShot Initiative and Solar America Communities program. www.energy.gov/sunshot

City of Portland, Bureau of Planning and Sustainability (BPS)

BPS develops programs that provide environmental, economic and social benefits to Portland residents, businesses, and government. The BPS took a management role in several Solarize campaigns and funded replication efforts. www.portlandonline.com/bps/solar

Energy Trust of Oregon

Energy Trust of Oregon is an independent nonprofit organization dedicated to helping utility customers benefit from saving energy and tapping renewable resources. Energy Trust created the program blueprint for the first Solarize Portland campaign and provided technical support, incentives, and program evaluation.

www.energytrust.org

Solar Now! Campaign

Solar Now! connects Oregonians with the resources they need to choose solar energy. Partners are Solar Oregon, Oregon Department of Energy, Energy Trust of Oregon and City of Portland Bureau of Planning and Sustainability. They have conducted events to catalyze solar since 2007. www.solarnoworegon.org

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Bureau of Planning and Sustainability

Innovation. Collaboration. Practical Solutions.

City of Portland, Oregon
Sam Adams, Mayor • Susan Anderson, Director



SOLAR OREGON

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The first “Solarize” campaign started as a grassroots effort to help residents of Portland, Oregon, overcome the financial and logistical barriers to installing solar power. What began in one neighborhood as “Solarize Southeast!” quickly caught on with residents across the city. With support from the U.S. Department of Energy’s (DOE) Solar America Communities program, the City of Portland Bureau of Planning and Sustainability partnered with neighborhood coalition offices, Solar Oregon (the state American Solar Energy Society chapter) and Energy Trust of Oregon to provide community organizing, technical assistance, project management, and rebates in a wildly popular grassroots-driven program. After three years of Solarize campaigns, Portland has added over 1.7 MW of distributed photovoltaics (PV) and established a strong, steady solar installation economy.

Since the publication of the first Solarize Guidebook in 2011, dozens of communities, companies and contractors across the U.S. have launched their own versions of a neighborhood collective purchasing program. With installed costs for behind-the-meter (distributed) solar dropping 17% in 2010 and continuing to fall in 2011,¹ the residential PV market in the U.S. is poised to continue expansion and Solarize campaigns can accelerate this growth.

Purpose

This guidebook is intended to be a roadmap for project planners and solar advocates who want to create their own successful Solarize campaigns. It describes the key elements of the Solarize Portland campaigns and variations from projects across the country, along with lessons learned and planning templates.

The guidebook is funded by the DOE SunShot Initiative, a collaborative national initiative to make solar energy cost competitive with other forms of energy by the end of the decade.



Source: Energy Trust of Oregon and Solar Oregon

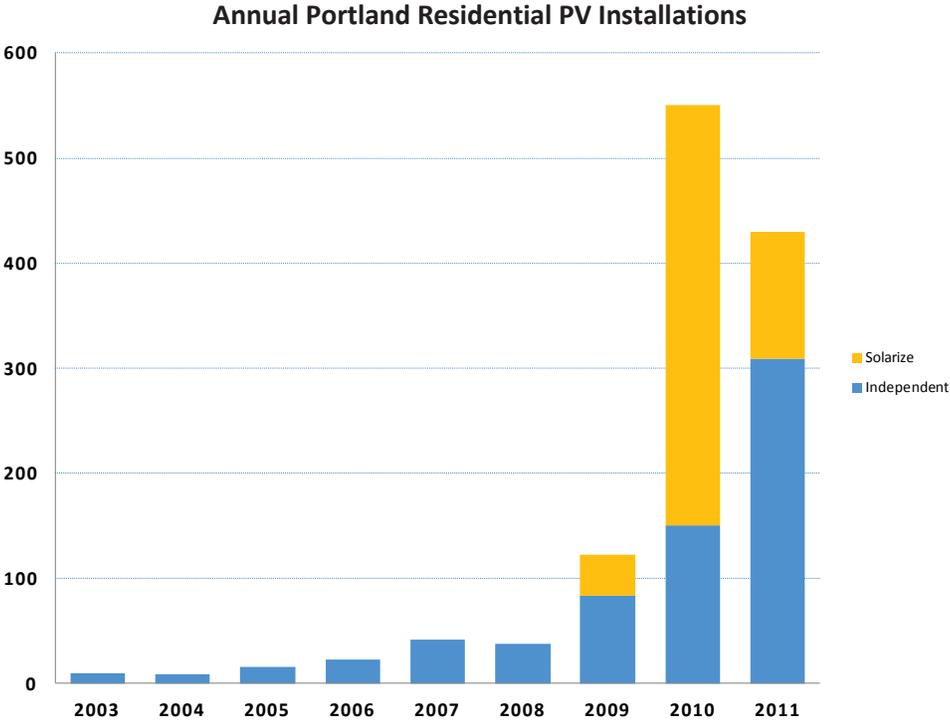
¹ Tracking the Sun IV: The Installed Cost of Photovoltaics in the U.S. from 1998 – 2010, Lawrence Berkeley National Laboratory, Jan. 2011, p. 1. <http://eetd.lbl.gov/ea/ems/reports/lbnl-5047e.pdf>.

BACKGROUND AND OVERVIEW OF MODEL

The First Solarize Campaign

The first Solarize campaign began with local Portland residents who wanted to install solar power, but didn't know where to start. They imagined that if they could organize a group of neighbors to "go solar" together, they could collectively make an informed purchase and negotiate a volume discount. They turned to the local neighborhood coalition, Southeast Uplift, for assistance. Southeast Uplift approached Energy Trust of Oregon for technical and program planning support. By coincidence, Energy Trust had developed a solar PV volume purchasing program and was eager to test the model. With community volunteers, neighborhood association staff, and Energy Trust support and rebates, the first Solarize campaign was born.

Within six months of starting their campaign, Solarize Southeast had signed up more than 300 residents and installed solar on 130 homes. The 130 installations added 350 kilowatts of new PV capacity to Portland and created 18 professional-wage jobs for site assessors, engineers, project managers, journeyman electricians, and roofers.²



The neighborhood collective purchase concept spread quickly. With support from a DOE Solar America Communities grant,³ the City of Portland's Bureau of Planning and Sustainability helped other community

² Eighteen full-time permanent jobs were created by three solar installation firms (2010 self-reported numbers).

³ The SAC grant has supported a half-time employee for two years. Additional City staff provided technical and management assistance. Portland has also provided sub-recipient grant funding to eight communities in Oregon totaling \$47,000 with the intent of replicating the successes of Solarize Portland across the state.

organizations take Solarize Portland to their neighborhoods, eventually completing projects that encompassed every neighborhood in the City. Taken together, these follow-on projects produced another 400 Solarize installations in 2010, increasing total PV installations almost 400% over the previous year. In 2011, the number of Solarize campaigns and installations fell, but overall, PV installations in Portland remained high, with an increasing number of non-Solarize installations. The recent introduction of solar lease and Power Purchase Agreement (PPA) options has proven very attractive. As the Solarize campaigns wrap up, these financing options are creating new demand, building a strong, steady solar market in the Portland metropolitan area. (Examples of these third-party ownership models are discussed in General Lessons and Considerations: Financing.) Although Solarize installations trended down in 2011 due to fewer campaigns and the introduction of the solar lease and PPA, independent installations have ramped up considerably following the market kick-start provided by Solarize.

