



**Regular Session**

**RS**

**Milwaukie City Council**



**MILWAUKIE CITY COUNCIL  
REGULAR SESSION**

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

**AGENDA  
AUGUST 16, 2016**

2,228<sup>th</sup> Meeting

- 1. CALL TO ORDER** **Page #**  
Pledge of Allegiance
- 2. PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS**
- A. None Scheduled.**
- 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 Meeting Minutes** **2**  
1. June 21, 2016, Regular Session;  
2. July 5, 2016, Regular Session; and  
3. July 19, 2016, Work Session.
- B. Appoint Alejandra Torres to the Visioning Advisory Committee (VAC) – Resolution.** **21**
- 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 to Regulate Marijuana Businesses (File #ZA-2016-001) – Ordinance, Continued from July 19, 2016** **26**  
Staff: Denny Egner, Planning Director
- B. Urban Renewal Plan – Ordinance, Continued from August 2, 2016** **70**  
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. Clackamas County Motor Vehicle Fuel Tax Measure – Resolution** **166**  
Staff: Alma Flores, Community Development Director

**B. Community Vision Status Update** 182  
Staff: David Levitan, Senior Planner

**C. Regional Flexible Fund Allocation Program for Monroe Street  
Neighborhood Greenway – Resolution** 191  
Staff: Denny Egner, Planning Director

**D. 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.**

**3**

# **Consent Agenda**



**MINUTES**  
MILWAUKIE CITY COUNCIL  
www.milwaukieoregon.gov

**REGULAR SESSION**  
JUNE 21, 2016  
City Hall Council Chambers

**Mayor Gamba called the 2,224<sup>th</sup> meeting of the City Council to order at 6:09 p.m.**

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

Staff Present: City Manager Bill Monahan, City Attorney Tim Ramis, City Recorder Pat DuVal, Human Resources Director Gary Rebello, Rights of Way Contract Coordinator Reba Crocker, Engineering Director Chuck Eaton, and Community Development Director Alma Flores

**CALL TO ORDER**

Pledge of Allegiance.

**Mayor Gamba** announced that the consideration of a Compromise, Settlement and Release Agreement with Oregon Pacific Railroad Company and Richard Samuels would be added to the end of the regular session agenda.

**PROCLAMATIONS, COMMENDATION, SPECIAL REPORTS AND AWARDS**

**A. Milwaukie High School (MHS) Outstanding Student Achievement Award for June 2016 to Abby Moore**

**Mark Pinder**, MHS Principal, introduced Ms. Moore and noted her achievements particularly in the areas of scholarship, volunteerism, and athletics.

Mayor Gamba and the Councilors congratulated Ms. Moore and inquired about her academic and extracurricular activities and career plans.

**CONSENT AGENDA**

It was moved by Council President Batey and seconded by Councilor Parks to approve the consent agenda as presented:

**A. City Council Meeting Minutes:**

1. May 17, 2016, Regular Session;
2. May 19, 2016, Study Session; and
3. May 31, 2016, Special Session.

**B. Appointments to Boards, Commissions, and Committees**

1. Resolution 67-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, appointing Tam Guy to the Public Safety Advisory Committee;
2. Resolution 68-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, reappointing Ray Bryan to the Public Safety Advisory Committee;
3. Resolution 69-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, appointing Pam Denham to the Public Safety Advisory Committee;
4. Resolution 70-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, appointing Kim Travis to the Public Safety Advisory Committee;
5. Resolution 71-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, reappointing Regis Niggerman to the Public Safety Advisory Committee;

6. **Resolution 72-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, reappointing Christopher “Kit” Donnelly to the Public Safety Advisory Committee;**
  7. **Resolution 73-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, reappointing Angel Falconer to the Public Safety Advisory Committee;**
  8. **Resolution 74-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, appointing Meg Elston to the Public Safety Advisory Committee; and**
  9. **Resolution 75-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, reappointing Michael Osborne to the Milwaukie Budget Committee**
- C. Resolution 76-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, authorizing the City Manager to sign a personal services agreement (PSA) with Willamette Falls Media Center (WFMC) to provide government and public access services.**
- D. Resolution 77-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, authorizing the City Manager to enter into an Enterprise Agreement with Microsoft.**
- E. Resolution 78-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, authorizing the Mayor to execute and sign an amendment to the intergovernmental agreement between the City of Milwaukie and the Clackamas County Juvenile Department.**

**Motion passed with the following vote: Councilors Parks, Churchill, and Batey and Mayor Gamba voting “aye” and Councilor Power abstaining [4:0:1]**

## **AUDIENCE PARTICIPATION**

**Mayor Gamba** reviewed the audience participation procedure.

**Mr. Monahan** reported that Zac Perry and Jessica Rinner provided comments about Wichita Park and Safe Routes to School during audience participation at the previous meeting, and no response was required.

## **PUBLIC HEARING**

**None scheduled.**

## **OTHER BUSINESS**

### **A. Management and Confidential Employee Compensation**

**Mr. Monahan** provided the staff report in which the City Council was requested to approve a 2.5% management / confidential employee cost of living adjustment (COLA) effective the first day of the pay period July 1, 2016. This increase would match those received by both the Milwaukie Police Employees Association (MPEA) and the American Federation of State and County Employees (AFSCME).

**It was moved by Councilor Power and seconded by Council President Batey to approve a 2.5% management / confidential employee cost of living (COLA) adjustment effective July 1, 2016. Motion passed with the following vote: Councilors Parks, Power, Churchill, and Batey and Mayor Gamba voting “aye.” [5:0]**

### **B. Management and Confidential Employee Deferred Compensation**

**Mr. Monahan** provided the staff report in which the City Council was requested to approve increasing the City’s management and confidential employee deferred

compensation contribution from 2.0% to 2.5% effective the first day of the pay period July 1, 2016. This percentage would match those received by MPEA and AFSCME.

**It was moved by Council President Batey and seconded by Councilor Parks to approve increasing the City's management and confidential employee deferred compensation contribution from 2.0% to 2.5% effective the first day of the pay period July 1, 2016. Motion passed with the following vote: Councilors Parks, Power, Churchill, and Batey and Mayor Gamba voting "aye." [5:0]**

### **C. Solid Waste Rate Discussion**

**Ms. Crocker** provided the staff report and was joined by Rick Winterhalter, Clackamas County. She proposed a discussion of the rate structure options followed by direction from the City Council for adoption on July 5, 2016. Ms. Crocker outlined the previous actions. Option B did not increase residential service rates and proposed the same commercial container rate increase as Option A of \$.39 per cubic yard. Further, Option B created a special class of service for special waste disposed of outside the Metro region and increased the 10, 20, and 30 yard drop boxes rate. Option B did not exactly get to the 10% rate of return across the board, but it did get drop box service up to 6.32%. Staff recommended continuing to equalize that number in the future. She added that the bulky waste pickup had been estimated in Option B.

City Council directed staff to prepare the Resolution adopting Option B for the July 5, 2016, consent agenda.

### **D. Fee in Lieu of Construction (FILOC) Fees**

**Mr. Eaton** provided the staff report and reviewed previous actions related to Ordinance No. 2122 and codified as Chapter 13.32 that created the new FILOC program and directed that new fee rates be developed. Transportation, water, stormwater, wastewater, and stormwater quality services could potentially be deferred in the FILOC program. There was a clause annually indexing the fees for inflation to the Seattle Construction Cost Index (CCI) which was the only one in the area and was a percentage based on today's rates. Prior to the recent code amendment, the practice had been to calculate each property independently which resulted in a wide swing in rates. Based on City Council direction, each property was calculated independently based on lineal footage which was a more uniform and user friendly method. The exception was stormwater quality which was based on the square footage of impervious surface. If a person qualified for this program, then he or she could make the request to pay the fee rather than making the improvements.

**It was moved by Council President Batey and seconded by Councilor Power to adopt the Resolution establishing fees for the Fee in Lieu of Construction Program and updating the Master Fee Schedule of the City of Milwaukie. Motion passed with the following vote: Councilors Parks, Power, Churchill, and Batey and Mayor Gamba voting "aye." [5:0]**

#### **RESOLUTION 79-2016**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON ESTABLISHING FEES FOR THE FEE IN LIEU OF CONSTRUCTION PROGRAM AND UPDATING THE MASTER FEE SCHEDULE OF THE CITY OF MILWAUKIE**

### **E. Intergovernmental Agreement (IGA) between the City of Milwaukie and Metro to Prepare a Joint Offering for the Harrison and Main Street Site (formerly the "Texaco Site") for Development**

**Ms. Flores** provided the staff report and was joined by Megan Gibb, Metro Transit Oriented Development (TOD) Program Manager. The request was to authorize the City

Manager to sign a five year IGA with Metro to prepare a joint offering of the Harrison and Main Street Site (formerly the Texaco Site) for development. The last IGA with Metro for this particular site was signed in 2005, and she briefly discussed the 2007 – 2009 economic collapse. That IGA had not been renewed after its expiration in 2010, and staff requested that the proposed IGA be signed for another five year period. Ms. Flores addressed the value of the activities and events taking place on the site including First Fridays and the Sunday Farmers Market, that would be supported throughout the process.

At the previous meeting on May 17, 2016, City Council directed staff to make two changes to the wording in the IGA: adding reference to the zoning code height requirement and clarifying the definition of the term full block. She discussed clarification of the Metro program investment criteria. Milwaukie was in a partnership role with Metro as part of its TOD program for a full block development. The site was approximately one acre in size with Metro owning the west half of the block next to McLoughlin Boulevard and Milwaukie owning the east side of the block on Main Street. The intent was to spark revitalization in the downtown through transit oriented development, and she discussed the relationship with the recent Moving Forward Milwaukie (MFM) Project. Milwaukie purchased its portion of the block in 1969 for approximately \$92,000, and Metro purchased its property in 2005 for \$750,000 and spent an additional \$40,000 for cleanup.

**Ms. Gibb** discussed what the IGA did and did not do. It signaled the City's intent to seek a qualified partner with Metro to develop the site into a landmark, signature mixed use project, and described the partnership. It outlined the potential incentives that could be used to ensure a quality project and also defined the predevelopment approach and staff responsibilities. The IGA did not determine the criteria by which a developer would be selected, determine a specific building form and function, or trigger a specific development.

**Ms. Flores** reviewed the next steps that would authorize Milwaukie and Metro staff to begin preparing a joint development solicitation, draft a Request for Qualifications (RFQ) or Request for Proposals (RFP) with input from a committee, and jointly approve a future selection for the development of that site.

**Jim Bernard**, Clackamas County Commissioner, provided his resume that included the Milwaukie Downtown Development Association (MDDA) and Celebrate Milwaukie, Inc. (CMI), the nonprofit that established the Milwaukie Sunday Farmers Market. CMI had fulfilled its purpose, and Mr. Bernard outlined the contributions the nonprofit had made in the community. The CMI Board of Directors voted to support the City of Milwaukie and Metro's joint project. The CMI Board thought the Market could relocate at South Main and would benefit from the proximity of light rail to ease any parking issues. CMI was open to working with the City to make a successful project.

**Brian Shenk**, Milwaukie resident, supported the City's entering into the IGA as part of a planning process, and he was concerned that opposition to even conceptual alternatives might cripple the City of Milwaukie. He urged going through the planning process and working with CMI to find a new location for the Farmers Market which he personally enjoyed and hoped would continue.

**Naoki Yoneyama**, Milwaukie resident, supported the IGA and hoped the City Council would support it also. Milwaukie recently declared a housing emergency, and he discussed the difficulties in finding a place to live coupled with increasing home prices. He thought it was a great idea to use this central space close to public transportation that would create and increase housing and incorporated retail space on the ground level. The downtown would be a more vibrant place, and the housing would generate more customers for downtown businesses. He urged that the development include affordable housing, relocation of the Farmers Market to another suitable site, and an awareness of the architectural design to make something beautiful.

**Milo and Pam Denham**, Island Station Neighborhood residents. **Ms. Denham** totally supported entering into the IGA and understood the development would not put the Farmers Market out of business. **Mr. Denham** responded to Councilor Churchill's column in the recent edition of *The Pilot* and urged the City Council to sign the IGA with Metro and proceed to develop the Main and Harrison site. He had a vision of Milwaukie in the future where he planned to retire and spend the rest of his life. In seven years he saw a completed amphitheater and other amenities in the Milwaukie Bay / Riverfront Park which had become the City's living room. Completing the Park has enabled residents to connect visually and physically with the River. He sees Pam and him walking to meet friends to enjoy the Park and the Robert Kronberg Park natural area and using the bike / pedestrian bridge. After the sale of the Main and Harrison property, he saw the Farmers Market thriving in the South Main Street area just as it was planned in the South Downtown Plan. Vendors were vying spaces, and the downtown businesses were enjoying more foot traffic than ever before. The City's budget was much easier to approve and had more money for programs because of the increased tax base primarily from multistory buildings in the downtown that complimented the City's character and was in harmony with its history. These new buildings helped fund Safe Routes to Schools, brought the sidewalks and ramps into Americans with Disabilities Act (ADA) compliance, and allowed for other amenities like dark sky compliant street lights and restrooms in neighborhood parks and natural areas. Development would fund affordable housing. He saw a five story building with 1% invested in art. His vision clearly started with the MFM initiative followed by the agreement with Metro and the resulting development. He encouraged the City Council to sign the IGA.

**Angel Falconer**, Ardenwald Neighborhood resident. She was disappointed with the tone of some of the statements and comments leading up to this discussion of a proposed refresh of the IGA with Metro on the Main and Harrison site. It was frustrating that the response came from one source who either intentionally or not gave false information to the public. Not signing this IGA would not prevent other property owners from building up to five stories in the downtown core because the City Code allowed for it. If the City did not co-develop with Metro, then Metro could go it alone on its river-facing half of the lot without City input. The IGA would not close First Friday or the Farmers Market and would not predetermine what was built on the site. She discussed the benefits of entering into the IGA with Metro that included high wage construction jobs. Employees would be hired by the new businesses, and the development would attract patrons 365 days per year. The Farmers Market and First Friday would still thrive. Downtown development would bring much needed revenue to the City for programs like Safe Routes to School and street repairs. Further, it could help solve the region's housing crisis by offering other options for working families and retirees who wish to age in place. The development could be a beautiful, high quality green standard that other developers aspired to. She briefly addressed downtown parking and the currently non-existent views of the Willamette River from the site and noted that a building would offer awesome views particularly if the rooftop was open to the public. This site has been identified for development over recent years and most recently as an opportunity site in the MFM Project. Contemptuous rhetoric about Metro and talk of Council recall may deter developers wishing to work on the project. She urged rallying behind the current momentum in Milwaukie to ensure the best possible project to benefit the City rather than disagreeing about things that were not even true. She urged the City Council to show leadership and base its decision on sound reasoning.

**Nancy Adair**, Milwaukie resident, felt people should have a chance to vote on what they would like to see on the site rather than suddenly making a decision. People cannot always attend meetings and were not aware of what was going on. More people need to have an opportunity to provide input, and it may take an official ballot with options of what they did and did not want to see.

**John Balzer**, Milwaukie resident, asked how much the City would sell the property for, and he understood the City needed the money. **Mayor Gamba** replied there was no

decision on that at all, and he discussed the relationship between property values and taxes. Redevelopment with taller buildings would increase property tax revenues. **Mr. Balzer** asked if the Farmers Market vendors were ever consulted and if they would agree to relocating. There was not enough information for people to understand what the City Council was voting on, and he felt people needed more time to be truly educated. Many people love the property and the Sunday Market and were concerned that the Market would change. He was not antidevelopment but would like to have more information.

**Barbara Eisworth**, Milwaukie resident, thanked Councilor Churchill for alerting the citizens of this upcoming vote that no one knew about. She felt disheartened and confused about why this had been such a quiet process and why the Council members had not sought out public opinion about this life changing decision. Why were there no surveys about this vote? Citizens needed to have a voice. She understood that Metro had purchased the west side of the property, but she felt it would be a mistake to get rid of the treed gathering space on the City Hall side of the block for a nominal fee. She pleaded with the City Council to postpone the vote until the public provided input. She felt the current space should be respected and continue to be a gathering space for the community.

**Brendan Eisworth**, Milwaukie resident, felt people should be given a voice and allowed to go through a public review process. Many things had changed during the past 20 years, and he thought it was naïve to go forward with a plan that was ten years old. Why was Milwaukie being drawn into an agreement on a Brownfield while building what Metro, not the citizens of Milwaukie, wanted? What if Metro built five stories on the McLoughlin Boulevard side, and Milwaukie had fewer stories on the Main Street side? Most people did not want five story buildings. He did not look forward to replacing the 18 year old Market with a Starbucks or a Subway. The creative and progressive citizens of the City of Milwaukie should have a say in what happened to the tree lined lot. Once it is gone, it is gone for good. This was a wonderful central location, and the Milwaukie community has grown stronger through the Farmers Market. The community was a powerful but fragile thing, and he did not wish to reopen old wounds. He urged that all parties work together and make Milwaukie the most livable, equitable, and sustainable city in the country. How the downtown developed should be open to the citizens and not to Metro.

**Tim Kirkpatrick**, Milwaukie resident, has lived in Milwaukie since 2008. One of the main draws for him was the downtown with the Farmers Market and First Friday. He requested more information and more time to gather input from everyone involved.

**Charles Mayes**, downtown business owner, thought Metro and the City should not develop that block and should make it into a big plaza that could be the living room of Milwaukie. Riverfront Park was nothing more than an eyesore. If the City did not have money to take care of that Park, then how would they find money to build a new park at the south end of downtown? The downtown businesses want to save this block more than the City Council understood.