Overcoming Market Barriers

Although the volunteer organizers of the first campaign did not set out to transform the market, their program design resulted in spectacular market growth. The Solarize model tackles three major market barriers: **cost**, **complexity**, and **customer inertia**.

High Upfront Cost

Residential solar installations have high upfront costs. Before the first Solarize campaign launched, the upfront cost for a 3-kW system in the Portland market was approximately \$27,000. By presenting a full package of federal and state tax credits and utility cash incentives, the Solarize campaign showed that the final costs were much lower than the initial sticker price. Contractor savings on marketing and lead generation drove costs down by an additional 30 to 35%.⁴ A typical 3 kW installation in the first Solarize project cost only about \$2,000 after tax credits and incentives.

Complexity

For many, a solar purchase seems a daunting and complex decision, involving choices about technical issues such as inverter efficiency, PV modules, and optimal array tilt. Even choosing between contractors can be an overwhelming task for those not technically inclined. Every aspect of the Solarize program was designed to provide actionable information while reducing complexity. A committee of neighbors pre-selected the contractor through a competitive bidding process and negotiated the cost. Workshops and Q&A sessions focused on the practical steps to making a purchase. The program reduced a dizzying array of technical choices to one simple question for participants: yes or no?

Customer Inertia

The sales cycle for solar is usually more than two years from first inquiry to installation. The Solarize project overcame customer inertia to get installations in three to six months. By presenting a highly competitive price in a limited-time offering, the campaign motivated customers to act. In addition, the spirit of group endeavor afforded safety in numbers, so that participants didn't feel that they were making the decision on their own.

⁴ Estimate based on conversations with contractors in the Portland area in 2010.

This chart shows the 2011 pricing for a typical Solarize Portland project.

3 kW PV System	Cost	Notes
Total System Cost Before Incentives	\$18,000	\$6.00/watt ⁵
Energy Trust of Oregon Cash Incentive	(\$5,250)	\$1.75/watt
Out of Pocket	\$12,750	
Federal Tax Credit – 30%	(\$3,825)	Calculated after Energy Trust incentive
Oregon Residential Tax Credit	(\$6,000)	\$2.10/DC watt; taken over 4 years
Final Cost After 4 Years	\$2,925	

Essential Elements of the Solarize Model

In Portland, each successive Solarize campaign looked slightly different, reflecting the different priorities and goals of each neighborhood, but there were some common elements that led to success: competitive contractor selection, community-led outreach with a trusted community partner, and a limited-time offering.

Competitive Contractor Selection

Selecting the contractor(s) through a competitive process led by community volunteers is essential on several fronts. First, it affords homeowners the simplicity of a pre-selected contractor while building confidence that the contractor was selected from a range of options. Second, it provides a transparent process that builds customer and contractor trust. Although the criteria for selection may vary from campaign to campaign, they should reflect the particular values of the community, whether they are creating local jobs or driving prices down. By having a competitive process with clear criteria, the project organizers can justify their choice while sending a clear market message about customer and community values.

Community-Led Outreach and Education

Another element of a successful campaign is community-led outreach supported by a trusted local organization. In Portland, neighbors distributed fliers, built and updated the program website, and spoke at workshops, delivering a direct appeal from one friend to another to join the campaign. The volunteers were supported by a Neighborhood Coalition, which had a long history of helping people and a high level of community trust. Harnessing community power in this way has many benefits: The community becomes invested in the success of the project, the scope and scale of the outreach is amplified, and neighbors are more responsive to the appeals. Community-led outreach also allows the contractor to save on marketing costs because the company does not need to spend as much time generating leads. With neighborhood volunteers generating hot leads, the contractor can focus on site assessments and installations.

"Thanks to the community outreach, we saved 30% on marketing!"
Rob LaVigne, Solar City

Limited-Time Offer

Nothing motivates people like a deadline. A Solarize campaign is a limited-time offer, creating a sense of urgency among residents who don't want to miss a good deal. The limited-time offer also keeps the

⁵ Avg. U.S. residential price: \$6.24 from U.S. Solar Market Insight Reports, Q32011 Full Report, SEIA/GTM Research, p. 28.

program true to its market transformation goals: to jump-start the solar market and then step aside. Some contractors may object to the perceived “monopoly” awarded to those selected for the project. The limited-time offer may help mitigate this contractor concern. In fact, a successful Solarize campaign can also increase business for non-Solarize installers. Installation numbers from Energy Trust demonstrate that Portland actually experienced an increase in non-Solarize installations during the Solarize campaigns.

Community Feedback Spurs Innovation and Improvement

The first neighborhood collective purchasing effort in Southeast Portland was an unprecedented success, resulting in 130 new residential PV systems in six months. Although the community response was overwhelmingly positive, there were some lessons

“Our mission is community- building. The Solarize project allowed people to get their hands on something and work together to make great things happen.” Tim O’Neal, Sustainability Coordinator, SE Uplift

learned. A formal program evaluation commissioned by Energy Trust showed that project organizers were unprepared for the volume of customer interest. The neighborhood coalition office struggled to process customer information manually. In addition, organizers held enrollee information until the end of the enrollment period, and then gave the leads to the contractor in one batch. While this allowed the contractor to know the final price (which depended on the volume of sign-ups) before contacting the customers, it meant that the contractor received all 300 sign-ups at once. Customer follow-up time suffered, and the contractor faced boom and bust cycles. The number one suggestion for future programs, expressed by 42% of respondents, was that contractor follow-up could be faster. Project organizers took several steps to improve contractor response times, including:

- **Developing an electronic process to automate data collection and reporting.** This allowed the project organizers and the contractors to quickly see the status of every enrollee, track follow-up time, and improve customer service.
- **Processing leads on a rolling basis.** Rather than wait for the final enrollment numbers, organizers began site assessments, sales, and installations for subsequent projects before the end of enrollment. Not only did this build enthusiasm for the project by showing immediate results, but it also helped the contractor spread the work over a longer period, providing stability.

SOLARIZE 1.0

The Basic Program

A basic neighborhood collective purchase program is designed to lead the customer through a simple process, from awareness to installation, over the course of six months. The process includes:

- **Awareness:** The grassroots campaign is advertised in fliers, emails, neighborhood newsletters, blogs, local events, and by word of mouth. Earned media from TV, radio, and newspapers can also boost awareness.
- **Education:** Workshops and Q&A sessions are offered throughout the community to allow all interested neighbors a chance to ask questions in a supportive environment and to detail the steps for participation.
- **Enrollment:** Residents are enrolled in the program through an online registration page. A short questionnaire at this time can help enrollees self-screen for solar suitability.
- **Site Assessment:** The installation contractor provides site assessments and bids to all enrollees.
- **Decision:** The customer decides whether to accept the contractor's bid at the Solarize program price. If using descending price tiers, the contractor may ask the customer to accept the current price tier, with the guarantee of a discount on their final invoice if volume targets are met. The intent is to offer few variables, so the customer's decision can be a simple "yes" or "no."
- **Installation:** The contractor installs the system and helps the customer through the paperwork for the cash incentives and any state and federal tax credits.