**John Bonforte**, Milwaukie resident, spoke in opposition to the IGA with Metro. Mature trees would be cut down in a place that made Milwaukie unique. Milwaukie residents wanted this to be a quaint city, and he wanted to see a community based on walkability and being able to interact on that space. It could be more than a parking lot, and the City should look at more options. There was already mixed use downtown that was not fully occupied. Residents wanted a unique space where people can gather.

**Ed Zumwalt**, Milwaukie resident, said in 2007, Tom Kemper was going to build a six story building on block 14 with Metro and TriMet. There was not much opportunity to provide input at that time either, and people started meeting at the Spring Creek Coffee House. That development did not go forward in 2007 because of the economy. Now the City was talking about developing the site again, and the people felt they have not been heard. MFM was nothing but a dog and pony show. Block 14 belonged to the

citizens, and they wanted a chance to provide input. Councilors were just padding their resumes for their next political jobs. **Councilor Power** did some homework and found out from her neighbors that they had been involved in the previous vetting process. Mr. Zumwalt commented on the 2007 process. He felt Milwaukie should hesitate on the IGA because people loved the block as part of the fabric of the City. He did not think the Farmers Market and other events could be moved the south end. He discussed his funding concerns and urged more public input.

**Annaliese Hummel**, Milwaukie resident, agreed with her neighbors' comments and questions. She read a question from a neighbor asking about the neutrality of the voting members and if there were any conflicts of interest. Ms. Hummel asked if this was a done deal. Just putting up enormous apartment buildings was not progress, and she was concerned about traffic impacts in the neighborhood.

**Council President Batey** said she was a CMI Board member and asked if that was a conflict of interest since it was a non-paid position on a non-profit board. She did not stand to make any financial gain.

**Mr. Ramis** said in this State conflict of interest was based on pecuniary benefit. He recommended consulting with the Oregon Government Ethics Commission (OGEC).

**Councilor Churchill** disclosed that he sat on the First Friday Board which was not a compensated position, and he understood that was not a conflict of interest.

**Councilor Power** made several comments for the record and pointed out the differences in the two agreements. There were two agreements: the current 2016 draft under consideration and the one signed in 2005 which was amended to allow Milwaukie to use the Metro site as a paid parking lot and a Farmers Market. In her opinion both agreements were the same concept. The new agreement specifically referenced in recital B that the property was occupied by a Texaco service station and that the parties had previously entered into an IGA. Metro did a site assessment in 2005 that flagged some of the underground storage tank issues. It went on to reference the proposed development in 2005. Recital G noted that the City and Metro could not go forward with the joint offering, and then the IGA expired in September 2010. In section 1 there was addition of a discussion of the Disposition and Development Agreement (DDA) between the City, Metro, and the selected developer. In section 4 the previous agreement could either be a public or nonpublic solicitation. The proposed IGA was just for competitive solicitation, and Section 4.2 the joint offering was subject to City Council approval. In the City incentives, there was no requirement that the building exceed four stories found in Section 4.4, TOD criteria. Cost sharing remained the same, but the in kind incentives were more clearly enumerated so that each party knew more specifically what was being committed. Section 4.7 was new and recognized that each entity's respective governing body had final authority over the selection. Section 4.8 was new and provided a clear schedule and timeline for the process. The elements she found most important at this juncture were that a survey and appraisal were required before a developer was selected so the City Council and public would have an understanding of the value of the site. Sections 6, 7, and 8 described how a due diligence would unfold. She felt the additional language gave the City more leverage over the project.

**Mayor Gamba** thought the language about each governing body's having final authority over the selection was the crux of this decision about creating an IGA between Metro and TriMet. It allowed the City to exert a large measure of control over what happened on that entire property.

The group discussed building height and what was allowed by zoning. **Councilor Parks** pointed out that height variances and setbacks were allowed.

**Councilor Churchill** said for him, height was an issue, and he did not feel Metro was open to discussions about three and four stories on Main Street. He heard citizens say that the process was moving too fast, and they wanted to have more input into the process. He personally did not wish to deny them that opportunity.

**Councilor Power** said for her the key thread of concern among all the emails and phone calls was citizen input and involvement. The IGA under consideration was substantially the same as the preceding one with more detail, so City Council did not engage in a lot of outreach. The IGA did not tie the City's hands to future development. The takeaway for her was that without the IGA, Metro could develop half of the site, and the City would not have a say in its development. Since the first amendment to the IGA had also lapsed, there was no written agreement to use the lot for paid parking or the Farmers Market. To her that was not advantageous to the City, the public, or any entity that might be using the space. People have shared a variety of opinions, and the chief concerns seemed to be parking and the Farmers Market. Everyone should have a say in what takes place on this public site, and all options should be weighed. She thought the RFP process would provide a process for collaboration, and everyone would know what was possible for the site.

**Councilor Churchill** asked Councilor Power if she could wait for another few months.

**Councilor Power** thought it was important to capture the agreement to use the Metro space and did not understand what would be accomplished with a delay.

**Councilor Churchill** said one scenario would be to let Metro develop its parcel as it wished and leave the City's property for a plaza. There were a lot of transportation issues associated with South Downtown that needed more input.

**Councilor Power** felt CMI had been clear that it wanted to work with the City, and she did not feel it was appropriate to micromanage a nonprofit.

**Councilor Parks** understood part of CMI's long range plan was to look for a relocation opportunity that included the Adams Street Connector.

**Council President Batey** added the location of the Farmers Market was not a decision point for the City Council at this meeting. There would be an opportunity for a public process; this was a first step of exploring possibilities.

**Councilor Churchill** thought it did seal the City's fate, and he was concerned about density and building heights. He recommended delaying the decision until October 1 and opening up the process to more public discussion.

**Mayor Gamba** heard people wanted a public process about what might or might not be done on that site. We cannot move forward to begin planning for that property without an agreement between the property owners. The agreement allows the City to continue using the property for paid parking and the Farmers Market in the interim and allows the planning process to begin.

**Councilor Power** urged letting people weigh in on something that was possible. The City asks people to spend hours in meetings and do dot exercises or weigh in on line, but the bottom line is that nothing happens because there is no money. To her the opportunity was to give people a chance to weigh in on something that was actually possible. The City has the opportunity to be a partner in what goes on that site.

**Council President Batey** also felt there was a disservice to those who worked on MFM during the 2-1/2 year process. This was identified as one of the five opportunity sites and studied throughout the process.

**Councilor Churchill** said the City thought it did a good job of public process, but there would not be so many emails and public testimony if the job had been done successfully. He urged slowing down for a few months to get more public input on this site that people felt was the City's living room.

**Councilor Power** said without tangible options on the table, people were just making guesses. Even given the public input, she was not clear what people wanted. She wanted a public process that was robust and useful.

It was moved by Councilor Churchill to delay signing the IGA with Metro until October 1, 2016. Motion did not receive a second and failed.

It was moved by Councilor Power and seconded by Council President Batey to amend the IGA with Metro by asking that City staff to negotiate with Metro to add the language that allowed the City to continue using the Metro site for paid parking and as an event space.

Mr. Monahan believed the IGA covered parking and event usage. Mr. Ramis referred to section 10 and said the City had general authority.

Councilor Power withdrew her motion.

It was moved by Council President Batey and seconded by Councilor Parks to authorize the City Manager to sign a five year intergovernmental agreement to prepare a joint offering of the Harrison and Main Street site (formerly the “Texaco Site”) for development. Motion passed with the following vote: Councilors Parks, Power, and Batey and Mayor Gamba voting “aye” and Councilor Churchill voting “no.” [4:1]

In response to the comment about the “eyesore” at Riverfront Park, Council President Batey explained it was a geese deterrent strategy. The City Council expressed its appreciation for the public input and hoped it would continue.

#### **F. Solids Handling Needs**

Councilor Power had been on the Regional Wastewater Treatment Capacity Advisory Committee for the last year and a half, and she has been chair for the past six months. The process was at a point where she needed Milwaukie City Council input. She read the background contained in her report for the record that addressed the expanded solids handling options to meet the economic and growth needs of the North Clackamas Region. In March 2016, Water Environment Services (WES) shared the results of the Technical Workshop with the Regional Committee, and the ECONorthwest population study and forecast were discussed. The Committee discussed the list of rejected, reserved, and accepted technologies at its April meeting. All but Gladstone Councilor Johnson agreed to accept digestion as a reasonable possibility, and all members accepted thermal drying as a reasonable solution. Composting was unanimously rejected, and the Group agreed to continue investigating OmniProcessing technology.

She briefly described the TriCity and Clackamas County Service District #1 (CCSD1) scope and operations. A study found that the system was running perilously close to capacity at the TriCity facility which had been operated very conservatively to keep rates low. She commented on the growth in the area both in population and businesses.

Councilor Power discussed the technology options including the Janicki OmniProcessor. Unsolicited, the company proposed building a \$12 million OmniProcessor for WES at its TriCity facility with an annual operations and maintenance cost of \$500,000 to meet solids handling needs for the region. At the May meeting, the Committee discussed permitting. The only technology being used at TriCity was digesters, and other options would require a permit amendment. She was not sure how long that would take. Janicki said WES could enter into a three month due diligence period for \$50,000 to determine if the technology would be a good fit for the needs. A new permit would likely take about one year, but Janicki had never sought a permit in the United States. Dr. Ken Williamson of Clean Water Services joined the Committee meeting and provided his professional opinion that the OmniProcessor could supplement but not supplant the current digester technology. She discussed the current rulemaking process and the length of time it would take to get Department of Environmental Quality (DEQ) approval. Weighing the uncertainties around air quality permitting and the lengthy timeline for applying for a new permit against the need to expand solids handling to meet growing capacity needs, Councilor Power recommended that Council endorse the accepted technology list. One new digester

might be sufficient for a while so that rates would not increase dramatically. Drying was a proven technology and would not undergo additional scrutiny.

The group discussed the intensive energy use of the OmniProcessor, and **Councilor Churchill** noted it was not a proven technology.

**It was moved by Councilor Churchill and seconded by Councilor Parks to support the recommendation of the Clackamas County Water Environment Services (WES) engineering staff to proceed with the proven technology for solids handling at the TriCity Plant. Motion passed with the following vote: Councilors Parks, Power, Churchill, and Batey and Mayor Gamba voting “aye.” [5:0]**

### **Consideration of a Compromise Settlement and Release Agreement with Oregon Public Rail Road Company and Richard Samuels**

**Mr. Monahan** provided background on the case leading to this settlement.

**It was moved by Councilor Parks and seconded to Council President Batey that the City Council accept the Compromise, Settlement and Release Agreement with Oregon Pacific Railroad and Richard Samuels and authorize the Mayor to sign on behalf of the City. Motion passed with the following vote: Councilors Parks, Power, Churchill, and Batey and Mayor Gamba voting “aye.” [5:0]**

### **Council Reports**

**Councilor Power** announced a fundraiser for Liz’s Creative Café in the Ardenwald Neighborhood and the 9K for K9 Fundraiser on July 9.

**Council President Batey** said Ray Peck, a downtown business owner, reported that his coffee shop business was better than ever since light rail opened.

**Councilor Parks** said Kelli Keehner, President of the Downtown Milwaukie Business Association (DMBA), was working with TriMet on its Orange Line marketing.

**Mayor Gamba** reported that the City had submitted a grant application in to the Oregon Department of Transportation (ODOT) to build the Kronberg Park Path.

**Mr. Monahan** announced the Friends of the Ledding Library Books Sale at the Waldorf School.

**Mayor Gamba** announced that the City Council would meet as the Milwaukie Redevelopment Commission after adjournment of the regular session.

### **ADJOURNMENT**

**It was moved by Councilor Parks and seconded by Council President Batey to adjourn the Regular Session. Motion passed with the following vote: Councilors Parks, Power, Churchill, and Batey and Mayor Gamba voting “aye.” [5:0]**

**Mayor Gamba adjourned the regular session 8:50 p.m.**

Respectfully submitted,

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Pat DuVal, Recorder



**MINUTES**  
MILWAUKIE CITY COUNCIL  
www.milwaukieoregon.gov

**REGULAR SESSION**  
JULY 5, 2016  
City Hall Council Chambers

**Mayor Gamba called the 2,225<sup>th</sup> meeting of the City Council to order at 6:12 p.m.**

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

**Staff Present:** City Manager Bill Monahan, City Attorney Tim Ramis, City Recorder Pat DuVal, Assistant to the City Manager Mitch Nieman, Community Development Director Alma Flores, Finance Director Casey Camors, Planning Director Denny Egner, Davis Levitan, Information Technology Manager Brandon Gill, and Civil Engineer Geoff Nettleton

**CALL TO ORDER**

Pledge of Allegiance.

**PROCLAMATIONS, COMMENDATION, SPECIAL REPORTS AND AWARDS**

None scheduled.

**CONSENT AGENDA**

**It was moved by Councilor Power and seconded by Council President Batey to approve the consent agenda as presented.**

**A. City Council Meeting Minutes:**

- 1. April 19, 2016, Regular Session;**
- 2. June 7, 2016, Work Session; and**
- 3. June 21, 2016, Work Session.**

**B. Resolution 80-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, increasing residential, commercial, drop box service rates to reflect increases in Metro Tip Fee and labor related cost increases, and creating a special class of service to address the cost of special handling requirements effective August 1, 2016.**

**C. Resolution 81-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, authorizing the City Manager to enter into an Intergovernmental Agreement (IGA) with State of Oregon for data backup recovery services.**

**D. Resolution 82-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, to purchase the Triangle Site.**

**E. Resolution 83-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, authorizing an IGA with the City of Portland allowing the Milwaukie Police Department to utilize the Portland Police Bureau Training Complex.**

**F. Resolution 84-2016: A Resolution of the City Council of the City of Milwaukie, Oregon, recommending that the North Clackamas Enterprise Zone be designated for Electronic Commerce.**

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

## **AUDIENCE PARTICIPATION**

**Mayor Gamba** reviewed the procedures for audience participation.

**Mr. Monahan** reported that there was no follow up on the June 21, 2016, audience participation.

## **PUBLIC HEARING**

None scheduled.

## **OTHER BUSINESS**

### **A. Dissolution of the Library Services Expansion Task Force (LSETF) – Resolution**

**Ms. Newell** provided the staff report in which the City Council was requested to adopt the Resolution dissolving the LSETF. The group had served for five years which ultimately resulted in passage of the May 17, 2016, bond measure, and she thanked them for their service to the community. **Mayor Gamba** read the names of all those who had served on the LSETF and those Library Board members who attended as advisors. Ms. Newell recognized staff members including Mr. Monahan, Nancy Wittig, Grady Wheeler, and Joe Sandfort. The next step would be the formation of a construction committee.

**It was moved by Councilor Parks and seconded by Councilor Power to approve a Resolution dissolving the Library Services Expansion Task Force (LSETF). Motion passed with the following vote: Councilors Churchill, Batey, Parks, and Power and Mayor Gamba voting “aye.” [5:0]**

#### **RESOLUTION 85-2016:**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, DISSOLVING THE LIBRARY SERVICES EXPANSION TASK FORCE (LSETF).**

### **B. Visioning Advisory Committee (VAC) Appointments**

**Mr. Levitan** provided the staff report and provided the Visioning Steering Committee’s recommendation for 15 potential VAC members selected from a field of 52 applicants. He noted that one potential member had declined as he was moving out of Milwaukie. If the City Council approved the list, he would prepare a Resolution for adoption for the July 19, 2016, regular session.

**Mayor Gamba** briefly described the Steering Committee’s selection process and discussed diversity of the group. The Councilors provided their views on the applicants and the process.

**It was consensus to direct staff to prepare the Resolution based on the proposed list.**

### **C. Meek Street Storm System Engineering Services Agreement – Resolution**

**Mr. Eaton** and **Mr. Nettleton** provided the staff report in which the City Council was requested to adopt the Resolution that authorized the City Manager to execute the contract for engineering service for the Meek Street Storm. Mr. Eaton explained this was a turnkey type of agreement for preliminary design, right of way acquisition procedures, construction management of at least Phase 1, all the design efforts, and

coordination over the next five years. This project was critical to the Central Milwaukie area for both the Murphy and McFarland opportunity sites. The City received five proposals, and staff recommended AKS Engineering as the most qualified.

The group discussed the grade of the pipe, and **Mr. Eaton** explained it had been a construction issue that resulted in a grade adjustment in the earlier project. It was not quite the slope they were hoping for in the original Master Plan. Part of the proposed contract was a new basin analysis. It was his understanding that the slope would function, but it was not quite at the desired capacity.

**Mr. Nettleton** added the capacity was close and may create a pressure pipe situation. The final analysis would validate that assumption.

**Mr. Eaton** noted that all of the right of way acquisition costs were not included, and there would be contracts with the various property owners. The two main property owners were Clackamas County and Union Pacific.

The group discussed tree removal. **Mr. Eaton** said there was nothing in the Public Works Standards at this time that would require replacement.

**Mr. Nieman** provided information on the Tree Ordinance and replacement of trees on public land.

**Mr. Eaton** explained the entire project was on private property. If Council directed, trees could be planted offsite but not over the new storm line.

**It was moved by Council President Batey and seconded by Councilor Churchill to approve a Resolution authorizing the City Manager to execute a contract for engineering services for the Meek Street storm system. Motion passed with the following vote: Councilors Power, Churchill, Batey, and Parks and Mayor Gamba voting “aye.” [5:0]**

#### **RESOLUTION 86-2016:**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT FOR ENGINEERING SERVICES FOR THE MEEK STREET STORM SYSTEM.**

#### **D. Adopt Art in Public Places Ordinance – Ordinance**

**Mr. Nieman** provided the staff report in which the City Council was requested to adopt an Ordinance related to Art in Public Places. He was joined by Milwaukie Arts Committee (artMOB) Rebecca Banyas and Denise Emmerling-Baker. This Ordinance was geared toward public property and not private development. The City Council may wish to amend the Milwaukie Municipal Code (MMC) in the future to attach a dedication to private development. Based on City Attorney findings some cities had caps and others did not. The City Attorney was preparing a memo outlining the potential litigation risks if the Council were to apply this Ordinance to private development. The proposed Ordinance attached a dedication to public development and specifically City capital and development projects. He commented on the City Attorney recommendation not to include a cap in the proposed Ordinance.