The Partners

A successful Solarize campaign requires the coordinated efforts of many community players. Sample campaign partners may include:

- **Trusted Nonprofit:** A community-based organization with an established history can provide credibility and institutional support. For example, in Portland, staff members from the Neighborhood Coalition offices devoted a portion of their time to manage the campaigns. They played a crucial role in managing volunteers and reaching out to involve other supporting partners.
- **Technical Advisor:** Every campaign needs a technical advisor to help evaluate the potential solar contractors and ensure quality control. In Portland, in addition to providing the template for program design, Energy Trust created a Request for Proposals (RFP) and presented the technical tax credit and financing workshops. On the back end, Energy Trust verified that each installation met its solar requirements before issuing cash incentives.
- **Project Organizer:** An organization with institutional access can serve as the project organizer, helping to coordinate the outreach and education, contractor follow-up, and overall project timeline. In Portland, the City played this role. In addition, the City provided technical support on the RFP and created a streamlined online process for solar permitting, with a one-day turnaround on prescriptive path systems, while the City's Bureau of Development Services inspected all systems.

- **Solar Industry Organization:** A local chapter of the American Solar Energy Society (ASES), the Solar Energy Industries Association (SEIA), or a nonprofit solar industry organization can be a valuable partner. In Portland, the ASES chapter, Solar Oregon, created a database for capturing enrollees and monitored customer progress. In addition, they provided staff and volunteer Solar Ambassadors to present and offer testimonials at workshops. Other campaigns have coordinated with a local SEIA chapter to ensure that contractors know of the opportunity and have a place to discuss issues of market fairness.

CASE STUDIES

Every successful Solarize effort is tailored to the unique features of the local market and reflects its particular community values. Indeed, allowing for this expression of values is what makes the Solarize model so attractive and empowering for participants. The following case studies offer an overview of local variations and lessons learned. These include prominent examples of everything from grassroots community-led campaigns to innovative commercially-led campaigns.

Solarize Portland: Building a Local Solar Economy

Campaigns: Six campaigns, in Southeast (2), Northeast, Southwest, North, Northwest

Installations: 560 homes

Total Installed Capacity: 1.7 MW

The Solarize Portland campaigns of 2009 through 2011 revolutionized the market for solar, driving down market prices by more than 30% across the board and generating over 50 permanent green jobs for site assessors, engineers, project managers, journeyman electricians and roofers. In 2011, the market was revolutionized once more with the entry of the solar lease and prepaid PPA options, which have subsequently been used in well over half of new PV installations. As the City looks beyond 2011, the local Solarize campaigns are winding down, but independent solar installations are increasing and the City continues to support replication efforts across the State of Oregon.

The Portland campaigns supported enduring and sustainable market growth in several ways:

1. Encouraging local contractors to respond to the RFP through a partnership or awarding the contract to two companies to split the jobs.
2. Limiting the duration of campaigns, so that the market would not be tapped out, but rather, primed for further activity.
3. Providing technical assistance to ensure that the selected contractors provided maximum benefit to the local community through local hiring, sourcing, and job training.

In addition, the citizen volunteers who were empowered to select solar installers on behalf of their neighbors chose to “share the wealth”: the Portland campaigns ultimately tapped three different solar contractors and numerous local subcontractors.

Lessons and Considerations:

- *Contractor Memorandum of Understanding (MOU) promotes local hiring:* Northeast Coalition of Neighborhoods signed an MOU requiring the installation contractor to coordinate with three community-based pre-apprenticeship programs that train people to enter the construction trades. The contractor ultimately hired eight of the 18 hires from these programs in the Northeast neighborhood.
- *Using small contractors:* Small contractors need support to develop customer service mechanisms such as a customer tracking database. In addition, contractors are independent businesses and do not generally partner with one another. Rather than ask for collaboration, the RFP committee might decide to award half the jobs to one contractor and half to another, as they did in Salem, Oregon.

- *Using local manufacturers:* Project organizers in Southwest Portland wanted to “buy local.”⁶ The contractor suggested using panels and inverters made in Oregon. While customers were offered an option to purchase out-of-state components (because the locally manufactured products were more expensive), almost all chose the locally manufactured products, magnifying the economic impact of the program in Oregon.
- *Rising solar awareness fuels broad growth:* Although some contractors were concerned that they would suffer loss of market share when they were not selected as “Solarize” installers, the data from Portland show that non-Solarize installations also increased significantly during the Solarize campaigns. Not only did Solarize build awareness of solar energy as an option, but it also stoked demand and provided a publicly respected benchmark price, accelerating customer decision-making across the board.

For more information: Lee Rahr, City of Portland, lee.rahr@portlandoregon.gov

Solarize Washington: Simplifying Complex Pricing

Campaigns: 2 complete (Queen Anne, Magnolia), 2 in progress (Northeast Seattle, Stanwood/Camano)

Installations: 56

Total Installed Capacity: 237 kW

Seattle-based nonprofit Northwest Sustainable Energy for Economic Development (Northwest SEED) launched a Solarize program for Washington residents in early 2011. Northwest SEED works with membership-based community groups to organize Solarize campaigns neighborhood-by-neighborhood. The organization has completed two successful campaigns and began two more in 2012. Due to the structure of the Washington State Renewable Energy Production Incentive, solar systems manufactured in-state achieve a much quicker payback than solar systems manufactured out of state, despite their higher upfront cost. Selected installers offer both options to Solarize participants, adding complexity to the choice, but numbers indicate that contractors are framing the choice to match their preference at the point of sale. In addition, after the success of the first campaign, contractors are confident enough to offer a low flat price from the first sale, dispensing with participation-based pricing tiers.

As demand for Solarize campaigns has grown, Northwest SEED has begun to issue a Call for Partners to competitively select neighborhoods as hosts for upcoming Solarize campaigns. In addition, several local utilities have seen the success of Solarize Washington campaigns and are now offering support to expand the program.

Lessons and Considerations:

- *Nonprofit-led campaigns:* As a nonprofit organization, Northwest SEED faced funding challenges in moving Solarize Washington forward. Initially the organization relied heavily on foundation grants to support the program. As grant funding wanes, Northwest SEED is partnering with local utilities to provide ongoing support to Solarize campaigns. Learning from other Solarize efforts around the nation, Northwest SEED may incorporate a lead-generation fee to help create a more predictable, stable funding source for future campaigns.

⁶ Although Portland defined “local” as “Made in Oregon,” other campaigns may define “local” as “made in the region” or “made in the USA.” Regardless of the definition, the desire to “buy local” can influence customer choices and boost the “local” economy.

- *Contractor-led projects:* Following the lead of Solarize Washington, several similar “Solarize” efforts have sprung up around the state. In large part, these efforts are led by local installers and thus do not utilize the grassroots organizing central to a traditional Solarize program. Some of these campaigns have been held in towns not already hosting a Solarize campaign, while others advertise “rock bottom prices” to compete with ongoing efforts in Solarize communities. Although these campaigns deviate from the established Solarize model, they do demonstrate the market-expanding effect that Solarize programs can have on the local solar industry.

For more information: Alexandra Sawyer, Northwest SEED, alex@nwseed.org, (206) 457-5403

Solarize Massachusetts: Spurring Competitive Installations

Campaigns: 4 (Harvard, Winchester, Hatfield, Scituate)

Installations: 162

Total Installed Capacity: 829 kW

Massachusetts Clean Energy Center (MassCEC) launched the Solarize Massachusetts (Solarize Mass) program in 2011 in an effort to expand the state’s solar PV market beyond traditional early adopters. Working with the Massachusetts Department of Energy Resources, MassCEC identified four “Green Communities” to pilot the Solarize Mass program. To help spur grassroots marketing and activism around the program, MassCEC provided each community with an outreach toolkit – complete with a banner, yard signs, bumper stickers, templates, and other marketing materials – and framed the program as a competition to achieve widespread solar adoption. Though not the largest community in terms of population, the town of Harvard ultimately succeeded in installing the most systems and Solarizing an impressive 4% of total residences. Participants were able to choose between a direct ownership and a leasing ownership model, both with four tiers of pricing based on the number of people who contract to install solar. Although uptake of owned vs. leased solar installations varied by town, offering both options ultimately made the solar market more accessible for all.