**Mayor Gamba** asked if this Ordinance would apply to low income housing projects or were those excluded as he recalled from the earlier draft Ordinance.

**Mr. Nieman** replied the proposed Ordinance had been modeled on the Lake Oswego, Beaverton, and Portland Ordinances. The proposed Ordinance was specific to a City project. The group discussed the pros and cons of siting art at an affordable housing facility or paying into citywide art fund. **Mayor Gamba** discussed the feasibility of creating a construction excise tax (CET) for affordable housing construction and perhaps a match for federal funds.

**Mr. Ramis** thought it would be important to develop some clear definitions if Milwaukie started developing those sorts of programs.

The group discussed exempting the Library expansion as all the full \$9.2 million bond amount plus the \$1 million from Clackamas County would be needed for construction.

**Mr. Monahan** had expressed his concerns to City Council about the funding limitations particularly since a portion of the project was a renovation and over the course of the project construction costs would be rising. Did the City Council wish to bind the Library project with a percent for the arts or to work with the Arts Committee to incorporate art within the facility?

**Ms. Banyas** provided images of public buildings that incorporated art in libraries some of which had been done for about \$20,000. She understood the budget was tight and did not wish to bind the Library to a percentage. She encouraged involving an artist early on to incorporate art into the construction that could include such things as murals and art glass windows. She urged the City Council to support the Ordinance and make a gesture toward art in the new Library. She hoped the Arts Committee would work with the Library and that that project not be exempted.

**Councilor Power** understood art was a catalyst to community use of the Library and Pond House spaces but was concerned that the art allocation that might be critical to the project.

**Ms. Banyas** added that artists typically look to the community for inspiration when incorporating their works into public projects.

**Ms. Emmerling Baker** asked if there could be a friendly amendment for the Library and future affordable housing projects where the community could be involved and enjoy art. She agreed with Councilor Churchill and asked if there could be a friendly amendment.

**Council President Batey** suggested setting the Ordinance aside for two weeks until the City Attorney provided an opinion related to private development dedication.

**Mr. Ramis** provided a brief summary of this concerns and noted that several California cities were putting their programs on hold pending the case against the City of Oakland. The development community raised two issues; the first was a First Amendment claim and the right to remain silent, and the second was an exaction argument and the government's failure to identify what harm was being mitigated by imposing this requirement on development. There was also an argument that determining a fee based on a percentage failed to address the proportionality standard. These would be tried in Federal Court in September.

**Councilor Power** suggested adding a small amount to the fee schedule and allocating that to public art.

**Ms. Banyas** did not believe the City of Portland was a good model and was not effective. Milwaukie had an opportunity to be creative and how to construct a fee or tax that was a win - win.

The group discussed the art work at North Main Village.

**Councilor Power** thought this Ordinance was a good starting point and represented a lot of research. If this had been on the table in January, the City Council might have increased its ask of the voters.

**Councilor Churchill** asked what percentage of a public private partnership would trigger a 1.5% art fund.

**Mr. Ramis** said in the current language there was no proportional aspect. If the City Council wanted it to be proportional, then some language would have to be drafted or some kind of scale crafted. If government money is involved, then the requirement would be triggered if there was a sufficient amount.

**Councilor Churchill** would support the approval of the Ordinance with the caveat that the Library due to the timing of the project funding be exempt from the 1.5% but that the Arts Committee would work closely with the Construction Advisory Committee to ensure art work was properly incorporated.

**Councilor Power** suggested setting a \$50,000 cap, and she read the list of definitions of what qualified as art.

**Mr. Monahan** discussed bringing back the Ordinance language that gave the City the same ability as a private developer to make the choice of whether it wanted to incorporate art into the project or to place the funds into an account.

The group discussed how the Art Selection Committee might interface with the Construction Committee and administrative costs. **Ms. Banyas** discussed the importance of incorporating the vision of the artist rather than having architect designed art. She recommended that the artist and the architect work under separate contracts with the City so they are on equal footing.

**Mr. Nieman** added that once the Ordinance was adopted program guidelines would be developed.

**Councilor Churchill** suggested deferring some spending and agree to procure \$50,000 to \$100,000 as seed funding for the Art in Public Places fund.

**Councilor Power** agreed with Ms. Banyas, based on her own experience with the Kellogg Good Neighbor Committee and plans for a mural, that public art was difficult for those without an art background.

**Ms. Newell** said when reading the Ordinance she understood it did not include all of the expenses such as the architect and project manager and did not include the funds from Clackamas County and not subject to the 1.5%. Had she known about the Art in Public Places Ordinance, the voters could have been asked for additional funding. It was intended that the new facility would have space for art shows, and the two remote sites would also have the lockers wrapped with a mural of some sort. If she were locked into a certain amount of money, she was concerned about the Library project budget.

The group discussed possible strategies to include art in public places and possible matching funds for grants. **Mr. Ramis** suggested adding “excluding projects financed by a publicly approved project prior to July 1, 2016.”

Councilor Power commented on the timing of bringing on the Art Selection Committee and suggested holding off until the project manager was hired and the overall budget was identified.

**It was moved by Councilor Power and seconded by Councilor Churchill to move for the first and second readings and adoption of the Ordinance amending the Municipal Code by adding a new Chapter 20.06 adopting an Art in Public Places program with the amendment at Chapter 20.06.050 excluding projects financed by a publicly approved bond measure prior to July 1, 2016.**

**Council President Batey** would support this; however, would prefer to wait until there was a discussion of private development. The group further discussed the percentage for the arts.

**Mayor Gamba** would support the Ordinance but had concerns with not including private development and exempting the Library Expansion Project.

**Councilor Parks** called the question.

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

**Mr. Monahan** read the Ordinance one time by title only based on the modifications made by the City Council at this meeting.

**Mayor Gamba** announced the second reading and adoption of the Art in Public Places would be on the July 19, 2016, City Council agenda.

**It was moved by Councilor Power and seconded by Councilor Parks that the City Council agree to procure \$50,000 from City funds in Fiscal Year 2017 as an initial seed funding for the Art in Public Places fund. Motion passed with the following vote: Councilors Power, Churchill, Batey, and Parks and Mayor Gamba voting “aye.” [5:0]**

**Councilor Parks** wanted to ensure that information would be forthcoming on the private development dedication.

**Councilor Power** asked if it would make sense to redirect the \$10,000 in the budget for the mural program to the Art in Public Places fund.

**Ms. Emmerling Baker** announced the End Alzheimer’s Fundraiser on July 8, 2016, at City Hall.

**Mayor Gamba recessed the Regular Session at 8:13 p.m. and reconvened the Regular Session at 8:23 p.m.**

#### **E. Sewer Connection Fee**

**Mr. Eaton** explained that Clackamas County Service District (CCSD1) had adopted a new increased System Development Charge (SDC) fee for sewer connections on June 29, 2016 and effective July 1. The recently adopted City of Milwaukie Master Fee Schedule needed to be updated to reflect the amount collected by CCSD1 for new sewer connections.

**It was moved by Councilor Power and seconded by Councilor Parks to approve a Resolution updating the Master Fees Schedule of the City of Milwaukie. Motion passed with the following vote: Councilors Power, Churchill, Batey, and Parks and Mayor Gamba voting “aye.” [5:0]**

##### **RESOLUTION 87-2016:**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, UPDATING THE MASTER FEES SCHEDULE OF THE CITY OF MILWAUKIE.**

#### **F. 2017 League of Oregon Cities (LOC) Legislative Priorities**

**Mr. Nieman** said the purpose of this action was to create Milwaukie’s list of four top legislative priorities to forward to the League of Oregon Cities. The report also included staff’s priority list of seven. After some discussion, the City Council selected the following: A- needed housing assistance program; D – floodplain technical assistance; H – property tax reform – market value / local control; and M – restore recreational immunity.

#### **G. Council Reports**

**Council President Batey** encouraged people to attend the First Friday event on July 8.

**Councilor Parks** attended screening of Legend of Tarzan for which Mike Richardson of Dark Horse Comics was the Executive Producer. All of the animals in the film were character generated, and no live animals were used.

**Mayor Gamba** announced there was a vacancy on the Park and Recreation Board (PARB), provided an update on 17<sup>th</sup> Avenue lane closures, and encouraged people to attend the neighborhood free summer concerts, North Clackamas Parks and Recreation District (NCPRD), and the 9K for K9 fundraiser.

**ADJOURNMENT**

**It was moved by Councilor Power and seconded by Councilor Churchill to adjourn the regular session. Motion passed with the following vote: Councilors Power, Churchill, Batey, and Parks and Mayor Gamba voting “aye.” [5:0]**

**Mayor Gamba adjourned the regular session at 9:03 p.m.**

Respectfully submitted,

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Pat DuVal, Recorder



**MINUTES**  
MILWAUKIE CITY COUNCIL  
www.milwaukieoregon.gov

**WORK SESSION**  
JULY 19, 2016  
City Hall Conference Room

**Mayor Gamba called the Work Session to order at 4:00 p.m.**

Council Present: Council President Lisa Batey and Councilors Scott Churchill, Wilda Parks, and Karin Power (by phone)

Staff Present: City Manager Bill Monahan, City Recorder Pat DuVal, Assistant to the City Manager Mitch Nieman, Finance Director Casey Camors, Accountant Judy Serio, Assistant Finance Director Bonnie Dennis, Right-of-Way (ROW) and Contract Coordinator Reba Crocker, Library Director Katie Newell, Community Development Director Alma Flores, and Resource and Economic Development Specialist Amy Koski

**North Milwaukie Industrial Area (NMIA) Team Introductions**

**Ms. Flores** introduced Ms. Koski who introduced Alex Dupey from planning design firm MIG, Inc., and Katherine Grubowski-Johnson from Clackamas County. Gary Barth from Clackamas County, ECONorthwest, DKS Associates, and Puttman Infrastructure were additional members of the core team in developing the framework plan and implementation strategy.

**Ms. Koski** added that people had been invited to serve on a project advisory group and a technical advisory group. She described the public involvement and invited Council to the kick off advisory meeting on August 10, 2016.

**Mr. Dupey** explained his role as the NW Director of Planning and Urban Design at MIG, and discussed the involvement in the NMIA project. He clarified that ECONorthwest would be doing the economic modeling.

**Ms. Grubowski-Johnson** explained Clackamas County's role and expressed her thanks for the involvement in the project.

The group discussed the highest and best use of the land modeling. **Mayor Gamba** discussed the use of property for marijuana grow operations. **Mr. Dupey** said the completion of the study was about a year out and noted questions about employees per acre and eco-industrial inputs to consider. **Councilor Churchill** commented on the impact on adjacent businesses and asked about similar situations in the state of Colorado. **Ms. Grubowski-Johnson** discussed the County's employment measurements and analyses, and discussed the interest of the NMIA and future employment lands in Clackamas County.

**Mr. Dupey** noted part of the analysis was looking regionally at performance and what brand the NMIA area could support well.

**Ms. Flores** discussed competition for industrial space.

**Library Board Work Programs for 2016-2017**

**Ms. Newell** introduced Library Board Chair Christa Downs. **Ms. Downs** highlighted some of the past year's activities which included the Library Services Expansion Task Force (LSETF) and the passage of the library bond measure. She noted the active Library Board and board member Karol Miller who was also a member of the library

District Advisory Board (DAB). She highlighted library programs including the Cultural Forum, Poetry Series, and Independent Film Festival. The Library Board will continue to provide support for the library expansion. The group discussed the radio-frequency identification (RFID) project.

**Ms. Downs** highlighted more library programs, particularly community outreach efforts. She discussed circulation and the impact of Happy Valley Library opening.

**Ms. Newell** discussed the library value calculator and noted a value of over \$13 million to the community in the past year.

### **Transient Lodging and Business Taxes**

**Ms. Camors** discussed the State transient lodging program and use of taxes. She discussed the City's adoption of short term rentals with Ordinance 2120 in May 2016. She noted the transient lodging tax and the business registration process should work together and explained that the draft code item was based on the City of McMinnville's code. Right now the City of Milwaukie had an 8% transient lodging tax.

**Councilor Parks** discussed use of lodging tax in Clackamas County and the State's portion of taxes. The group discussed taxes related to tourism. **Ms. Camors** said this was a self-reported tax so there would be some enforcement.

**Councilor Parks** noted if one wanted to rent rooms on a periodic basis they could go through Craigslist and not through an agent.

The group discussed activities in Salem and the League of Oregon Cities (LOC). **Councilor Power** said there were currently under 10 Airbnbs in Milwaukie.

**Council President Batey** discussed the definition of transient lodging and how to draw a line for apartments.

**Ms. Camors** discussed the current business registration system for rentals, noting the language in Milwaukie Municipal Code (MMC) Title 19. She noted methods to help with consistency issues.

**Mayor Gamba** suggested holding off until the City found out if there was any action from the State Legislature; he suggested revisiting the issue in February 2017. He suggested moving forward with the business registration portion of the program.

**Ms. Camors** discussed substantive changes to the business registrations. She would come back with amendments at the next meeting.

### **Amendment to Telecommunications Franchise with Electric Lightwave, LLC (ELI)**

**Ms. Crocker** summarized the significant elements of the proposal. The City and ELI desired to remove a clause from the franchise agreement. She would move forward with the amendment at the August 2, 2016, Council Regular Session.

**Mayor Gamba adjourned the Work Session at 5:10 p.m.**

Respectfully submitted,

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Amy Aschenbrenner, Administrative Specialist II



MILWAUKIE CITY COUNCIL  
STAFF REPORT

Agenda Item: **RS 3. B.**  
Meeting Date: **August 16, 2016**

To: Mayor and City Council  
Through: Bill Monahan, City Manager  
Alma Flores, Community Development Director  
Subject: **Visioning Advisory Committee Appointment**  
From: David Levitan, Senior Planner  
Denny Egner, Planning Director  
Date: August 8, for August 16, 2016, Regular Session

**ACTION REQUESTED**

Adopt a resolution appointing Alejandra Torres to the Visioning Advisory Committee (VAC).

**HISTORY OF PRIOR ACTIONS AND DISCUSSIONS**

**July 19 2016:** The Council adopted Resolution R89-2016, appointing 15 members to the Visioning Advisory Committee (VAC)

**July 5, 2016:** The Council heard the Steering Committee's recommendation for 14 members for the VAC and provided input on a potential 15<sup>th</sup> member. The Council also directed staff to continue recruitment efforts with the intent of increasing diversity on the committee.

**June 23, 2016:** The Council heard an update on the status of the VAC recruitment process.

**May 20, 2016:** Recruitment efforts were deployed. Online and print applications were made available to the public with a closing date of June 17.

**May 3, 2016:** The Council heard an update on the status of the Community Vision and Action Plan, including staff's proposal for a Visioning Advisory Committee.

**BACKGROUND**

The City of Milwaukie is in the early stages of developing a Community Vision. As part of the visioning process, the Council directed staff to form a Visioning Advisory Committee (VAC) comprised of various stakeholders in the Milwaukie community that are interested in helping shape the future of the City. 52 people submitted applications for the VAC, which were reviewed by members of the Vision Steering Committee (Mayor Gamba, Councilor Parks, City Manager Bill Monahan, Community Development Director Alma Flores, Planning Director Denny Egner, Senior Planer David Levitan, and Community Programs Coordinator Jason Wachs).

On July 5, staff provided Council with the Steering Committee's recommendation for 14 VAC members. The Council were supportive of the 14 members, whom, along with a 15<sup>th</sup> member that was identified by the Steering Committee at a July 8 meeting, were appointed by Resolution R89-2016 at the July 19 Council meeting.

## **DISCUSSION**

At the July 5 Council meeting, several Councilors requested that staff continue recruitment efforts with the hope of increasing diversity and including additional groups and stakeholders that are not currently represented on the VAC. On July 27, staff received an application for the VAC from Alejandra Torres, an attorney and Ardenwald resident who was encouraged to apply by VAC Member Angel Falconer. Ms. Torres' application indicates that she is interested in community events, helping families in need, and increasing outreach to the Spanish-speaking community.

Ms. Torres' application was distributed to members of the Steering Committee, who were unanimous in their belief that she would be a valuable member of the VAC. Staff is requesting that the Council adopt a resolution adding Ms. Torres as the 16<sup>th</sup> member of the VAC.

## **CONCURRENCE**

No other departments have reviewed this report.

## **FISCAL IMPACTS**

N/A

## **WORK LOAD IMPACTS**

N/A

## **ATTACHMENTS**

1. Resolution Appointing Alejandra Torres to the Visioning Advisory Committee
2. VAC Application from Alejandra Torres (redacted)



**CITY OF MILWAUKIE**  
*"Dogwood City of the West"*

Attachment 1

**Resolution No.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,  
APPOINTING ALEJANDRA TORRES TO THE VISIONING ADVISORY COMMITTEE.**

**WHEREAS**, the City of Milwaukie is undertaking a process to develop a new Community Vision and Action Plan; and

**WHEREAS**, community outreach and public involvement will be an important part of the process and the City Council identified the establishment of a Visioning Advisory Committee as an integral component in the development of the Vision; and

**WHEREAS**, on July 19, 2016, the City Council adopted Resolution R89-2016, appointing 15 members to the Visioning Advisory Committee; and

**WHEREAS**, the City Council instructed staff to continue outreach efforts with the intent of increasing the diversity of committee members by adding one or two more members; and

**WHEREAS**, the Vision Steering Committee has determined that Alejandra Torres would be a valuable and productive member of the Visioning Advisory Committee.

**Now, Therefore, be it Resolved** that Alejandra Torres be named to the Visioning Advisory Committee.

Introduced and adopted by the City Council on **August 16, 2016**.

This resolution is effective immediately.

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Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:  
Jordan Ramis PC

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Pat DuVal, City Recorder

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City Attorney



# MILWAUKIE ALL ABOARD

## VISIONING ADVISORY COMMITTEE APPLICATION

The City of Milwaukie is currently accepting applications for the Visioning Advisory Committee. The committee will aid the City in developing a long-range Community Vision Statement that describes what Milwaukie community members want the city to be like in the year 2040, and a 5-Year Action Plan that spell out how the community can achieve that vision and which will be periodically updated. Entitled **Milwaukie All Aboard**, the vision is anticipated to take approximately 9-12 months to complete and will feed into a complete update of the Comprehensive Plan. **Applications are due on June 17, and can also be filled out online at <http://www.milwaukieoregon.gov/planning/vision>.**

Name: Alejandra Torres Date: July 25, 2016

Home address: \_\_\_\_\_

Mailing address ( \_\_\_\_\_

Best contact phone: \_\_\_\_\_

E-mail address: \_\_\_\_\_

Occupation: Attorney Company/Organization: Brownstein Rask, LLP

Are you: A **resident** of Milwaukie?  If so, for how long? Three Years

A **business owner** in Milwaukie?  If so, which one and for how long? \_\_\_\_\_

An **employee** in Milwaukie?  If so, which one and for how long? \_\_\_\_\_

**Otherwise invested** in Milwaukie?  If so, in what context? \_\_\_\_\_

Are you currently serving on a City of Milwaukie Advisory Board or Commission? No.

If so, which one(s)? \_\_\_\_\_

*For the following questions, please limit each response to 200 words. Attach additional pages as needed.*

Why are you interested in helping the City of Milwaukie develop a community vision for the year 2040? Are there specific topic areas that you are especially interested in? I am interested in topics that involve community/family events, parks, and food and supply distribution to families in need. I would like to help the City of Milwaukie expand its reach to the growing Spanish Spanish speaking communities and help increase their involvement.

Describe your participation and affiliation with community, civic, and professional organizations, and how that experience would aid you in contributing to a community visioning process. I am part of a Multnomah Bar Association committee that awards scholarships to diverse and low income students that cover the cost of a prep course for the law school entrance test. I joined the committee in its first year and helped design and develop the application and distribution materials and negotiate lower class costs.

The City Council is interested in creating a committee that is representative of the entire Milwaukie community, and is seeking a mix of homeowners, renters, business owners, employees, youth/students, and other stakeholders that cover a broad range of age groups, incomes, and cultural and educational backgrounds. Please describe how your background would help fulfill this City Council objective. I am a first generation Mexican immigrant and first college graduate of my family. I grew up in San Jose, California in an immigrant neighborhood that was impacted by gangs. I moved to Oregon to attend the University of Portland and then Lewis and Clark Law School. I work as an attorney in Portland and bought my first house in Milwaukie.

How did you hear about the committee?

Facebook/Twitter/Instagram:  City Website:  Friend/Neighbor:

Newspaper/Pilot:  Employer:  Other (please list): Angel Falconer

Please complete this form fully **by June 17** for your application to be considered. Applications can be returned to Project Manager David Levitan via email ([levitand@milwaukieoregon.gov](mailto:levitand@milwaukieoregon.gov)) or mail (6101 SE Johnson Creek Blvd, Milwaukie, OR 97206), or submitted online via the link above. For additional information, please call 503-786-7627.



**Regular Session  
Agenda Item No.**

**5**

**Public Hearing**



MILWAUKIE CITY COUNCIL  
STAFF REPORT

Agenda Item: **RS 5. A.**  
Meeting Date: **August 16, 2016**

To: Mayor and City Council

Through: Bill Monahan, City Manager

Subject: **Code Amendments to Regulate Marijuana  
Businesses**

From: Dennis Egner, Planning Director; Vera Koliass, Associate  
Planner; Claire Lust, Planning Intern

Date: August 8, 2016

### **ACTION REQUESTED**

Review additional research information provided to Council based on the questions raised at the July 19, 2016 public hearing discussion. Approve application ZA-2016-001 and Findings of Approval found in Attachment 1 Exhibit A. This action results in zoning ordinance text amendments to regulate marijuana businesses in Milwaukie.

### **HISTORY OF PRIOR ACTIONS AND DISCUSSIONS**

- **July 19, 2016:** The City Council held a public hearing on the proposed code amendments and continued the hearing until August 16, 2016. Council members requested that staff provide additional information about the potential impacts of the marijuana code amendments prior to the August 16 hearing.
- **May 24, 2016:** The Milwaukie Planning Commission voted to recommend that the Council adopt the proposed code amendments. The motion passed 5:1: Chair Adams, Commissioner Anderson, Commissioner Argo, Commissioner Barbur, and Commissioner Hemer voting 'aye' and Commissioner Abma voting no. Commissioner Abma voted against the proposal expressing concern about allowing marijuana production in the NMIA in advance of the NMIA study. Recommended findings of approval included allowing grow sites as a permitted use in the NMIA M Zone, except in the TSA overlay where the recommendation was to allow grow sites as a conditional use.
- **January 5 and 19, 2016:** The Milwaukie City Council discussed code concepts and provided general direction for development of a set of regulations for marijuana businesses. Direction included: 1) for retail sales outlets, employ 1000 ft buffers from schools and other outlets; 2) allow indoor grow sites in the M zone along Johnson Creek Blvd, allow them by conditional use in the BI zone, and prohibit them in the NMIA; 3) allow processing, research, testing, and warehousing consistent with underlying zoning provided odors are controlled.
- **April 7, 2015:** The Council adopted zoning amendments to regulate medical marijuana dispensaries. The regulations allow dispensaries in any zone where a pharmacy is permitted and impose the following additional regulations: 1) a 1000 ft buffer is required from schools and from other dispensaries; 2) colocation with another business is prohibited; 3) products are prohibited from being visible from outside the dispensary; and 4) the hours of operation are limited to the hours between 8:00 a.m. and 10:00 p.m.

## CLARIFICATIONS / CORRECTIONS

At the July 19<sup>th</sup> public hearing, questions were raised about where the different types of marijuana businesses are proposed to be allowed in the City and details regarding the Planning Commission's May 24<sup>th</sup> recommendation to the Council. As staff researched these issues, they found that clarification was also needed regarding testing labs/research facilities in mixed use zones. Each of these items is discussed below.

### A. Marijuana Business Locations

Staff has prepared a series of maps that depict where the different types of marijuana businesses are allowed in the City. A different map is provided for each type of business and highlights the zoning where the use is allowed. The legend indicates whether the use is permitted outright, permitted by conditional use, or whether it is a limited use subject to special conditions. The development standards proposed in Section 19.509 apply to all marijuana businesses. The maps are included as Attachment 2.

### B. Planning Commission Recommendation

Two items regarding Planning Commission recommendation in the Council's July 19<sup>th</sup> staff report require correction and clarification. The July 19<sup>th</sup> materials erroneously noted that Planning Commission Vice Chair Sean Lowcock was at the May 24<sup>th</sup> meeting and had voted in favor of the recommendation when in fact, Vice Chair Lowcock was excused and was not in attendance. The vote was 5-1.

At the July 19<sup>th</sup> hearing, Ron Buel questioned the accuracy of the staff report in describing the Planning Commission's May 24<sup>th</sup> recommendation to the City Council regarding the North Milwaukie Industrial Area. The report states that the Commission recommended that marijuana production in the North Milwaukie Industrial Area (NMIA) be subject to the conditional use process. After reviewing the video of the Planning Commission meeting and the staff report, staff found that the statement in the staff report is not accurate. Based on the video, the Planning Commission made the following recommendations:

- Marijuana production should be a conditional use in the M-TSA (Tacoma Station Area Manufacturing) zone. This is the portion of the NMIA to the east of McLoughlin and west of the light rail tracks.
- Marijuana production should be an outright permitted use in the M (Manufacturing) zone. This is the portion of the NMIA located to the west of McLoughlin Blvd and east of the light rail line. The M zone is also located along Johnson Creek Blvd.

Unfortunately, the staff report generalized the Commission's M-TSA recommendation across the entire NMIA including the M-zoned properties. The draft ordinance was written to reflect the actual Planning Commission recommendation and does not require any correction: production would be permitted outright in the M-zone and it would be a conditional use in the M-TSA.

### C. Testing Labs/Research Facilities in Mixed Use Zones

Testing labs and research facilities are intended to be allowed in the City's new mixed-use/commercial zones since these are zones where office uses are permitted. These include the CL-Limited Commercial Zone, the CG-General Commercial Zone, DMU-Downtown Mixed Use Zone, the GMU-General Mixed Use Zone, and the NMU-

Neighborhood Mixed Use zone. For each of these zones, proposed code language has been added to clarify that the uses are permitted.

Further new language has been provided in the proposed code language for Medium and High Density Zones (Section 19.302.3) to clearly state that marijuana testing labs and research facilities are not allowed as office uses in these zones.

## **DISCUSSION**

During the Council's deliberation on July 19, four topics were identified for further research. These include: A. Impacts on nearby properties; B. Market rents and availability of warehouse space; C. Public safety; and D. Employment. Over the past month, staff has researched these topics through online research and by contacting real estate professionals and municipal officials in Oregon, Washington, and Colorado. The information below is a summary of staff findings. It should be noted that any one of these topics could entail much more in-depth research. Our information is primarily anecdotal and is not based on reports done by agencies or organizations.

### **A. Impacts on Nearby Properties**

#### **1. Adjacent Properties**

A question was raised regarding whether the presence of a marijuana business creates a disincentive for nearby location of another type of business. Real estate and economic development professionals have stated that legal marijuana is a new and evolving industry; as such, supporting data can be difficult to find. A variety of responses were provided to this question. Some professionals stated that, particularly for production facilities, it is unlikely that neighboring businesses would be aware of their presence. Production facilities invest large amounts of money in lights, water, odor control, security cameras, etc., and from the outside would not look any different from any other industrial facility. However, a commercial/industrial real estate professional in Denver replied that most businesses prefer not to locate near either production or retail facilities and would rather disassociate themselves from the industry. For retail locations, whether or not a business would like to locate nearby would depend on the type of business. Some would likely not want to be adjacent to a retail facility, while others might take advantage of the additional foot traffic.

#### **2. Odor Control**

According to the City of Vancouver, WA Community Development Department, Vancouver police have received several complaints from neighbors of grow operations concerning strong odors. These complaints have, however, come mainly from grow operations in residential areas and not from high production facilities in other parts of the city.

Shortly after legalization in Denver, most marijuana-related odor complaints were related to grow facilities rather than dispensaries, since the odor from grow facilities is stronger. Denver manages odor through its environmental health and nuisance regulations rather than through its zoning ordinance. In May 2016, the City of Denver updated its odor ordinance with regard to marijuana production. Certain businesses, including marijuana grow operations and manufacturers of infused products (MIPs) must develop odor control plans based on the City's odor complaint data, community concerns, and odor policy best practices.

### 3. Parking

Vancouver commonly receives complaints with regard to lack of parking near one particular marijuana retail store. Customers park in the adjacent residential neighborhood, sometimes blocking driveways.

## **B. Market Rents and Availability of Warehouse Space**

### 1. Oregon and Colorado

In June 2016, the Portland Business Journal described the impact of marijuana legalization on warehouse space and rents. According to this article, one cannabis-focused company, Greenspace, has invested in seven Oregon properties being leased to cannabis growers, processors and dispensary operators. These purchases include a 40,000-square-foot industrial warehouse on NE Columbia Blvd that will be leased to two growers and a dispensary operator. The sale price of this property was estimated at \$3.6 million, up from \$1.1 million in 2011.

Portland Business Journal also cited a report from Portland State University in 2015 called "Oregon's Marijuana Future" which found that rental rates for marijuana grow operations in Denver were commonly two to four times higher than those for traditional uses. In Denver, the price-per-square-foot for industrial property sales grew from \$58 to \$66 between 2013 and 2014, paralleling the growth of the state's recreational marijuana market. Now, warehouse vacancies are low in Denver and demand is high.

According to Todd DeNeffe of Cascade Commercial Realty, it is possible that close to 3 million square feet of warehouse space has been absorbed in the Colorado market since marijuana legalization. DeNeffe does add that this probably will not happen in Portland to the extent it has in Colorado.

DeNeffe notes that Colorado legalized marijuana close to the recession. Therefore, there was considerable empty warehouse space which made landlords more open to cannabis firms able to pay at or above market rent. Portland's industrial market is strong right now with low vacancy rates, so landlords are more able to attract traditional industrial users without the perceived issues of the cannabis users. Additionally, most industrial landlords have traditional loans that forbid renting to cannabis users. Federally, this is still illegal, and requires adjusting leases to take into account the caveats and protections necessary for marijuana uses.

There are landlords that are marketing empty space for cannabis, but only to a limited degree as there is very little warehouse space to purchase. This activity is likely to be concentrated outside of the metro area in rural areas that have cheap, empty warehouse space and less security on an operation than in Portland or suburban cities.

Another aspect of this issue is that, in the experience of one commercial/industrial real estate professional in Denver, most grow operations use space between 2,000 SF and 15,000 SF. This is also the size of space that many new, small manufacturers and other small businesses require and is typically difficult to find. This makes the availability of these already desirable spaces scarce, reducing the potential for other businesses to locate there. The lack of available inventory also drives up the rents, as discussed above. A tangential impact on small businesses is that grow operations use a significant amount of power. In Denver, the local power provider is backlogged such that it can take many months to over a year for new businesses to get new service.

## **C. Public Safety**

### **1. Rates of criminality**

Vancouver Washington's Community Development Department notes that legalization has not resulted in a measurable increase in crime. Police officers are no longer focusing on low level marijuana infractions and are able to attend to more serious crimes.

In Milwaukie, police have not attributed any increase in crime to the city's one medical marijuana dispensary.

In Denver, major crime decreased by 6.9% from 2013 to 2014, when recreational marijuana was legalized. Marijuana-related crime, which accounts for 1.4% of overall crime, also decreased from 2013 to 2014. Marijuana Industry-Related Crime, defined as crimes where licensed marijuana businesses were either the victim or the perpetrator of a crime, represents only .03% of overall crime in Denver. In 2014, burglary or attempted burglary accounted for 78% of marijuana industry-related crime. Larceny (theft) accounted for another 14%. In 2015, Denver saw 270 total marijuana-related crimes, comprising 0.42% of all crime in the city.

Milwaukie Police Chief Bartol notes that the biggest threat in Colorado has been related to the retail businesses. Because of federal banking laws, these businesses deal in large sums of cash and face the risk of armed robbery and/or burglary. Many of these retail shops have hired armed security. Chief Bartol believes that a grower or manufacturer might have fewer problems since they interact less with the public. Their issues might be more burglary related or physical security issues.

### **2. Fire hazards**

According to Deputy Fire Marshal Mike Boumann of Clackamas County Fire District #1, marijuana processing and production businesses can have various hazards depending on what occurs in the building. The extraction process can pose a high risk because of the flammable gases and equipment that are used. He notes that it is very important that all of these processes are reviewed by the Building Official using the applicable State of Oregon Codes prior to occupancy. There are specific regulations in the Building, Mechanical, and Fire Codes governing hazard mitigation. OLCC has also developed general requirements that are applicable to all marijuana licensees. Clackamas County Fire District #1 is willing to be part of the building and inspection process for new marijuana establishments, in order to stay informed of potential safety hazards. Specific data on marijuana facility safety is not currently available.

## **D. Employment**

### **1. Jobs**

In Colorado, the legal marijuana industry has an estimated 10,000 employees. Job growth is expected to continue as new positions are created in areas including farming, harvesting, processing, delivery, consulting, administration, regulation, and tourism. Typically, 30,000 SF of grow space will have fewer than 10 employees, according to Todd DeNeffe.

In a letter to Steve Butler, then Community Development Director (and cc'd to City Council), dated February 3, 2015, Attorney Ross Day writes: "...growing pharmaceutical grade marijuana requires constant monitoring and inspection by employees...Indeed, 'cultivation' in a Marijuana Facility is a highly controlled process which includes temperature and humidity controls, and the use and infusion of

specialized gasses that can only be controlled on an industrial scale. 'Cultivation', in the context of a Marijuana Facility, is a high-tech, state-of-the-art process that utilizes manufacturing infrastructures. These are not simply plants being grown in pots in a building." The letter includes a footnote describing a proposed project in the building located at 2200 SE Mailwell Dr as follows: "It is anticipated the project will initially hire 10 to 15 employees. By project completion it is expected that 35 to 40 jobs will be created in the city of Milwaukie. Employees will be highly trained and skilled workers earning higher-than-average wages. The employee demographics of the Marijuana Facility will closely resemble employee demographics for similar industrial/high-tech operations."

## 2. Wages

The *Seattle Times* reports a wide range of wages associated with marijuana production, from \$12-\$15 hourly for trimmers to \$50-\$90,000 for gardeners and concentrate makers. In 2014, legal marijuana was the fastest growing industry in the nation, and the market is projected to be worth \$11 billion annually by 2019.

## KEY ISSUES

The key issues for Council deliberation include:

### A. **Are the proposed use listings and development standards appropriate and adequate?**

The proposed code amendments list the marijuana business that would be permitted in each of the City's zones. The maps included as Attachment 2 depict where each type of use could locate. In general, production, processing, and warehousing are allowed in industrial areas, marijuana retail uses are allowed in commercial, mixed use, and some industrial areas, and testing and research facilities are allowed in commercial, mixed use, and industrial areas where offices are allowed.

Development standards are proposed to manage security and odor. City nuisance standards also provide a degree of odor protection for surrounding properties.