Lessons and Considerations:

- *Each community is different:* MassCEC had a unique opportunity to learn from pilot projects that took place simultaneously in four distinct communities. Although each town selected for participation had been pre-designated as a “Green Community,” each was unique in size and demographics. MassCEC provided the towns with the same outreach toolkit and found that the efficacy of the outreach tools varied significantly from town to town. While the Solarize model can be streamlined and standardized to a certain extent, it is ultimately a dynamic program that must be customized to fit the character of the community it is serving.
- *Steep pricing tiers are motivational:* Solarize Massachusetts featured a tiered pricing structure for each of its four pilot campaigns. Communities selected different installers, so pricing tiers differed between communities. In Harvard, the installer offered aggressive pricing tiers with sizable savings from tier to tier. This translated into momentum for community members to get their neighbors to participate—more participation meant substantial price savings for all. MassCEC learned that communities want early wins and demonstrable opportunities to save and showed aggressive price reductions based on group pricing are one way to accomplish this.

For more information: Elizabeth Kennedy, MassCEC, ekennedy@masscec.com, (617) 315-9321

Vermont Solar Communities (Solar PV): Creating a For-Profit Spinoff

Campaigns: 10 (Waterbury 2, Williston 2, Charlotte 2, Hinesburg 2, Shelburne 2)

Installations: 60 solar PV

Total Installed Capacity: 300 kW

Vermont Public Interest Research Group (VPIRG) created VPIRG Energy to orchestrate solar group purchasing. Beginning in 2010, VPIRG Energy launched its Solar Communities program in three rounds—the first round offering only solar PV and subsequent rounds offering either solar PV or solar hot water. As an established membership-based organization, VPIRG had a pool of members from which to draw participants, so the Solar Communities effort required less organizing by local community groups than a traditional Solarize campaign might. Local community members with solar installations were particularly effective in organizing house parties to publicize the Solar Communities program and increase awareness about solar. VPIRG Energy recouped its operational and program costs through a \$0.25 per watt lead-generation fee paid from the installer to VPIRG Energy at the time of system installation. The co-directors of VPIRG Energy concluded their campaigns and launched a new residential solar enterprise in 2012. SunCommon is a for-profit company that offers homeowners a solar lease for no money down.

Lessons and Considerations:

- *Sticking with one installer:* Although VPIRG Energy performed a competitive selection process for the first iteration of Solar Communities, it opted to use the same installer again for subsequent iterations of the program instead of issuing an RFP. This alienated some smaller local contractors, who felt that they were blocked from participating in the expanding solar markets in the four pilot communities. Concerned installers asserted themselves as solar designers, not simply “wrench turners,” and wanted the opportunity to be included to the fullest extent possible.
- *Using a lead-generation fee:* To cover costs associated with program administration, lead generation, and marketing, VPIRG Energy collected a \$0.25 per watt fee (approximately 5% of the installed price) from the contractor upon close of sale. After refining the sales process to ensure cash flow, the fee was high enough to help VPIRG recoup costs while low enough to preserve the program price advantage.⁷

Vermont Solar Communities (Solar Hot Water)

Campaigns: 2 (Montpelier, Addison County)

Installations: 175 to date

Following the first round of its Solar Communities program, VPIRG Energy expanded beyond PV to pilot two solar hot water campaigns. These programs followed many aspects of the Solarize model and used a local company for manufacture and installation of solar hot water systems. Solar Communities that offered solar hot water were ultimately more successful than those that offered solar PV in terms of final participation numbers. This could be attributed to several factors, including lower upfront cost, the opportunity to purchase locally manufactured systems, and an impending incentive drawback that spurred action.

For more information: Colleen Thomas, Colleen@vpirg.org, (802) 223-8421

⁷ Presumably, as costs for solar PV continue to fall, customer acquisition costs and lead generation fees will fall.

One Block Off the Grid

Campaigns: 20 communities in 11 states

Installations: 1,500

Total Installed Capacity: 8 MW

One Block Off the Grid (1BOG) is a San Francisco-based for-profit company that aims to figuratively take city blocks “off the grid” through solar installations en masse. 1BOG establishes programs in target cities with promising solar markets and aims to address three major barriers to widespread solar energy implementation: 1) high cost, 2) confusing process, and 3) lack of trust between potential customers and installers. 1BOG’s city-based programs feature ongoing solar campaigns that run for three months at a time. The group recently launched several new Web tools with the intention of making solar simple and accessible. 1BOG’s US Solar Markets Map (www.1bog.org/nation) showcases solar PV demand by county and assigns state solar policy “grades,” while its solar estimating tool (www.1bog.org/solar-estimate) allows customers to use mapping technology to see what a solar system might mean for their home.

Lessons and Considerations:

- *Using a per-watt fee:* To finance their business model, 1BOG charges a \$0.25 per watt installed fee to the chosen contractor. This adds approximately \$1,250 to the price of a 5 kilowatt system, about 5% of the overall system cost. The customer never “sees” this fee, because it is built into the flat-rate price offered by the contractor.
- *Remote solar site assessment:* 1BOG recently developed a program to design solar systems remotely through Web-based mapping technology. Using this technology, the organization is able to offer similar services as one might receive in a traditional site evaluation, but cut down on time by performing the evaluation over the phone. Using this technology, 1BOG allows customers to sign contracts remotely, thus creating efficiencies in the solar installation timeline.

For More Information: 1BOG, www.1bog.org/

Reduce then Produce: Home Performance Before Solar

Campaigns: 1 (San Diego)

Installations: 7 (in addition to 11 home-performance upgrades)

The San Diego-based California Center for Sustainable Energy (CCSE) administers the California Solar Initiative rebates in the San Diego area and works with home performance contractors under the Energy Upgrade California program. In summer 2011, CCSE launched “Reduce then Produce,” a pilot program to integrate the two efforts. Homeowners were required to get a Home Energy Rating System (HERS) rating of 100 or lower, or get a home assessment and conduct an upgrade before going solar. Rebates were available for both the HERS rating and the energy upgrades. GroupEnergy (see GroupEnergy: Workplace Campaigns for Employers and Employees) guided the RFP for solar PV, selecting two installers. CCSE invited a pool of 30 qualified home-performance contractors to join the program, and 13 ultimately signed on. Although participation in the pilot was light, program managers are eager to refine the program design and try again.

Lessons and Considerations:

- *Home Performance Contractors Want Solar Business:* It is relatively common, at least in strong solar markets like San Diego, to find home-performance contractors who offer holistic solutions including solar PV. Because the campaign used pre-selected solar contractors, the home-performance contractors did not embrace the program as strongly as they might have. Using a single contractor for both the home performance and the solar installation might increase contractor enthusiasm and sales.
- *Homeowners Want Recognition of Their Home-Performance Efforts:* By requiring homeowners to prove home performance (through a rating or upgrade implementation) before going solar, the program engendered resistance in homeowners who felt that they had already improved home performance. Program managers suggest that a more appealing approach is “Reduce AND Produce,” encouraging homeowners to do both, but allowing homeowners to self-certify that they have improved home performance. Especially in the relatively mild climate of San Diego, home-performance improvements may not return enough savings to risk losing the solar opportunity.