### B. **Should production (grow) facilities be allowed in the NMIA?**

The original staff report for the Planning Commission recommended against allowing production facilities in the NMIA with the understanding that they could potentially be added to the list of uses following the completion of the NMIA study. The Planning Commission recommended that production be permitted outright in the M-Zone areas of the NMIA and be allowed as a conditional use in the M-TSA portion of the district.

Additional options for Council consideration include requiring that any grow operation within the M-TSA only be permitted through the conditional use process and that the following development conditions apply:

- Size limitations (e.g. 5,000 sq ft maximum mature plant canopy);
- Buffers (e.g. 1,000 ft between grow sites); or
- Limitations on how many production/grow operations can occur within a building or on a property (e.g. one grow operation per property).

## CONCLUSION/RECOMMENDATION

Staff recommends that Council direct staff to make any appropriate changes to the proposed ordinance and return in September for adoption.

## **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. In addition, notice was mailed to the owners and businesses within the City's industrial zone districts.

## **CONCURRENCE**

The Planning Commission held a public hearing on this application on March 24, 2016 and voted 5-1 to recommend that the Council approve the proposal.

Casey Camors of the Finance Department and Shelby Rihala of Jordan Ramis have reviewed the draft ordinances and have not identified conflicts or issues.

## **FISCAL AND WORK LOAD IMPACTS**

No major fiscal or work load impacts are anticipated from the proposed code changes.

## **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 (Underline/Strikeout)
  - Exhibit C: Proposed Zoning Ordinance Amendments (Clean)
- 2. Maps depicting proposed code amendments



**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 regulate marijuana businesses. (File #ZA-2016-001).**

**WHEREAS**, during the 2015 legislative session, the Oregon State Legislature passed a series of bills addressing marijuana businesses, including House Bill 3400, which expands upon the framework of Measure 91 (the voter-approved act legalizing recreational marijuana);

**WHEREAS**, the Oregon State Legislature has charged the Oregon Liquor Control Commission with regulating the recreational marijuana industry in Oregon and the OLCC is currently in the process of issuing licenses for marijuana businesses;

**WHEREAS**, the City of Milwaukie adopted regulations for medical marijuana dispensaries on April 7, 2015 but is in need of additional regulations to address recreational marijuana businesses and businesses supplying medical marijuana to dispensaries;

**WHEREAS**, on January 5, 2016 and January 19, 2016, the City Council discussed code concepts and provided general direction for development of a set of regulations for marijuana businesses;

**WHEREAS**, on January 26, 2016, the Planning Commission held a work session regarding code concepts and on April 26, 2016, the Planning Commission reviewed an initial set of draft zoning text amendments and provided suggested refinements;

**WHEREAS**, the Planning Commission held a duly-advertised public hearing on the zoning text amendments on May 24, 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 (underline/strikeout 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 \_\_\_\_\_.

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Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:  
Jordan Ramis PC

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Pat DuVal, City Recorder

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City Attorney

**Findings in Support of Approval  
File ZA-2016-001, Zone Text Amendments to Regulate Marijuana Businesses**

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-2016-001) to regulate marijuana businesses in the following zones:
  - Low Density Residential Zones: R-10, R-7, and R-5
  - Medium and High Density Residential Zones: R-3, R-2.5, R-2, R-1, and R-1-B
  - Limited and General Commercial Zones: C-L and C-G
  - Community Shopping Commercial Zone: C-CS
  - Mixed Use Zones: GMU, NMU, and DMU
  - Manufacturing Zone: M
  - Tacoma Station Area Manufacturing Zone: M-TSA
  - Business Industrial Zone: B-I
2. 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
3. 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 May 24, 2016 as required by law.
4. MMC Chapter 19.1000 establishes the initiation and review requirements for land use applications. The City finds that 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 on April 19, 2016.
  - 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. In addition, an article was placed in the Pilot providing notice of the hearing.
    - (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 May 24, 2016, hearing was posted at City Hall, the Ledding Library, the Public Service Building, and the City's Johnson Creek Building Offices.
    - (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 provided only to owners and businesses in the City's industrial zones. Notice to residential, commercial, and mixed-use 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 and to the Department of Land Conservation and Development prior to the first evidentiary hearing. This notice was sent April 19, 2016.
  - (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 expand the range of uses permitted within each of the zones 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 public hearing on May 24, 2016, and passed a motion recommending that the City Council approve the zoning ordinance text amendment. The City Council held a public hearing on July 19, 2016, and approved the text amendment.
5. 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 Council 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 amendments allow recreational marijuana stores to locate under the same standards that currently apply to medical marijuana dispensaries. The amendments allow marijuana warehousing and processing uses to locate in industrial areas and be subject to the same standards as other similar industrial uses except that these marijuana-related businesses must also meet additional security and odor control standards. The amendments allow marijuana testing and research facilities in commercial and industrial zones that currently allow offices uses. The testing and research uses will be required to provide a higher level of security and odor control than other general use offices. The amendments allow medical grow sites indoors in residential areas provided security and odor control standards are met. The amendments allow medical and recreational grow sites in the M-Manufacturing zone along Johnson Creek Blvd and by conditional use in the B-I zone and in the North Milwaukie Industrial Area (NMIA). These uses will be subject to specific security and odor control standards to manage impacts.*  
*No conflicts with other City code provisions are anticipated. All other code provisions can operate and be enforced with these amendments.*
    - (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:

- The Goal Statement of the Economic Base and Industrial/Commercial Land Use Element reads as follows:

*To continue to support and encourage the development of a broad industrial base in the City, and to encourage the expansion of service facilities in the community.*

- Objective #2 - Employment Opportunity states:

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

- Policy 4 of Objective #2 - Employment Opportunity 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 #4 – Industrial Land Use states:

*To encourage new industries to locate within the three major industrial areas of the City, in order to take maximum advantage of existing access and public facilities serving industry.*

- Policy 3 of Objective #4 – Industrial Land Use states:

*Lands designated for industrial use as shown on Map 7, Land Use, should be reserved for industrial, manufacturing, distribution, and supporting land uses, except where otherwise indicated in the Tacoma Station Area Plan.*

- Objective #5 – Industrial Impacts states:

*To minimize the adverse impacts of industrial and employment center development and operation on surrounding areas.*

- 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.*

- Objective #8 – Commercial Land Use – Community Center states:

*To provide the weekly and comparison goods shopping needs of the City's and surrounding areas' residents.*

- Policy 4 under Objective #8 Commercial Land Use – Community Center reads:

*The Center will increase comparative and one-stop shopping services, thereby reducing vehicle trips outside the City, and providing better shopping services to the area.*

- Objective #10 – Commercial Land Use – Convenience Centers states:

*To limit intrusion of commercial uses into neighborhood areas, while providing easy accessibility to residents.*

- Policy 3 under Objective #10 Commercial Land Use – Convenience Centers reads:

*Local convenience centers will be designed to minimize the impacts on adjacent properties through visual screening, lighting controls, etc.*

- Policy 1 under Objective #12 Town Center reads:

*Downtown Milwaukie, and specifically those lands designated as Town Center on Map 7, will be considered a Town Center, serving area-wide needs as well as the needs of local residents.*

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 the list of permitted uses for a given zone should be expanded to include a use that is not listed elsewhere in the code. Rather, the policies and objectives speak generally about broad objectives for economic development and the protection of zone districts for their intended uses.

The proposed text amendments provides a community benefit by allowing marijuana businesses to locate in commercial and industrial zones within the City, thereby increasing economic activity and enhancing convenience and accessibility for Milwaukie residents. For this reason, the following goals, policies, and objectives are satisfied by the proposal:

- Goal Statement of the Economic Base and Industrial/Commercial Land Use Element
- Objective #2 – Employment Opportunity
- Objective #4 – Industrial Land Use
- Objective #6 – Commercial Land Use
- Objective #8 – Commercial Land Use – Community Center
- Policy 4 of Objective #8 Commercial Land Use – Community Center
- Objective #10 – Commercial Land Use – Convenience Centers
- Policy 1 of Objective #12 Town Center

Policy 4 of Objective#2 – The amendments allow medical grow operations as home occupations within residential districts. The proposal limits impacts by requiring that grow operations be indoors and utilize odor control equipment.

Policy 3 of Objective #4 – Industrial Land Use appears to present a conflict with the proposal that marijuana retail facilities be allowed in the M-Zone given that the policy states “industrial lands should be reserved for industrial purposes.” The M-zone currently allows a wide range of retail uses provided that at least 25% of the development site is developed for manufacturing or industrial purposes. Because a portion of any development site is reserved for manufacturing or industrial use and because similar non-industrial (office and limited retail) uses are currently allowed in the zone, the proposed amendment does not conflict with Policy 3.

Policy 3 under Objective #10 Commercial Land Use – Convenience Centers addresses neighborhood compatibility. The proposed amendments manage

impacts on neighborhoods by limiting the hours of operation and by regulating the display of products for retail marijuana sales.

Objective #5 – Industrial Impacts – The amendments satisfy the objective through the incorporation of new development standards that require processing, production, warehousing, research and testing facilities to utilize odor control equipment.

*In conclusion, all relevant goals, objectives and policies are satisfied by the proposed amendments for the reasons stated above.*

- (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.*

*The proposed 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 it does not create the opportunity for any more vehicle trips than are currently allowed by other similar uses in each respective zone: i.e., retail stores and offices in commercial zones and warehousing, processing, offices, and production facilities in industrial zones.*

- (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.*

## Underline/Strikeout Amendments

### Zoning Ordinance

#### CHAPTER 19.200 DEFINITIONS AND MEASUREMENTS

##### 19.201 DEFINITIONS

“Agriculture” means the tilling of the soil, the raising of crops, dairying, or animal husbandry; but not including the keeping or raising of fowl, pigs, or furbearing animals unless the keeping of animals is clearly incidental to the principal use of the property for the raising of crops.

“Production-related office” means offices that are characterized by activities that, while conducted in an office-like setting, involve less face-to-face customer contact and do not tend to generate foot traffic. Their operations are less service-oriented than traditional office uses and focus on the development, testing, research, production, processing, packaging, or assembly of goods and products. Examples include: software and internet content development and publishing; telecommunication service providers; data processing; television, video, radio, and internet studios and broadcasting; scientific and technical services; call centers; and medical and dental labs.

“Medical marijuana facility” means a business that dispenses medical marijuana in accordance with the regulations set forth by ORS Chapter 475B and related Oregon Administrative Rules. State-registered grow sites are not considered to be medical marijuana facilities and are instead classified as "marijuana production" for purposed of this Code not permitted under the City of Milwaukie's medical marijuana facility regulations.

"Marijuana business" means a state-licensed business involved in the production, processing, warehousing, testing, research, or sale of marijuana or marijuana-derived products.

"Marijuana processor" means a state-licensed business that processes, compounds, transforms, or converts marijuana into other marijuana products including concentrates, extracts, or edible products.

"Marijuana production" means planting, cultivating, growing, or harvesting of marijuana for sale or processing as a legal, state-licensed business.

"Marijuana retailer" means a state-licensed business that sells or distributes marijuana and marijuana-derived products to consumers. A marijuana retailer may sell or distribute recreational or medical marijuana.

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#### CHAPTER 19.300 BASE ZONES

##### 19.301 LOW DENSITY RESIDENTIAL ZONES

###### 19.301.3 Use Limitations and Restrictions

A. Agricultural or horticultural uses are permitted, provided that the following conditions are met.

- A1. Retail or wholesale sales associated with an agricultural or horticultural use are limited to the allowances for a home occupation per Section 19.507.

## Proposed Code Amendment

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- B2. Livestock, other than usual household pets, are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than one acre, nor having less than 10,000 sq ft per head of livestock.
- C3. Poultry kept for the production of meat or for commercial sale of eggs are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than 1 acre. Poultry kept for other purposes are not subject to these limitations and are allowed per Subsection 19.503.1.C.

B. Marijuana production is not permitted in low density residential zones except as follows:

- 1. State-licensed production for medical marijuana patients is permitted provided the operation is entirely indoors and meets the security and odor control standards set forth in Subsection 19.509.2.
  - 2. Growing marijuana indoors or outdoors for personal use is permitted consistent with state laws.
- 

## 19.302 MEDIUM AND HIGH DENSITY RESIDENTIAL ZONES

### 19.302.3 Use Limitations and Restrictions

- A. Agricultural or horticultural uses are permitted, provided that the following conditions are met.
    - 1. Retail or wholesale sales associated with an agricultural or horticultural use are limited to the allowances for a home occupation per Section 19.507.
    - 2. Livestock, other than usual household pets, are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than 1 acre, nor having less than 10,000 sq ft per head of livestock.
    - 3. Poultry kept for the production of meat or for commercial sale of eggs are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than 1 acre. Poultry kept for other purposes are not subject to these limitations and are allowed per Subsection 19.503.1.C.
  - B. Office uses allowed in the medium and high density zones are offices, studios, clinics, and others similar professional offices. Corporate offices for marijuana businesses are permitted provided that no marijuana or marijuana products associated with the business are onsite. Marijuana testing labs and research facilities are not permitted office uses in these zones.
  - C. Marijuana production is not permitted in medium and high density residential zones except as follows:
    - 1. State-licensed production for medical marijuana patients is permitted provided the operation is entirely indoors and meets the security and odor control standards set for in Subsection 19.509.2.
    - 2. Growing marijuana indoors or outdoors for personal use is permitted consistent with state laws.
-

19.303 COMMERCIAL MIXED-USE ZONES

19.303.2 Uses

| Table 19.303.2<br>Uses Allowed in Commercial Mixed-Use Zones  |     |     |   |
|---|-----|-----|---|
| Uses and Use Categories   | GMU | NMU | Standards/Additional Provisions   |
| <b>Commercial<sup>3, 4</sup></b>  |     |     |   |
| <p>General Office</p> <p>General office means professional, executive, management, or administrative or administrative offices of firms or organizations.</p> <p>Examples include professional services such as lawyers, architects, or accountants; financial businesses such as lenders, credit unions, or real estate agents; sales offices; <u>offices for testing and research-related businesses (including marijuana testing and research), and medical and dental <del>clinics</del>clinics.</u></p>  | P   | P   | <u>Subsection 19.303.6.C Marijuana testing and research facilities</u>                                |
| <p>Retail-oriented sales</p> <p>Sales-oriented retail firms are involved in the sale, leasing, and rental of new or used products to the general public. Examples include stores selling, leasing, or renting consumer, home, and business goods including art, art supplies, bicycles, clothing, dry goods, electronics, fabric, gifts, groceries, hardware, household products, jewelry, pets and pet products, pharmaceuticals, plants, printed materials, stationery, and printed and electronic media.</p>   | P   | P   |   |
| <p><del>Marijuana retailer</del> <u>Medical marijuana facility</u></p> <p><del>Marijuana retailer means a state-licensed business that sells or distributes marijuana and marijuana-derived products to consumers. A marijuana retailer may sell or distribute recreational or medical marijuana.</del></p> <p><del>Medical marijuana facility means a business that dispenses medical marijuana in accordance with the regulations set forth by ORS Chapter 475 and related Oregon Administrative Rules. State-registered grow sites are not considered to be medical marijuana facilities and are not permitted under the City of Milwaukie's medical marijuana facility regulations.</del></p> | P   | P   | <u>Subsection 19.303.6.A Standards for Marijuana retailers</u><br><u>Medical Marijuana Facilities</u> |

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| <b>Manufacturing and Production</b>  |          |          |   |
|--|----------|----------|---|
| <p>Manufacturing and production.<sup>8</sup><br/>                     Manufacturing and production uses are involved in the manufacturing, processing, fabrication, packaging, or assembly of goods. Natural, man-made, raw, secondary, or partially completed materials may be used.<br/>                     Examples include processing of food and related products; catering establishments; breweries, distilleries, and wineries; <u>marijuana processors</u>; weaving or production of textiles or apparel; woodworking, including cabinet makers; manufacture or assembly of machinery, equipment, instruments, including musical instruments, vehicles, appliances, precision items, and other electrical items; and production of artwork and toys.<br/> <u>Marijuana production is prohibited.</u></p> | <p>P</p> | <p>P</p> | <p><b><u>Subsection 19.509.2 Security and odor control for certain marijuana businesses</u></b></p> |

P = Permitted.

3. In the NMU Zone, unless otherwise specified in this section, all nonresidential uses listed in Table 19.303.2 shall be no greater than 10,000 sq ft in area per use. A nonresidential use greater than 10,000 sq ft in area may be approved through a conditional use review pursuant to Section 19.905.
4. The 10,000 sq ft size limitation in Footnote 3 of Table 19.303.2 does not apply to "retail-oriented sales" uses established within the existing lot and building situated at 4320 SE King Rd, within the lot's boundaries that exist on February 13, 2016, the effective date of Ordinance #2112. Redevelopment of the site is subject to all standards of Table 19.303.2.
8. Manufacturing and production uses are limited to 5,000 sq ft in floor area per use on the ground floor and are only permitted when associated with, and accessory to, a related retail-oriented sales or eating/drinking establishment use. For purposes of this subsection, manufacturing and production involve goods that are sold or distributed beyond or outside of the associated on-site eating or drinking establishment or retail trade use. For example, a brewing facility that distributes or sells its products elsewhere would be considered a manufacturing and production use, while a restaurant kitchen that prepares food that is purchased on the site would not be considered manufacturing or production.

**~~19.303.6 Standards for Medical Marijuana Facilities~~**

~~In the commercial mixed-use zones, medical marijuana facilities shall meet the following standards:~~

- ~~A. As set forth by Oregon Administrative Rules, a medical marijuana facility shall not be located within 1,000 ft of the real property comprising a public or private elementary, secondary, or career school attended primarily by minors or within 1,000 ft of another medical marijuana facility. In addition, a medical marijuana facility shall not be located within 1,000 ft of the Wichita and Hector Campbell school sites.~~
- ~~B. A medical marijuana facility shall not be colocated with another business.~~
- ~~C. Display of marijuana or marijuana products that are visible from outside of the facility is prohibited.~~
- ~~D. The hours of operation for medical marijuana facilities shall be limited to the hours between 8:00 a.m. and 10:00 p.m.~~

**19.303.76 Additional Provision**

Depending on the type and use of development proposed, the following sections of the Milwaukie Municipal Code may apply. These sections are references for convenience, and do not limit or determine the applicability of other sections within the Milwaukie Municipal Code.

**19.304 DOWNTOWN ZONES**

**19.304.2 Uses**

| <b>Table 19.304.2<br/>Downtown Zones—Uses</b>  |            |           |   |
|--|------------|-----------|---|
| <b>Uses and Use Categories</b>   | <b>DMU</b> | <b>OS</b> | <b>Standards/<br/>Additional Provisions</b>   |
| <b>Commercial</b>  |            |           |   |
| <p>Production-related office</p> <p>Production-related office uses are characterized by activities that, while conducted in an office-like setting, involve less face-to-face customer contact and do not tend to generate foot traffic. Their operations are less service-oriented than traditional office uses and focus on the development, testing, <u>research, production, processing, packaging, or assembly of goods and products.</u></p> <p>Examples include: software and internet content development and publishing; telecommunication service providers; data processing; television, video, radio, and internet studios and broadcasting; scientific and technical services; call centers, <u>marijuana testing and research facilities,</u> and medical and dental labs.</p> | P/CU       | N         | <p><b>Subsection 19.304.3.A.2</b><br/>Main St limitations</p> <p><b>Subsection 19.304.3.A.3</b><br/>Commercial use limitations</p> <p><b>Subsection 19.509.2</b><br/><u>Security and odor control for certain marijuana business</u></p> <p><b>Section 19.905</b> Conditional Uses</p> <p><u>Note: Production, processing, packaging, and assembly uses must meet the standards listed below under Manufacturing.</u></p> |
| <p><u>Marijuana retailer</u></p> <p><u>Marijuana retailer means a state-licensed business that sells or distributes marijuana and marijuana-derived products to consumers. A marijuana retailer may sell or distribute recreational or medical marijuana.</u></p> <p><u>Medical marijuana facility</u></p> <p><u>Medical marijuana facility means a business that dispenses medical marijuana in accordance with the regulations set forth by ORS Chapter 475 and related Oregon Administrative Rules. State registered grow sites are not considered to be medical marijuana facilities and are not permitted under the</u></p>   | P/CU       | N         | <p><b>Subsection 19.509.1</b><br/><b>19.304.3.A.7</b> Standards for Marijuana Retailers Medical Marijuana Facilities</p>  |

## Proposed Code Amendment

|   |   |   |   |
|---|---|---|---|
| City of Milwaukie's medical marijuana facility regulations.   |   |   |   |
| <b>Manufacturing</b>  |   |   |   |
| <p>Manufacturing and production</p> <p>Uses are involved in the manufacturing, processing, fabrication, packaging, or assembly of goods. Natural, man-made, raw, secondary, or partially completed materials may be used.</p> <p>Examples include processing of food and related products; catering establishments; breweries, distilleries, and wineries; <u>marijuana processors</u>; weaving or production of textiles or apparel; woodworking, including cabinet makers; manufacture or assembly of machinery, equipment, instruments (including musical instruments), vehicles, appliances, precision items, and other electrical items; and production of artwork and toys.</p> | P | N | <p><b><u>Subsection 19.304.3.A.87</u></b><br/> Manufacturing and production limitations<br/> <b><u>Subsection 19.509.2</u></b><br/> <u>Security and odor control for certain marijuana businesses</u></p> |

P = Permitted.

N = Not permitted.

CSU = Permitted with community service use approval subject to provisions of Section 19.904. Type III review required to establish a new CSU or for major modification of an existing CSU. Type I review required for a minor modification of an existing CSU.

CU = Permitted with conditional use approval subject to the provisions of Section 19.905. Type III review required to establish a new CU or for major modification of an existing CU. Type I review required for a minor modification of an existing CU.

### 19.304.3 Use Limitations, Restrictions, and Provisions

#### A. Use Limitations and Restrictions

The following provisions describe the limitations for uses listed in Table 19.304.2.

~~7. Medical marijuana facilities shall meet the following standards:~~

- ~~a. As set forth by Oregon Administrative Rules, a medical marijuana facility shall not be located within 1,000 ft of the real property comprising a public or private elementary, secondary, or career school attended primarily by minors or within 1,000 ft of another medical marijuana facility.~~
- ~~b. A medical marijuana facility shall not be colocated with another business.~~
- ~~c. Display of marijuana or marijuana products that are visible from outside of the retail facility is prohibited.~~
- ~~d. The hours of operation for medical marijuana facilities shall be limited to the hours between 8:00 a.m. and 10:00 p.m.~~

87. Manufacturing and production uses are limited to 5,000 sq ft in floor area per use on the ground floor and are only permitted when associated with, and accessory to, a related retail-oriented sales or eating/drinking establishment use. For purposes of this subsection, manufacturing and production involve goods that are sold or distributed

beyond or outside of the associated on-site eating or drinking establishment or retail trade use. For example, a brewing facility that distributes or sells its products elsewhere would be considered a manufacturing and production use, while a restaurant kitchen that prepares food that is purchased on-site would not be considered manufacturing or production. Marijuana production is prohibited.

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### 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:

- B. ~~Offices of~~ for administrative, editorial, educational, executive, financial, governmental, philanthropic, insurance, real estate, religious, research, testing, scientific, or statistical businesses or organizations.
- C. Retail trade establishment such as a food store, drugstore, gift shop, hardware store, selling primarily from a shelf-goods inventory.
- F. Marijuana retailer ~~Medical marijuana facilities~~ subject to the standards of Subsection ~~19.306-3-L509.1~~ 19.509.1.

#### 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:

- H. Agricultural or horticultural use, provided that poultry or livestock other than usual household pets are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than 1 acre, nor having less than 10,000 sq ft per head of livestock; marijuana production is not permitted as an agricultural use;

#### 19.306.3 Standards

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

- L. Offices for marijuana research or testing shall be subject to the security and odor control standards of Subsection 19.509.2. ~~Medical marijuana facilities shall meet the following standards:~~
  - 1. ~~As set forth by Oregon Administrative Rules, a medical marijuana facility shall not be located within 1,000 ft of the real property comprising a public or private elementary, secondary, or career school attended primarily by minors, or within 1,000 ft of another medical marijuana facility. In addition, a medical marijuana facility shall not be located within 1,000 ft of the Wichita and Hector Campbell school sites.~~
  - 2. ~~A medical marijuana facility shall not be colocated with another business.~~
  - 3. ~~Display of marijuana or marijuana products that are visible from outside of the facility is prohibited.~~
  - 4. ~~The hours of operation for medical marijuana facilities shall be limited to the hours between 8:00 a.m. and 10:00 p.m.~~

**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:

- B. ~~Offices of~~ for administrative, editorial, educational, executive, financial, governmental, philanthropic, insurance, real estate, religious, research, testing, scientific, or statistical businesses or organizations.
- C. Retail trade establishment such as a food store, drugstore, gift shop, hardware store, selling primarily from a shelf-goods inventory;
- Y. Marijuana retailer ~~Medical marijuana facilities~~ subject to the standards of Subsection 19.307.3.M509.1;

**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:

- E. Agricultural or horticultural use, provided that poultry or livestock other than usual household pets are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than 1 acre, nor having less than 10,000 sq ft per head of livestock; marijuana production is not permitted as an agricultural use;

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**19.307.3 Standards**

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

- M. Offices for marijuana research or testing shall be subject to the security and odor control standards of Subsection 19.509.2. ~~Medical marijuana facilities shall meet the following standards:~~
  - 1. ~~As set forth by Oregon Administrative Rules, a medical marijuana facility shall not be located within 1,000 ft of the real property comprising a public or private elementary, secondary, or career school attended primarily by minors, or within 1,000 ft of another medical marijuana facility. In addition, a medical marijuana facility shall not be located within 1,000 ft of the Wichita and Hector Campbell school sites.~~
  - 2. ~~A medical marijuana facility shall not be colocated with another business.~~
  - 3. ~~Display of marijuana or marijuana products that are visible from outside of the retail facility is prohibited.~~
  - 4. ~~The hours of operation for medical marijuana facilities shall be limited to the hours between 8:00 a.m. and 10:00 p.m.~~

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**19.308 COMMUNITY SHOPPING COMMERCIAL ZONE C-CS**

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

**19.308.1 Uses**

Development shall be a community-scale shopping center.

- A. Such center shall include at least 3 out of the 4 following uses:

1. Department store uses;
  2. Drug and/or variety store uses;
  3. Food supermarket;
  4. Retail specialty shops.
- B. Such center may include the following additional uses:
7. Marijuana retailer ~~Medical marijuana facilities~~ subject to the standards of Subsection 19.308.5.K 509.1;

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### 19.308.5 Development Standards

- ~~K. Medical marijuana facilities shall meet the following standards:~~
- ~~1. As set forth by Oregon Administrative Rules, a medical marijuana facility shall not be located within 1,000 ft of the real property comprising a public or private elementary, secondary, or career school attended primarily by minors or within 1,000 ft of another medical marijuana facility. In addition, a medical marijuana facility shall not be located within 1,000 ft of the Wichita and Hector Campbell school sites.~~
  - ~~2. A medical marijuana facility shall not be colocated with another business.~~
  - ~~3. Display of marijuana or marijuana products that are visible from outside of the facility is prohibited.~~
  - ~~4. The hours of operation for medical marijuana facilities shall be limited to the hours between 8:00 a.m. and 10:00 p.m.~~

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## 19.309 MANUFACTURING ZONE M

### 19.309.2 Permitted Uses

Permitted uses are limited to industrial uses meeting the following criteria:

- A. Any combination of manufacturing, office, and/or commercial uses are allowed when at least 25% of the total project involves an industrial use as described under Subsection 19.309.2.B.
- B. A use which involves the collection and assembly of durable goods, warehousing of goods, transshipment of goods from other sources, and/or the assembly of goods from products which have been processed elsewhere, general manufacturing, and production.
- C. Commercial and office uses which are accessory to the industrial use(s). Such uses may include gymnasium, health club, secretarial services, sandwich deli, small restaurant, and retail/wholesale commercial use and showroom.
- D. May produce small amounts of noise, dust, vibration, or glare, but may not produce off-site impacts that create a nuisance, as defined by DEQ or the City Noise Ordinance.
- E. A permitted use may require outside storage areas. These storage areas shall be screened with a sight-obscuring fence or dense plantings from any adjoining residential uses or public streets.
- F. Warehouse use which is accessory to an industrial use.

## Proposed Code Amendment

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- G. ~~Marijuana retailers~~ Medical marijuana facilities are allowed as a commercial use under Subsection 19.309.2.A. and subject to the special development standards set forth in ~~Subsection 19.309.7.A~~ 509.1.

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### 19.309.7 Special Development Standards

The following development standards apply to specified uses in the M Zone.

A. Marijuana Businesses ~~Medical Marijuana Facilities~~

1. Marijuana retailers shall be subject to the standards of Subsection 19.509.1 ~~Medical marijuana facilities shall meet the following standards:~~

- ~~1—As set forth by Oregon Administrative Rules, a medical marijuana facility shall not be located within 1,000 ft of the real property comprising a public or private elementary, secondary, or career school attended primarily by minors or within 1,000 ft of another medical marijuana facility. In addition, a medical marijuana facility shall not be located within 1,000 ft of the Wichita and Hector Campbell school sites.~~
- ~~2—A medical marijuana facility shall not be colocated with another business.~~
- ~~3—Display of marijuana or marijuana products that are visible from outside of the facility is prohibited.~~
- ~~4—The hours of operation for medical marijuana facilities shall be limited to the hours between 8:00 a.m. and 10:00 p.m.~~

2. Marijuana production, processing, testing, research, and warehousing shall be subject to the security and odor control standards of Subsection 19.509.2.

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## 19.310 BUSINESS INDUSTRIAL ZONE BI

### 19.310.2 Uses Permitted Outright

- A. The following business and industrial uses are allowed outright, subject to the standards of Subsection 19.310.6.
1. Experimental, research, film, or testing laboratories, provided no operation shall be conducted or equipment used which would create hazards and/or nuisances off the site (marijuana testing or research shall also be subject to the security and odor control standards of Subsection 19.509.2);
  2. Manufacturing, processing, fabrication, packaging, or assembly of products from previously prepared materials;
- C. Warehousing and distribution (marijuana warehousing shall be subject to the security and odor control standards of Subsection 19.509.2).
-

**19.310.5 Conditional Uses**

B. Uses allowed subject to the above conditions are:

- 4. Marijuana producers and processors. Marijuana producers and processors shall be subject to the security and odor control standards of Subsection 19.509.

**19.312 TACOMA STATION AREA MANUFACTURING ZONE M-TSA**

**19.312.2 Use Categories**

The categories of land uses that are permitted in the M-TSA Zone are listed in Table 19.312.2. Permitted uses are designated with a “P.” A “C” in this table indicates a use that may be authorized as a conditional use in conformance with Chapter 19.905. An “L” indicates a use that is permitted outright with certain limitations as described in Subsection 19.312.6. Uses not listed in the table are not allowed.

All uses must comply with the land use district standards of this section and all other applicable requirements of the Zoning Ordinance. If it is unclear whether a proposed use is allowed under the use categories, the applicant may submit a Director Determination application per Subsection 19.903 to resolve the issue.

| <b>Table 19.312.2<br/>M-TSA Zone Uses</b>  |                             |
|--|-----------------------------|
| <b>Use Category</b>  | <b>Status</b>               |
| <b>G. Limited Uses</b>   |                             |
| This category comprises uses that are primarily intended to support and serve other allowed uses in the M-TSA Zone. Limited uses are divided into two subcategories. See Subsection 19.312.6 for applicable limitations on these uses.<br><br>3. <del>Medical Marijuana Facilities</del><br><br><del>— This subcategory applies only to retail sales of medical marijuana at State-licensed facilities</del> | L                           |
| <b>L. Marijuana Businesses (as Limited Uses)</b>   |                             |
| This category includes the following businesses:<br>1. <u>Marijuana retailers subject to the standards of Subsections 19.312.6 B. and 19.509.1</u><br>2. <u>Marijuana processing, testing, research, and warehousing subject to the standards of Subsection 19.509.2.</u><br>3. <u>Marijuana production subject to the conditional use process and the standards of Subsection 19.509.2.</u>                 | L<br><br><br>C <sup>1</sup> |

P = Permitted.

L = Limited.

C = Conditional use.

<sup>1</sup> Only marijuana production is subject to the condition use process.

**19.312.5 Standards for Conditional Uses**

The following standards apply to those uses listed as conditional (C) in Table 19.312.2.

## Proposed Code Amendment

### C. Marijuana Production

1. Marijuana production shall be subject to the security and odor control standards of Subsection 19.509.2.

### 19.312.6 Standards for Limited Uses

The following standards apply to those uses listed as limited (L) in Table 19.312.2.

#### B. ~~Medical Marijuana Facilities~~

~~Medical marijuana facilities shall meet the following standards:~~

- ~~1. As set forth by Oregon Administrative Rules, a medical marijuana facility shall not be located within 1,000 ft of the real property comprising a public or private elementary, secondary, or career school attended primarily by minors or within 1,000 ft of another medical marijuana facility. In addition, a medical marijuana facility shall not be located within 1,000 ft of the Wichita and Hector Campbell school sites.~~
- ~~2. A medical marijuana facility shall not be colocated with another business.~~
- ~~3. Display of marijuana or marijuana products that are visible from outside of the facility is prohibited.~~
- ~~4. The hours of operation for medical marijuana facilities shall be limited to the hours between 8:00 a.m. and 10:00 p.m.~~

#### C.B. Retail Commercial and Professional Services

In order to ensure that these uses are limited in size and scale and do not dominate land intended for manufacturing uses, the following standards apply. See Figure 19.312.6.B for an illustration of the size limitations.

**Figure 19.312.6.CB**

#### Size Limitations for Retail and Professional Service Uses



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## CHAPTER 19.500 SUPPLEMENTARY DEVELOPMENT REGULATIONS

### 19.507 HOME OCCUPATION STANDARDS

#### 19.507.2 Prohibitions and Use Restrictions

- F. Except as set forth below, all marijuana-related businesses (production, processing, testing, warehousing, and sales) are prohibited as home occupations. State-licensed production for medical marijuana patients is permitted provided the operation is entirely indoors and meets the security and odor control standards of Subsection 19.509.2.

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### 19.509 MARIJUANA BUSINESS STANDARDS

The intent of these regulations is to ensure that potential impacts from marijuana businesses are managed and mitigated.

#### 19.509.1 Standards for Marijuana Retailers

- A. A marijuana retailer shall not be located within 1,000 ft of the real property comprising a public or private elementary, secondary, or career school attended primarily by minors. In addition, a marijuana retailer shall not be located within 1,000 ft of the Wichita and Hector Campbell school sites nor within 1,000 ft of another marijuana retailer.
- B. A marijuana retailer shall not be collocated with another business except when collocated with another state-licensed marijuana business as permitted by state laws.
- C. Display of marijuana or marijuana products that are visible from outside of the retail facility is prohibited.
- D. The hours of operation for marijuana retailer shall be limited to the hours between 8:00 a.m. and 10:00 p.m.
- E. No drive-through sales are permitted.