For more information: Siobhan Foley, California Center for Sustainable Energy,
Siobhan.foley@energycenter.org

GroupEnergy: Workplace Campaigns for Employers and Employees

Campaigns: Multiple corporate and government clients

Installations: NA

Total Installed Capacity: NA

Founded in July 2011, GroupEnergy delivers collaborative procurement programs to make residential and commercial clean energy solutions simple, social, and cost effective. GroupEnergy designs and administers procurement programs to pool the buying power of an organization’s workforce, securing lower purchase pricing and attractive terms for residential solar and energy efficiency improvements. This new employee engagement tool streamlines the process of researching and choosing the right vendors to help participants lower their utility bills and generate renewable energy. Employers see increased employee engagement in their corporate social responsibility and sustainability initiatives, while helping their community achieve its greenhouse gas reduction goals.

Each GroupEnergy campaign includes a competitive RFP process to evaluate and select vendors. As of early 2012, multiple campaigns had completed vendor evaluation and launched enrollment. GroupEnergy can work either directly with a large employer, or deliver partnership programs through an umbrella nonprofit or government organization. Current GroupEnergy clients include Adobe's Green Team, Bank of America, the Bay Area Climate Collaborative SunShares program, Genentech, and ICLEI - Local Governments for Sustainability USA. Under ICLEI, GroupEnergy is administering “Energy Benefits,” a new clean energy procurement program offered to member communities as a tool for achieving climate action goals. Energy Benefits offers residential solar and energy efficiency solutions, as well as commercial facility solar aggregation on behalf of employer organizations. With its nationwide reach, GroupEnergy is reducing soft costs, securing favorable pricing and leveraging the workplace to bring solar to new markets.

For More Information: Jessie Denver, GroupEnergy, info@mygroupenergy.com

GENERAL LESSONS AND CONSIDERATIONS

The following lessons and considerations are based on the feedback from all of the Solarize campaigns in this guidebook.

Tap the Grassroots

Solarize campaigns are successful because they tap the grassroots to design and market the program. In a positive feedback loop, the process of creating and deploying the program builds community pride that encourages higher levels of participation in the community.

Involve the Community in Decision Making

The RFP process is an opportunity for the community to create an empowering statement of values. With guidance from technical experts, volunteers craft the contractor selection criteria and exercise choice in the selection of the installer(s).

Use Community-Based Marketing

Solarize is a classic example of community-based social marketing: Information reaches people through face-to-face encounters with friends and neighbors, house parties, and other social interactions. Although the campaign uses the Web

as well as traditional media, the thrust of the marketing appeal is personal. In contrast to a plea from the government or the utility, the appeal comes directly from a friend or neighbor.

“Solarize Southwest was perhaps the single most satisfying project I’ve worked on at SW Neighborhoods. The shared experience of residents attending workshops together and installing solar energy equipment at the same time helped to create a strong sense of community amongst those who participated, and helped us fulfill our mission to the community: to empower citizen action to improve and maintain the livability of southwest neighborhoods.”
Leonard Gard, Project Coordinator, Southwest Neighborhoods, Inc.

Collaborate with a Trusted Local Organization and Assign a Project Manager

A successful campaign collaborates with a trusted local organization that has a history of helping people. In Portland, the Neighborhood Coalition offices served this role. In Washington, it was Northwest SEED, and in Vermont, it was VPIRG that was the trusted organization. Local organizations provide “third-party validation,” which instills trust in the program. Regardless of the organization, each campaign had a dedicated project manager to orchestrate the effort.

Plan for Success

The first Solarize Portland effort set a goal of 25 installations. When 350 residents signed up, the manual process of entering enrollee information into a spreadsheet quickly became untenable, and the contractor realized that it needed a customer service plan to keep in touch with customers over the several months that they would have to wait to get through the installation queue.

Project organizers should plan for success and put efficient systems in place for capturing enrollment information, sharing information with contractors, and following up with customers. Consider selecting more than one contractor, so that no single contractor is overwhelmed with jobs.

Support Contractor Systems

Smaller contractors in particular may need support to build their customer relationship management systems to handle a program of regular follow-ups to keep warm leads “warm” until they can reach

the customer. Project organizers can help contractors by ensuring that they have thought through their customer service plan, requiring specific plans in the RFP response.

Make Contractors Responsible for Site Assessments

The early Solarize campaigns offered an optional free site assessment in which Energy Trust helped residents determine their homes' suitability for solar and consider energy efficiency options. Although attractive in principle, in practice, offering these third-party reviews created a bottleneck, slowing the installation process as contractors had to wait for the reviewers to complete their assessment before meeting with the homeowner. The first program evaluation showed that homeowners who requested the optional site assessment actually installed solar at a lower rate than those who did not (possibly because they were requested by homeowners who suspected that their home was unsuitable.) In any case, the contractor must ultimately visit the home to advise on the system size and sign the contract, so the site assessments can be part of the contractor's plan.

Pricing Considerations

To what extent is the success of Solarize due to low prices? Campaign results suggest that prices and incentives vary widely from market to market, and project organizers should consider several points when designing the price of the offer.

Absolute Price Is Less Important Than the Perception of a Good Deal

In general, most people don't know what a solar installation is supposed to cost, so they have no price yardstick to evaluate the program offering. More important than getting a good deal is the assurance that they are not getting a bad deal. As long as a consistent price is set for everyone, and it is demonstrably less expensive than the "going rate" for individual solar installations, people perceive the cost as "a good deal." In fact, many RFP committees selected final bids that were not the lowest price, but the best value, providing a reasonable price for high-quality service.

Fixed Price vs. Descending Price: Pros and Cons

The Solarize campaigns in Portland and Massachusetts effectively used a descending price scale to encourage higher participation. While a descending price can motivate early enrollees to recruit others, it also adds complexity: it delays the time when the final price is determined, so the contractor cannot quote a final price to early enrollees. Contractors might quote the highest price and collect payment in several installments, with a contract clause that the final installment will be adjusted to reflect the final price. However, organizers might consider fixed-flat pricing from the start and use other means to encourage recruiting. For example, contractors might pledge to donate a system to a local organization if the installations reach a certain goal. Others may offer a rebate at the end of the program to all participants based on the total solar capacity installed.

Another argument for fixed pricing is that the contractor's ability to offer a lower price does not depend as much on the savings on volume purchases of equipment as it does on the savings in time and effort in marketing. Larger contractors often have access to volume equipment pricing even without the group purchase, so their savings are more likely to be realized in the community-run sales and marketing. They can commit to their lowest price knowing that the grassroots community-based social marketing effort will bring them hot leads with a high conversion rate.

Financing

By offering some form of program financing, Solarize campaigns are able to tap a larger market for PV. Options vary from state to state, but some combination of the following should be considered.

Municipal Loans

The City of Pendleton, Oregon, offered zero-interest loans of \$9,000 to Solarize participants. Funds were borrowed from an existing wastewater treatment facility rate stabilization fund, with loan repayment structured over four years: 50% paid back the first year and the remainder paid back over three years. The loans were secured by a lien against the property through a Local Improvement District. The City used property tax revenue to make up the lost interest on the rate stabilization fund, so that when the loans are fully repaid, the fund will be exactly where it would have been without the program. These funds bridged the gap between the customers' payments to the contractor and their receipt of state and federal tax incentives. Ultimately, 63% of residential participants took advantage of the loan. Sixty-four homeowners and several small businesses used \$775,000 in loans. One year later, none of the loans are in default, and the City has recovered 50% of what it loaned out and is on track for 100% recovery of the loan fund. The loans have given such a boost to solar in the area that Solarize Pendleton's selected installer, Livelight Energy, has opened a permanent office in the rural area.