#### 19.509.2 Security and Odor Control for Certain Marijuana Businesses

- A. The operation shall be entirely indoors, within a fully-enclosed, secure building meeting building codes adopted by the City of Milwaukie and all other applicable state regulations.
- B. Odor shall be managed through the installation of activated carbon filters on exhaust outlets to the building exterior from any rooms used for production, processing, testing, research, and warehousing. Negative air pressure shall be maintained within the rooms. Exhaust outlets shall be a minimum of 25 feet from a property line.
- C. An alternative odor control system may be approved by the building official based on a report by a mechanical engineer licensed by the state of Oregon, demonstrating that the alternative system will control odor equally or better than the required activated carbon filtration system.

## Clean Amendments

### Zoning Ordinance

#### CHAPTER 19.200 DEFINITIONS AND MEASUREMENTS

##### 19.201 DEFINITIONS

"Agriculture" means the tilling of the soil, the raising of crops, dairying, or animal husbandry; but not including the keeping or raising of fowl, pigs, or furbearing animals unless the keeping of animals is clearly incidental to the principal use of the property for the raising of crops.

"Production-related office" means offices that are characterized by activities that, while conducted in an office-like setting, involve less face-to-face customer contact and do not tend to generate foot traffic. Their operations are less service-oriented than traditional office uses and focus on the development, testing, research, production, processing, packaging, or assembly of goods and products. Examples include: software and internet content development and publishing; telecommunication service providers; data processing; television, video, radio, and internet studios and broadcasting; scientific and technical services; call centers; and medical and dental labs.

"Medical marijuana facility" means a business that dispenses medical marijuana in accordance with the regulations set forth by ORS Chapter 475B and related Oregon Administrative Rules. State-registered grow sites are not considered to be medical marijuana facilities and are instead classified as "marijuana production" for purposed of this Code.

"Marijuana business" means a state-licensed business involved in the production, processing, warehousing, testing, research, or sale of marijuana or marijuana-derived products.

"Marijuana processor" means a state-licensed business that processes, compounds, transforms, or converts marijuana into other marijuana products including concentrates, extracts, or edible products.

"Marijuana production" means planting, cultivating, growing, or harvesting of marijuana for sale or processing as a legal, state-licensed business.

"Marijuana retailer" means a state-licensed business that sells or distributes marijuana and marijuana-derived products to consumers. A marijuana retailer may sell or distribute recreational or medical marijuana.

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#### CHAPTER 19.300 BASE ZONES

##### 19.301 LOW DENSITY RESIDENTIAL ZONES

###### 19.301.3 Use Limitations and Restrictions

- A. Agricultural or horticultural uses are permitted, provided that the following conditions are met.
1. Retail or wholesale sales associated with an agricultural or horticultural use are limited to the allowances for a home occupation per Section 19.507.

2. Livestock, other than usual household pets, are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than one acre, nor having less than 10,000 sq ft per head of livestock.
  3. Poultry kept for the production of meat or for commercial sale of eggs are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than 1 acre. Poultry kept for other purposes are not subject to these limitations and are allowed per Subsection 19.503.1.C.
- B. Marijuana production is not permitted in low density residential zones except as follows:
1. State-licensed production for medical marijuana patients is permitted provided the operation is entirely indoors and meets the security and odor control standards set forth in Subsection 19.509.2.
  2. Growing marijuana indoors or outdoors for personal use is permitted consistent with state laws.

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## **19.302 MEDIUM AND HIGH DENSITY RESIDENTIAL ZONES**

### **19.302.3 Use Limitations and Restrictions**

- A. Agricultural or horticultural uses are permitted, provided that the following conditions are met.
1. Retail or wholesale sales associated with an agricultural or horticultural use are limited to the allowances for a home occupation per Section 19.507.
  2. Livestock, other than usual household pets, are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than 1 acre, nor having less than 10,000 sq ft per head of livestock.
  3. Poultry kept for the production of meat or for commercial sale of eggs are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than 1 acre. Poultry kept for other purposes are not subject to these limitations and are allowed per Subsection 19.503.1.C.
- B. Office uses allowed in the medium and high density zones are offices, studios, clinics, and others similar professional offices. Corporate offices for marijuana businesses are permitted provided that no marijuana or marijuana products associated with the business are onsite. Marijuana testing labs and research facilities are not permitted office uses in these zones.
- C. Marijuana production is not permitted in medium and high density residential zones except as follows:
1. State-licensed production for medical marijuana patients is permitted provided the operation is entirely indoors and meets the security and odor control standards set for in Subsection 19.509.2.
  2. Growing marijuana indoors or outdoors for personal use is permitted consistent with state laws.

**19.303 COMMERCIAL MIXED-USE ZONES**

**19.303.2 Uses**

| <b>Table 19.303.2<br/>Uses Allowed in Commercial Mixed-Use Zones</b>  |            |            |  |
|---|------------|------------|--|
| <b>Uses and Use Categories</b>  | <b>GMU</b> | <b>NMU</b> | <b>Standards/Additional Provisions</b>                                 |
| <b>Commercial<sup>3, 4</sup></b>  |            |            |  |
| <p>General Office</p> <p>General office means professional, executive, management, or administrative or administrative offices of firms or organizations.</p> <p>Examples include professional services such as lawyers, architects, or accountants; financial businesses such as lenders, credit unions, or real estate agents; sales offices; offices for testing and research-related businesses (including marijuana testing and research), and medical and dental clinics.</p>                             | P          | P          | <b>Subsection 19.303.6.C</b> Marijuana testing and research facilities |
| <p>Retail-oriented sales</p> <p>Sales-oriented retail firms are involved in the sale, leasing, and rental of new or used products to the general public. Examples include stores selling, leasing, or renting consumer, home, and business goods including art, art supplies, bicycles, clothing, dry goods, electronics, fabric, gifts, groceries, hardware, household products, jewelry, pets and pet products, pharmaceuticals, plants, printed materials, stationery, and printed and electronic media.</p> | P          | P          |  |
| <p>Marijuana retailer</p> <p>Marijuana retailer means a state-licensed business that sells or distributes marijuana and marijuana-derived products to consumers. A marijuana retailer may sell or distribute recreational or medical marijuana.</p>   | P          | P          | <b>Subsection 19.303.6.A</b> Marijuana retailers                       |

## Proposed Code Amendment

| Manufacturing and Production   |   |   |   |
|--|---|---|---|
| Manufacturing and production. <sup>8</sup><br>Manufacturing and production uses are involved in the manufacturing, processing, fabrication, packaging, or assembly of goods. Natural, man-made, raw, secondary, or partially completed materials may be used.<br>Examples include processing of food and related products; catering establishments; breweries, distilleries, and wineries; marijuana processors; weaving or production of textiles or apparel; woodworking, including cabinet makers; manufacture or assembly of machinery, equipment, instruments, including musical instruments, vehicles, appliances, precision items, and other electrical items; and production of artwork and toys.<br>Marijuana production is prohibited. | P | P | <b>Subsection 19.509.2</b> Security and odor control for certain marijuana businesses |

P = Permitted.

3. In the NMU Zone, unless otherwise specified in this section, all nonresidential uses listed in Table 19.303.2 shall be no greater than 10,000 sq ft in area per use. A nonresidential use greater than 10,000 sq ft in area may be approved through a conditional use review pursuant to Section 19.905.
4. The 10,000 sq ft size limitation in Footnote 3 of Table 19.303.2 does not apply to "retail-oriented sales" uses established within the existing lot and building situated at 4320 SE King Rd, within the lot's boundaries that exist on February 13, 2016, the effective date of Ordinance #2112. Redevelopment of the site is subject to all standards of Table 19.303.2.
8. Manufacturing and production uses are limited to 5,000 sq ft in floor area per use on the ground floor and are only permitted when associated with, and accessory to, a related retail-oriented sales or eating/drinking establishment use. For purposes of this subsection, manufacturing and production involve goods that are sold or distributed beyond or outside of the associated on-site eating or drinking establishment or retail trade use. For example, a brewing facility that distributes or sells its products elsewhere would be considered a manufacturing and production use, while a restaurant kitchen that prepares food that is purchased on the site would not be considered manufacturing or production.

### 19.303.6 Additional Provision

Depending on the type and use of development proposed, the following sections of the Milwaukie Municipal Code may apply. These sections are references for convenience, and do not limit or determine the applicability of other sections within the Milwaukie Municipal Code.

## 19.304 DOWNTOWN ZONES

### 19.304.2 Uses

| Table 19.304.2<br>Downtown Zones—Uses |      |    |                                     |
|---------------------------------------|------|----|-------------------------------------|
| Uses and Use Categories               | DMU  | OS | Standards/<br>Additional Provisions |
| <b>Commercial</b>                     |      |    |                                     |
| Production-related office             | P/CU | N  | <b>Subsection 19.304.3.A.2</b>      |

|   |             |          |  |
|---|-------------|----------|--|
| <p>Production-related office uses are characterized by activities that, while conducted in an office-like setting, involve less face-to-face customer contact and do not tend to generate foot traffic. Their operations are less service-oriented than traditional office uses and focus on the development, testing, research, production, processing, packaging, or assembly of goods and products.</p> <p>Examples include: software and internet content development and publishing; telecommunication service providers; data processing; television, video, radio, and internet studios and broadcasting; scientific and technical services; call centers, marijuana testing and research facilities, and medical and dental labs.</p> |             |          | <p>Main St limitations<br/> <b>Subsection 19.304.3.A.3</b><br/>         Commercial use limitations<br/> <b>Subsection 19.509.2</b><br/>         Security and odor control for certain marijuana business<br/> <b>Section 19.905</b> Conditional Uses<br/>         Note: Production, processing, packaging, and assembly uses must meet the standards listed below under Manufacturing.</p> |
| <p>Marijuana retailer</p> <p>Marijuana retailer means a state-licensed business that sells or distributes marijuana and marijuana-derived products to consumers. A marijuana retailer may sell or distribute recreational or medical marijuana.</p>   | <p>P/CU</p> | <p>N</p> | <p><b>Subsection 19.509.1</b><br/>         Standards for Marijuana Retailers</p>   |
| <p><b>Manufacturing</b></p>   |             |          |  |
| <p>Manufacturing and production</p> <p>Uses are involved in the manufacturing, processing, fabrication, packaging, or assembly of goods. Natural, man-made, raw, secondary, or partially completed materials may be used.</p> <p>Examples include processing of food and related products; catering establishments; breweries, distilleries, and wineries; marijuana processors; weaving or production of textiles or apparel; woodworking, including cabinet makers; manufacture or assembly of machinery, equipment, instruments (including musical instruments), vehicles, appliances, precision items, and other electrical items; and production of artwork and toys.</p>  | <p>P</p>    | <p>N</p> | <p><b>Subsection 19.304.3.A.7</b><br/>         Manufacturing and production limitations<br/> <b>Subsection 19.509.2</b><br/>         Security and odor control for certain marijuana businesses</p>  |

P = Permitted.

N = Not permitted.

CSU = Permitted with community service use approval subject to provisions of Section 19.904. Type III review required to establish a new CSU or for major modification of an existing CSU. Type I review required for a minor modification of an existing CSU.

## Proposed Code Amendment

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CU = Permitted with conditional use approval subject to the provisions of Section 19.905. Type III review required to establish a new CU or for major modification of an existing CU. Type I review required for a minor modification of an existing CU.

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### 19.304.3 Use Limitations, Restrictions, and Provisions

#### A. Use Limitations and Restrictions

The following provisions describe the limitations for uses listed in Table 19.304.2.

7. Manufacturing and production uses are limited to 5,000 sq ft in floor area per use on the ground floor and are only permitted when associated with, and accessory to, a related retail-oriented sales or eating/drinking establishment use. For purposes of this subsection, manufacturing and production involve goods that are sold or distributed beyond or outside of the associated on-site eating or drinking establishment or retail trade use. For example, a brewing facility that distributes or sells its products elsewhere would be considered a manufacturing and production use, while a restaurant kitchen that prepares food that is purchased on-site would not be considered manufacturing or production. Marijuana production is prohibited.

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### 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:

- B. Offices for administrative, editorial, educational, executive, financial, governmental, philanthropic, insurance, real estate, religious, research, testing, scientific, or statistical businesses or organizations.
- C. Retail trade establishment such as a food store, drugstore, gift shop, hardware store, selling primarily from a shelf-goods inventory.
- F. Marijuana retailer subject to the standards of Subsection 19.509.1.

#### 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:

- H. Agricultural or horticultural use, provided that poultry or livestock other than usual household pets are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than 1 acre, nor having less than 10,000 sq ft per head of livestock; marijuana production is not permitted as an agricultural use;

#### 19.306.3 Standards

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

- L. Offices for marijuana research or testing shall be subject to the security and odor control standards of Subsection 19.509.2.
-

**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:

- B. Offices for administrative, editorial, educational, executive, financial, governmental, philanthropic, insurance, real estate, religious, research, testing, scientific, or statistical businesses or organizations.
- C. Retail trade establishment such as a food store, drugstore, gift shop, hardware store, selling primarily from a shelf-goods inventory;
- Y. Marijuana retailer subject to the standards of Subsection 19.509.1;

**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:

- E. Agricultural or horticultural use, provided that poultry or livestock other than usual household pets are not housed or kept within 100 ft of any dwelling not on the same lot, nor on a lot less than 1 acre, nor having less than 10,000 sq ft per head of livestock; marijuana production is not permitted as an agricultural use;

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**19.307.3 Standards**

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

- M. Offices for marijuana research or testing shall be subject to the security and odor control standards of Subsection 19.509.2.

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**19.308 COMMUNITY SHOPPING COMMERCIAL ZONE C-CS**

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

**19.308.1 Uses**

Development shall be a community-scale shopping center.

- A. Such center shall include at least 3 out of the 4 following uses:
  - 1. Department store uses;
  - 2. Drug and/or variety store uses;
  - 3. Food supermarket;
  - 4. Retail specialty shops.
- B. Such center may include the following additional uses:
  - 7. Marijuana retailer subject to the standards of Subsection 19. 509.1;

**19.309 MANUFACTURING ZONE M**

**19.309.2 Permitted Uses**

Permitted uses are limited to industrial uses meeting the following criteria:

- A. Any combination of manufacturing, office, and/or commercial uses are allowed when at least 25% of the total project involves an industrial use as described under Subsection 19.309.2.B.
- B. A use which involves the collection and assembly of durable goods, warehousing of goods, transshipment of goods from other sources, and/or the assembly of goods from products which have been processed elsewhere, general manufacturing, and production.
- C. Commercial and office uses which are accessory to the industrial use(s). Such uses may include gymnasium, health club, secretarial services, sandwich deli, small restaurant, and retail/wholesale commercial use and showroom.
- D. May produce small amounts of noise, dust, vibration, or glare, but may not produce off-site impacts that create a nuisance, as defined by DEQ or the City Noise Ordinance.
- E. A permitted use may require outside storage areas. These storage areas shall be screened with a sight-obscuring fence or dense plantings from any adjoining residential uses or public streets.
- F. Warehouse use which is accessory to an industrial use.
- G. Marijuana retailers are allowed as a commercial use under Subsection 19.309.2.A. and subject to the special development standards set forth in Subsection 19.509.1.

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**19.309.7 Special Development Standards**

The following development standards apply to specified uses in the M Zone.

- A. Marijuana Businesses
  - 1. Marijuana retailers shall be subject to the standards of Subsection 19.509.1
  - 2. Marijuana production, processing, testing, research, and warehousing shall be subject to the security and odor control standards of Subsection 19.509.2.

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**19.310 BUSINESS INDUSTRIAL ZONE BI**

**19.310.2 Uses Permitted Outright**

- A. The following business and industrial uses are allowed outright, subject to the standards of Subsection 19.310.6.
  - 1. Experimental, research, film, or testing laboratories, provided no operation shall be conducted or equipment used which would create hazards and/or nuisances off the site (marijuana testing or research shall also be subject to the security and odor control standards of Subsection 19.509.2);
  - 2. Manufacturing, processing, fabrication, packaging, or assembly of products from previously prepared materials;
- C. Warehousing and distribution (marijuana warehousing shall be subject to the security and odor control standards of Subsection 19.509.2).

**19.310.5 Conditional Uses**

- B. Uses allowed subject to the above conditions are:
4. Marijuana producers and processors. Marijuana producers and processors shall be subject to the security and odor control standards of Subsection 19.509.

**19.312 TACOMA STATION AREA MANUFACTURING ZONE M-TSA**

**19.312.2 Use Categories**

The categories of land uses that are permitted in the M-TSA Zone are listed in Table 19.312.2. Permitted uses are designated with a “P.” A “C” in this table indicates a use that may be authorized as a conditional use in conformance with Chapter 19.905. An “L” indicates a use that is permitted outright with certain limitations as described in Subsection 19.312.6. Uses not listed in the table are not allowed.

All uses must comply with the land use district standards of this section and all other applicable requirements of the Zoning Ordinance. If it is unclear whether a proposed use is allowed under the use categories, the applicant may submit a Director Determination application per Subsection 19.903 to resolve the issue.

| <b>Table 19.312.2<br/>M-TSA Zone Uses</b>  |                |
|--|----------------|
| <b>Use Category</b>  | <b>Status</b>  |
| <b>G. Limited Uses</b>   |                |
| This category comprises uses that are primarily intended to support and serve other allowed uses in the M-TSA Zone. Limited uses are divided into two subcategories. See Subsection 19.312.6 for applicable limitations on these uses. | L              |
| <b>L. Marijuana Businesses (as Limited Uses)</b>   |                |
| This category includes the following businesses:   | L              |
| 1. Marijuana retailers subject to the standards of Subsections 19.312.6 B. and 19.509.1  |                |
| 2. Marijuana processing, testing, research, and warehousing subject to the standards of Subsection 19.509.2.   |                |
| 3. Marijuana production subject to the conditional use process and the standards of Subsection 19.509.2.   | C <sup>1</sup> |

P = Permitted.