For more information: City of Pendleton, <http://solarizependleton.com/main/replication/>

Bank or Credit Union Loans

As the residential solar market continues to expand, lenders are beginning to realize the value of tapping this market. For example, Portland-based Umpqua Bank offers "Greenstreet" lending, a menu including a home equity line of credit, home equity loan, or unsecured loan to homeowners who are improving energy efficiency or going solar. The rates are competitive, and the loans have the added advantage of no fees and a lender that understands the value of connecting with green neighborhood initiatives. Credit Unions may also offer special loans for members or employees who are going solar, as the San Jose Credit Union did for its employees in 2010.

Solar Leases or PPAs

In certain markets (depending on eligibility for state and utility incentives and the ability to legally offer third-party financing solutions), companies may offer customers the option to lease panels rather than make

Third-party prepaid and lease solar PV options have provided more choice for homeowners, with lower costs. Nine out of 10 homeowners choose these programs over standard purchase options.

a direct purchase. In Portland, when state tax rules changed to allow homeowners to take the state tax credit regardless of ownership, two large solar companies, SunRun and SolarCity, introduced financing alternatives to direct ownership. SunRun partners offer a "Prepaid PPA" in which the customer pays \$6,000 up front for a 3.24-kW system and recoups the payment over the next four years as a state tax credit. Customers receive 20 years of electricity from the panels on their roof, with maintenance and warranties covered by their installer. Solar City offers a 15-year solar lease, with no upfront payment, for as little as \$20 a month.

Utility Loans

Until recently, there have been few utilities offering loans for going solar, and no overlap between solar loans and Solarize campaigns. Now, in Washington, Snohomish County Public Utility District No. 1 offers its Solar Express loan and rebate program in conjunction with a Solarize campaign. Under Washington law, Snohomish can claim double credit toward meeting the requirements of the state Renewable Portfolio Standard because the kilowatts installed are distributed renewable generation.

Program Funding Considerations

Deploying a Solarize campaign costs money. Despite harnessing volunteer labor for everything from planning to marketing to contractor selection, a successful campaign will need the oversight of a project manager and will incur costs for marketing materials, database administration, and communications. The Portland campaigns relied on the staff at the neighborhood coalitions, as well as paid staff from Energy Trust and City of Portland, who were supported in part by a federal grant. Communities without paid neighborhood staff or grants should consider other options for funding.

Collect a Per-Watt Fee

Project organizers could consider building a small per-watt fee into the contractor's scope of work, which is then passed on to the customer. The contractor can still offer a competitive price, because it is saving money on marketing, while the program establishes a source of funding for everything from staff time to outreach materials. Organizers might still need seed funding to launch the project until the installations and fees begin to flow.

Create a Buyer's Co-Op

Salem Creative Network adopted a co-op model to fund its Solarize efforts, charging program participants a fee of \$0.10 per watt (e.g., \$250 for a 2.5-kW system) to join the co-op. The fee was intended to cover program management, database administration, and outreach. The co-op fees supported the campaign organizing staff for about a month. It may be more palatable to customers to have the co-op fee rolled into the contractor fee, so that they only write one check.

Leverage Contractor Marketing Dollars and Expertise

As noted, the community-led marketing campaign saves contractors money. In return, the selected contractors may have marketing materials and expertise that they can share with the campaign. For example, in Pendleton, Oregon, the contractor provided yard signs and marketing fliers, rented a booth at the farmer's market, and covered other incidental marketing costs. In Seattle, installers have provided financial assistance with everything from door hangers to bus and radio advertisements.

Secure Local Utility Program Funds

Electric utilities may be interested in supporting the labor costs and/or the rebates for a Solarize campaign as a way of delivering a popular customer service. The campaigns provide outreach and education about energy and build a constituency that interacts more closely with the utility. In addition, utilities may be able to claim Renewable Energy Credits (RECs) from programs that they sponsor. For example, in Washington, utilities that incentivize solar PV can double count that production toward meeting their Renewable Portfolio Standard.

PLANNING A SOLARIZE CAMPAIGN

The following section describes the steps to carry out a successful Solarize campaign.

Step 1a: Develop Partnerships and Initiate Planning (Months 1 – 3)

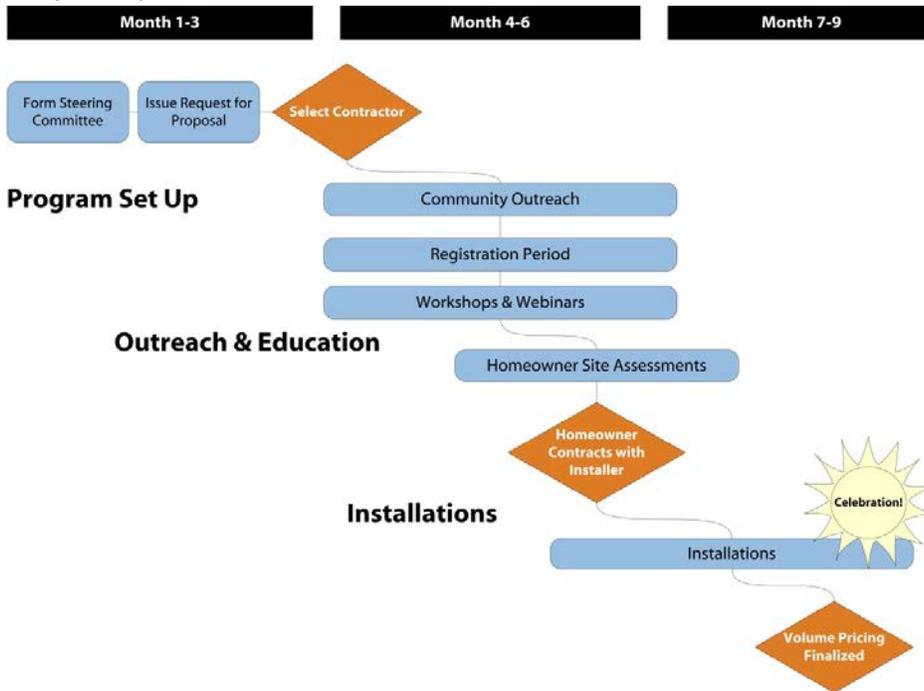
A successful campaign begins with strong planning and partnerships. The institutional project organizer should enlist key allies and support starting with a primary project manager (one very dedicated individual who will oversee all the moving parts). Usually, the initial campaign organizing involves these players:

- Primary project manager (institutional project lead)
- Community organizer or volunteer coordinator (may be a neighborhood volunteer)
- Technical support lead (a solar specialist, such as utility or city staff)

These project players collaborate to build the project work plan and timeline, identifying all the tasks, responsible parties, and community partners. Potential community allies include:

- American Solar Energy Society chapter
- Local nonprofit
- City government
- Local utility
- Neighborhood coalitions or associations
- Local manufacturer of solar equipment
- Churches
- Rotary or other service clubs
- Credit union or local bank

Sample Project Timeline



Sample Roles in a Solarize Campaign

The following chart shows sample roles and responsibilities in a typical Solarize campaign. The Project organizer is an essential role and could be a neighborhood coalition, a municipality, a local ASES chapter, or any organization with the capacity to devote a half-time person to leading the charge.

	Project Manager	Volunteers	Contractor	Utility/Municipality
Planning	Manage program; provide resources	Provide ideas		Provide tech support; provide resources
Volunteer Recruitment	Recruit & organize committees			Advise committees
Request for Proposal (RFP)	Issue RFP; advise on RFP and contractor selection	Draft RFP; select contractor	Respond to RFP	Advise on RFP
Outreach	Manage outreach campaign; create and print fliers; lead workshops	Build website; distribute fliers, outreach materials; schedule workshops; identify venues	Teach nuts and bolts and Q&A session	Provide workshop curriculum; teach workshops
Enrollment	Compile database of enrollees; engage customers	Recruit neighbors	Conduct preliminary assessment and schedule site assessments	

	Project Manager	Volunteers	Contractor	Utility/Municipality
Site Assessments	Track contractor turnaround time and signed contracts		Conduct site assessments with homeowners; prepare bids	
Installations	Track contractor turnaround time and customer experience		Execute contracts; install systems; complete paperwork	Streamline solar permitting process; inspect installations; interconnect systems
Celebration!	Issue press release; promote, evaluate and replicate	Plan and/or host party	Plan and/or host party	Evaluate

Step 1b: Build Database and Customer Interface (Months 1 – 3)

A customer service database is essential for contractors and project organizers to track customer follow-up, schedule installations, and capture project results. The project organizer should provide the database structure and protocols to the contractor. Some contractors may have their own customer relationship management (CRM) software, but they should also update the database supplied by the program. This way, the contractor’s process is transparent to the project organizer, and if there are delays in implementation, the project organizer can see these and plan accordingly. Solar Oregon has developed a database for use with Solarize projects and is available on contract to build, manage, and administer a customized database for a reasonable fee. Other Solarize projects have used CRM software such as Salesforce to manage customer enrollment. The project organizer, as the agent of public trust, must be sensitive to the privacy of participants, and take care not to disclose information beyond the program or misuse information submitted by participants.

Step 2: Volunteer Recruitment (Months 1 – 2)

One of the first tasks of the primary project manager is to host a meeting to recruit core volunteers. The core volunteers can be organized into two committees:

- Outreach committee: Manage the communication and outreach to all neighbors. Members should be media savvy and should get articles in the newspaper, build a website, and recruit neighbors.
- RFP committee: Write the RFP, review contractor submittals, interview, and select a contractor. Members should include at least one solar professional or tradesperson and preferably non-voting technical support from the institutional sponsor (e.g., city or neighborhood coalition).

The neighborhood recruitment meeting should be advertised in neighborhood papers, discussed personally with neighborhood association chairs/community groups, and talked about widely. These volunteers will be the core group to initiate the Solarize effort.

Step 3: Request for Proposal Process (Months 2 – 3)

Writing the RFP and creating the RFP scoring rubric is a chance for community members

*"The RFP process was extremely important for our committee. We learned more about the contractors than we ever could as individual customers, and we communicated our values to the contractors."
Todd Farris, Volunteer Program Manager, Solarize Southwest*

to express their values. The volunteer committee, acting as the agent of public trust, is creating a defensible, open process to select the contractor. Usually, at least one solar professional or person with solar expertise supports the committee. It is important to have a clear method of scoring the proposals and to communicate this to the bidders. It is best to use a low number of points (three to five) for each desired category, so that score variations are significant.

The RFP should be issued widely. Contractors should have several weeks to respond, and all questions and answers should be posted to a public website, where all bidders see the same information. After proposals are received, the committee members begin evaluation. Even where the project receives many excellent proposals, it is best to interview only the top two or three contractors as a courtesy to the volunteers and contractors.

After contractor selection is announced, the committee may receive inquiries from contractors who were not selected. If they have followed the RFP evaluation criteria, the response is simple: “The committee scored the applicants and chose the one or two that scored the highest on the rubric.” Committee members should keep conversations positive and not try to justify why the committee chose one contractor over another.

Step 4: Outreach and Education (Months 4 – 6)

Once the contractor is selected, outreach becomes a focus. The outreach committee creates or adapts materials – fliers, buttons, stickers, yard signs, and a website to help spread the word. Elements of the outreach campaign can include:

Website

A program website serves as a central location for updates on the campaign, a calendar of events, and a place to enroll. It is essential for volunteers to direct people to the website for timely information. Having a dedicated volunteer to update the website regularly helps build and maintain program momentum.

Print Materials

A colorful campaign logo and photo on a flier help lend legitimacy and spread the word. Fliers, posters, door hangers, and other print materials should be distributed widely.

Blogs and Emails

Electronic media provide an affordable and convenient way to increase the outreach of the campaign. The outreach committee should submit information to neighborhood blogs, write letters in their neighborhood newsletters, and send emails to friends, neighbors, and family members encouraging them to join the campaign.

Workshops

All interested homeowners are strongly encouraged to attend at least one workshop. A contractor representative should attend each workshop to answer questions. This will provide technical support to workshop presenters, while building a relationship of trust between the contractor and the homeowners. The group setting is important, to build trust and neighborhood cohesion while encouraging attendees to enroll in the program.

Basic Workshop

This is an introductory, one-hour workshop, held at multiple locations throughout the community. The basic workshop explains how the project works, the benefits of collective purchasing, solar PV technology, financing and incentives, and how to participate.

Technical Q&A Sessions

If participants want additional, in-depth information, organizers may consider holding technical Q&A sessions. These informal, open-format sessions allow potential participants to get their questions answered in a friendly and educational environment. Sessions could focus on a topic presented by subject matter experts:

- Cash incentives, tax credits and financing (Presenter: financing partner/utility)
- Net metering (Presenter: utility)
- Technical nuts and bolts (Presenter: contractor)

Solar Ambassadors

A successful campaign will enlist the support of solar champions who already have solar on their homes. For example, Solar Oregon organizes a program of Solar Ambassadors, local residents who have gone solar. These supporters are strong advocates and positive examples for homeowners considering a solar purchase. Ambassadors can attend or present at workshops, providing an important validation to others looking to install solar.

Step 5: Customer Enrollment (Months 4 – 6)

The enrollment period, usually three months, should run concurrently with outreach and education. Kick off with a press release and a high-profile community event, perhaps at a farmer’s market or other public venue. Ideally, enrollment occurs online, and participants enter their data directly into a database. Programs may make a provision for participants to register by phone if they have no Internet access, and a project organizer could enter this customer data into the Web interface. The online enrollment process should generate an auto-reply email, alerting the customer of the date on which their information will be given to the installation contractor, and telling them to expect a call within two weeks (or the agreed upon turnaround time). At this point, the leads are hot and the sooner the contractor can act, the more likely the leads will convert to installations.

Throughout the enrollment period, the outreach committee volunteers drive people to the website through various avenues that suit their own comfort level: hosting coffees, going door to door, sending emails, posting fliers on public message boards, or submitting articles to the local press. As the enrollment period draws to a close, the media may take interest, if they haven’t already. It is best to invite media early on, so that they can help get the word out, rather than generate a lot of interest after the enrollment has closed.

Step 6: Site Assessments (Months 4 – 8)

As soon as people begin enrolling, the project organizer can begin passing participant information to the contractor. Although several Solarize campaigns waited until the end of enrollment to pass the leads to the contractor, passing leads as participants enroll will help even out the contractor workload and improve the follow-up time. The contractor may use mapping software to screen out any obviously ineligible participants (e.g., those with heavy shading) and then schedule an appointment to meet with the customer for a more

detailed evaluation and system sizing. If all goes well, the customer and contractor sign a contract for installation.

Step 7: Installations (Months 5 – 9)

The contractor is responsible for installations, but the project manager should monitor the customer database to ensure that installations are occurring within an appropriate time frame. At this phase, the contractor should be updating the customer database as customers are contacted and systems installed. All customers should continue to get periodic messages from the program, offering updates on the status of the program. In Portland, the project manager coordinated weekly or twice-monthly team meetings to discuss installation statistics, and address and issues or concerns that arose. Meetings built a strong team atmosphere and gave the City, neighborhood leads, and the contractor opportunities for increased project cooperation and correction, when needed.

Some Portland participants expressed frustration with long waiting periods between enrollment and installation. This is typical in a volume purchasing program, but can be alleviated in part by choosing more than one contractor and/or releasing names to the contractor as soon as homeowners enroll.

Step 8: Celebrate and Reflect (Month 9)

It is important to acknowledge the hard work of everyone who supported the program and celebrate the community effort. The contractor and/or manufacturer may be willing to sponsor a public celebration. The media will want to attend, and the positive energy generated by the celebration can help fuel the next project in the next neighborhood. Equally important is reflection and evaluation. Project organizers can continue to build public trust by listening to feedback in order to improve future programs.

After the installations were complete, the homeowners came together for a walking tour of neighborhood homes and a celebratory picnic. Another Portland neighborhood held its celebration at the local brewpub.

Sample Budget

Although every program will vary by location and population size, this sample budget provides a starting point for project planners.

Labor Hours	Project Organizer	Volunteers	Contractor	Utility	Total
Project Management	250	250			
RFP Committee	40	80			
Outreach Committee	70	50			
Workshop Design and Delivery	100	50	20	10	
Site Assessments			*		
Installations			*		
Celebration and Evaluation	30	30	20		
Total Hours	490	460	40	10	1,000
Materials Expenses					
Collateral (fliers, yard signs, etc.)	\$1,000		\$1,000		
Advertising	\$150				
Database Development	\$2,000				

Labor Hours	Project Organizer	Volunteers	Contractor	Utility	Total
Workshop Venue Rental	\$400				
Speaker Fees	\$300				
Booth Rental for Events	\$100				
Web Hosting/Domain Name	\$200				
Celebration Event	\$200		\$300		
Total Materials	\$4,350	\$0	\$1,300	\$0	\$5,650

**Contractor hours for site assessments and installations will vary by number of participants and are not shown here because they are not unique to a Solarize campaign.*

The budget above reflects a possible scenario for a project lead, volunteers, and program partners. Of course, labor costs will vary widely, depending on how much of the labor is volunteer based.

Some communities have successfully leveraged AmeriCorps or other service-learning volunteers to serve key program roles, while others have used volunteers primarily in outreach and the RFP process. In some municipalities, the existing staff in the office of neighborhoods or the office of energy or sustainability can take on the project lead hours as part of a special campaign.

As with labor, the materials budget will vary widely, depending on the media market and the amount of outreach materials that can be donated. The budget does not suggest a source for program funding. Each program planner will have to consider options discussed elsewhere in this guide, including grants, volunteer contributions, or a fee assessed on each installation.

Collective purchasing programs from across the United States

- GroupEnergy launched multiple collective purchasing programs for the workplace in early 2012. www.mygroupenergy.com
- “Lighten Our Load” was developed for Columbia Sportswear by Energy Trust of Oregon in 2008. www.energytrust.org
- MadiSUN Group Solar Program serves residential and commercial customers in Madison, Wisconsin. <http://www.cityofmadison.com/sustainability/city/madisun/>
- Make Mine Solar is a collective hot water purchasing program, based in Minneapolis, Minnesota. www.mnrenewables.org/MakeMineSolar
- One Block Off the Grid is active in 20 cities nationwide, supporting volume purchasing for residential customers. www.1bog.org/
- Reduce then Produce was an integrated home performance and solar program based in San Diego, from the California Center for Sustainable Energy.
- San Jose Employee Solar Group Buy was offered to City employees and retirees in 2010. The program became the model for the SunShares Program of the Bay Area Climate Collaborative. <http://baclimate.org/impact/sunshares.html>
- Solar Beaverton offers PV, hot water, and even EV charging stations in a group purchase format. <http://www.beavertonoregon.gov/index.aspx?NID=412>
- Solarize Eugene: The Resource Innovation Group won a utility grant for Solarize Eugene 2012, addressing PV and hot water. <http://solarenergydesign.com/solar-electric-systems/solarize-eugene/>
- Solarize Pendleton: The City of Pendleton, Oregon, offered zero-interest loans to finance solar installations and created program replication materials <http://solarizependleton.com/main/replication/>
- Solarize Portland: With over six campaigns and 560 installations, Portland leads the way and helps other cities run Solarize campaigns. <http://www.portlandonline.com/bps/index.cfm?c=51902>
- Solarize Salem: The Salem Creative Network organized a co-op to help fund its PV and hot water campaigns. <http://solarizesalem.org/>
- Solarize Santa Barbara: More than 49 neighbors went solar through a program from Community Environmental Council. <http://www.cecsb.org/solarize-santa-barbara>
- Solarize Washington: A series of residential PV campaigns from Northwest SEED began in 2011. www.solarizewa.org
- Solarize Massachusetts: Massachusetts Clean Energy Center (MassCEC) in partnership with Green Communities Division of the Massachusetts Dept of Energy Resources ran campaigns in four cities. <http://www.masscec.com/index.cfm/cdid/12093/pid/11159>
- VPIRG Energy ran successful “Solar Communities” programs for PV and hot water across Vermont. The co-directors of VPIRG Energy have subsequently launched SunCommon. <http://suncommon.com/>

Publications

Solar Powering Your Community: A Guide for Local Governments. U.S. Department of Energy, 2011. The second edition of this guide includes case studies and lessons learned from Solar America Cities. www.solaramericacommunities.energy.gov/resources/guide_for_local_governments

Solarize Portland: Community Empowerment through Collective Purchasing. Lizzie Rubado, Energy Trust of Oregon, August 2010. This paper provides more details on the success of Solarize Portland. www.energytrust.org/About/policy-and-reports/Reports.aspx

Evaluation of Energy Trust of Oregon's Solar Programs: Solarize Southeast Portland and Solar Energy Review. The Cadmus Group, November 2010. The evaluation contains detailed customer feedback and participation profiles for the first Solarize project. www.solarizewa.org/files/cadmus-report-eto-solar-programs

Smart Solar Marketing Strategies. L. Rosoff and M. Sinclair, Clean Energy Group 2009. The report offers valuable lessons in marketing solar. www.statesadvancingsolar.org/resource-center/smart-solar-marketing-strategies

Peer Effects in the Diffusion of Solar Photovoltaic Panels. Bryan Bollinger, NYU Stern School of Business and Kenneth Gillingham, Yale School of Forestry & Environmental Studies, December 2011. This paper analyzes the spread of solar PV in communities. http://people.stern.nyu.edu/bbollinger/index_files/BollingerGillingham_PeerEffectsSolar.pdf

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