L = Limited.

C = Conditional use.

<sup>1</sup> Only marijuana production is subject to the condition use process.

**19.312.5 Standards for Conditional Uses**

The following standards apply to those uses listed as conditional (C) in Table 19.312.2.

**C. Marijuana Production**

1. Marijuana production shall be subject to the security and odor control standards of Subsection 19.509.2.

**19.312.6 Standards for Limited Uses**

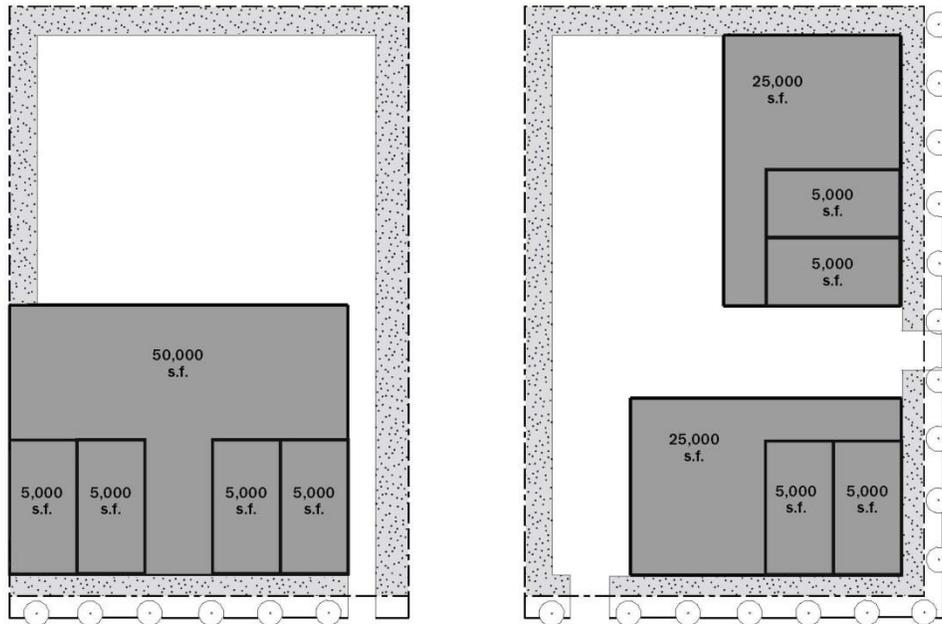
The following standards apply to those uses listed as limited (L) in Table 19.312.2.

**B. Retail Commercial and Professional Services**

In order to ensure that these uses are limited in size and scale and do not dominate land intended for manufacturing uses, the following standards apply. See Figure 19.312.6.B for an illustration of the size limitations.

**Figure 19.312.6.B**

**Size Limitations for Retail and Professional Service Uses**



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**CHAPTER 19.500 SUPPLEMENTARY DEVELOPMENT REGULATIONS**

**19.507 HOME OCCUPATION STANDARDS**

**19.507.2 Prohibitions and Use Restrictions**

F. Except as set forth below, all marijuana-related businesses (production, processing, testing, warehousing, and sales) are prohibited as home occupations. State-licensed production for medical marijuana patients is permitted provided the operation is entirely indoors and meets the security and odor control standards of Subsection 19.509.2.

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**19.509 MARIJUANA BUSINESS STANDARDS**

The intent of these regulations is to ensure that potential impacts from marijuana businesses are managed and mitigated.

**19.509.1 Standards for Marijuana Retailers**

- A. A marijuana retailer shall not be located within 1,000 ft of the real property comprising a public or private elementary, secondary, or career school attended primarily by minors. In addition, a marijuana retailer shall not be located within 1,000 ft of the Wichita and Hector Campbell school sites nor within 1,000 ft of another marijuana retailer.
- B. A marijuana retailer shall not be collocated with another business except when collocated with another state-licensed marijuana business as permitted by state laws.
- C. Display of marijuana or marijuana products that are visible from outside of the retail facility is prohibited.
- D. The hours of operation for marijuana retailer shall be limited to the hours between 8:00 a.m. and 10:00 p.m.
- E. No drive-through sales are permitted.

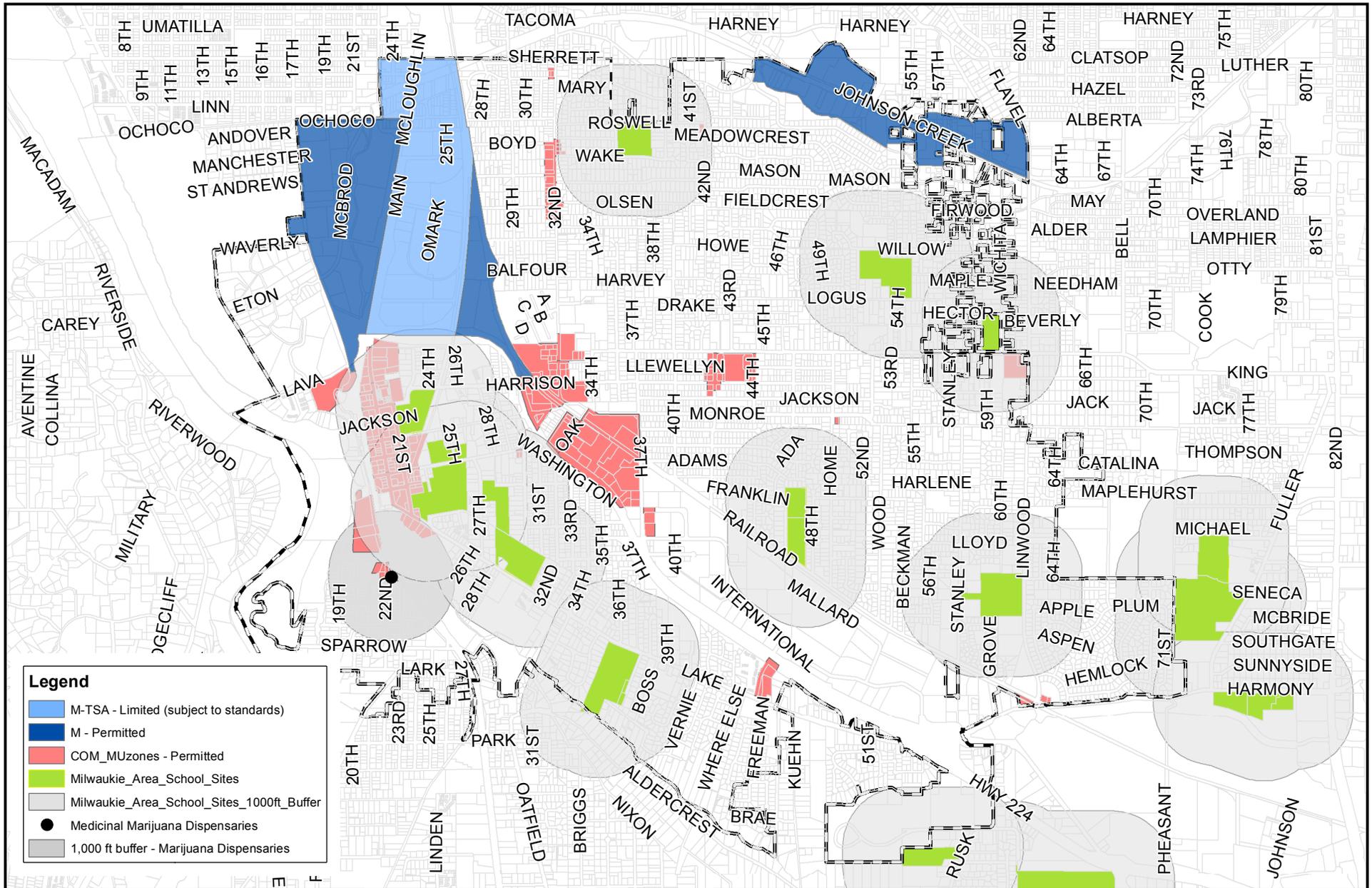
**19.509.2 Security and Odor Control for Certain Marijuana Businesses**

- A. The operation shall be entirely indoors, within a fully-enclosed, secure building meeting building codes adopted by the City of Milwaukie and all other applicable state regulations.
- B. Odor shall be managed through the installation of activated carbon filters on exhaust outlets to the building exterior from any rooms used for production, processing, testing, research, and warehousing. Negative air pressure shall be maintained within the rooms. Exhaust outlets shall be a minimum of 25 feet from a property line.
- C. An alternative odor control system may be approved by the building official based on a report by a mechanical engineer licensed by the state of Oregon, demonstrating that the alternative system will control odor equally or better than the required activated carbon filtration system.

## ATTACHMENT 2

### Maps Depicting Proposed Code Amendments

- Marijuana Retail Facilities
- Marijuana Testing/Research Facilities
- Marijuana Production Facilities
- Marijuana Processing Facilities
- Marijuana Warehouse Facilities

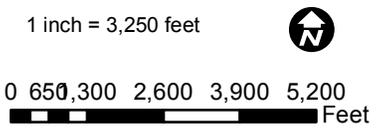


- Legend**
- M-TSA - Limited (subject to standards)
  - M - Permitted
  - COM\_MU zones - Permitted
  - Milwaukie Area School Sites
  - Milwaukie Area School Sites 1000ft Buffer
  - Medicinal Marijuana Dispensaries
  - 1,000 ft buffer - Marijuana Dispensaries

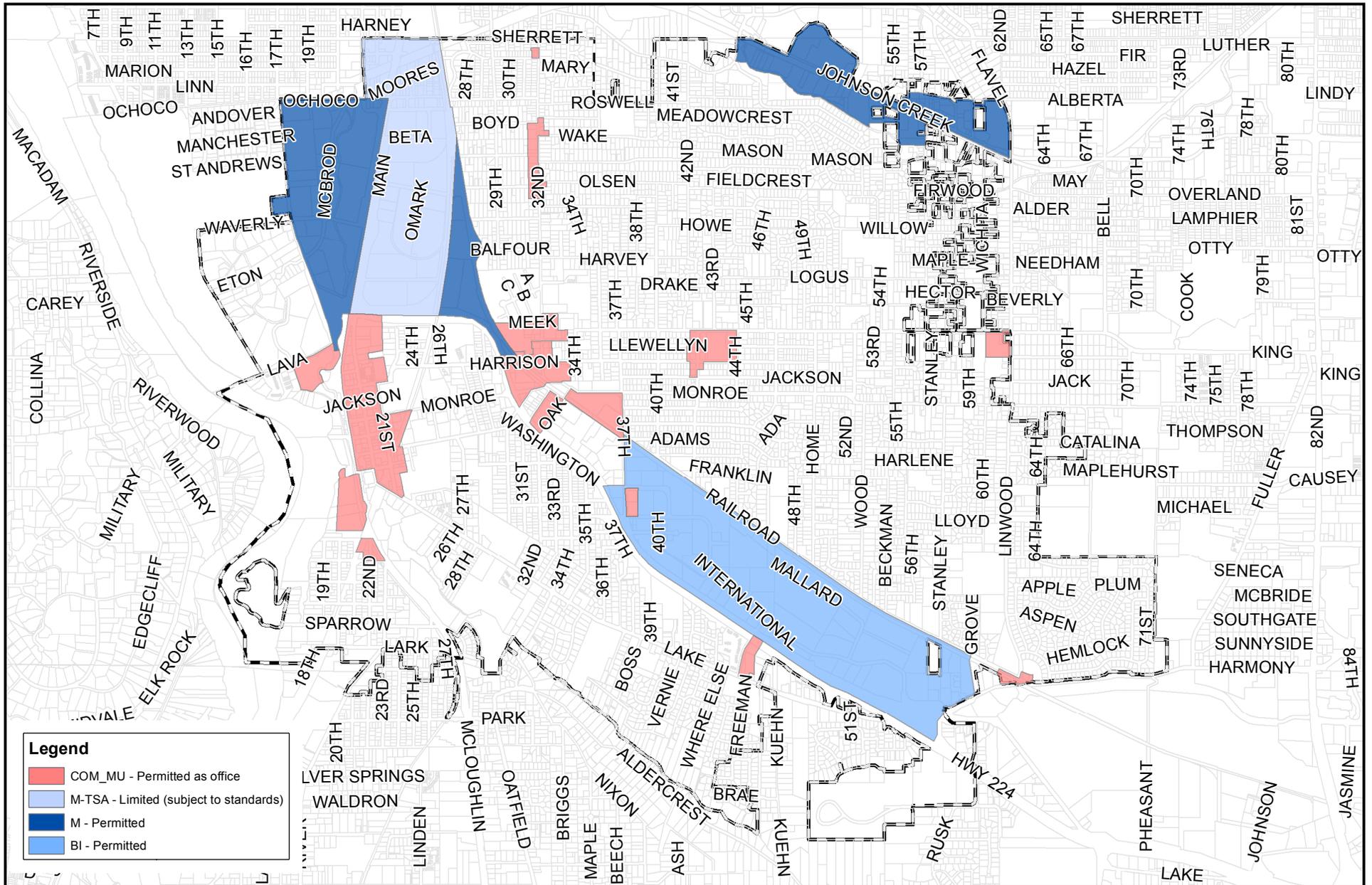


## Proposed Code Amendments Marijuana Retail Facilities

Milwaukie Planning Dept.  
Data: City of Milwaukie GIS;  
Metro RLIS  
Date: 8/2/2016  
Author: Planning Staff



The information depicted on this map is for general reference only. The City of Milwaukie does not accept any responsibility for errors, omissions or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product.



**Legend**

- COM\_MU - Permitted as office
- M-TSA - Limited (subject to standards)
- M - Permitted
- BI - Permitted



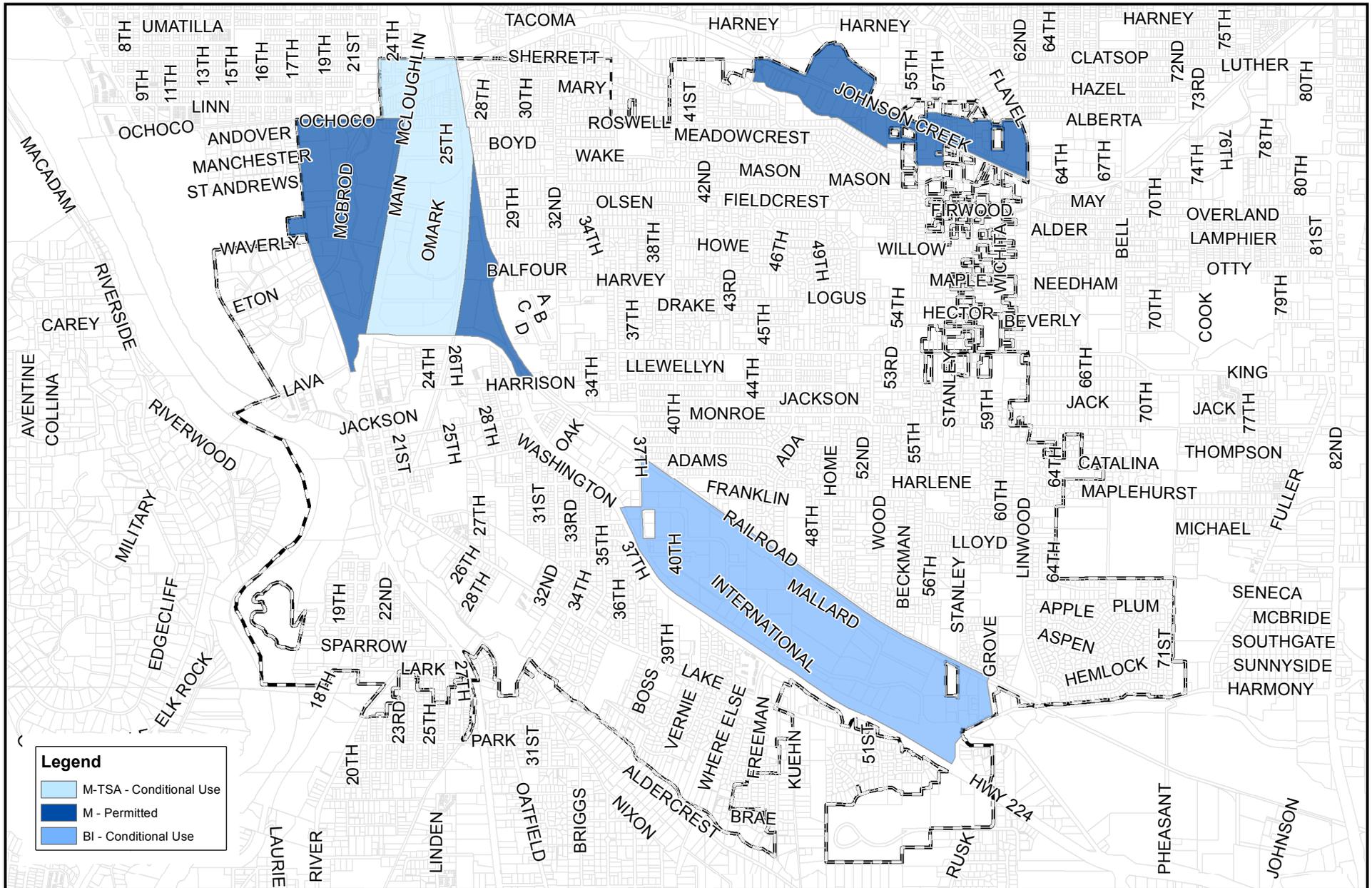
## Proposed Code Amendments Marijuana Testing/Research Facilities

Milwaukie Planning Dept.  
Data: City of Milwaukie GIS;  
Metro RLIS  
Date: 8/2/2016  
Author: Planning Staff

1 inch = 3,250 feet

0 650 300 2,600 3,900 5,200  
Feet

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**Legend**

- M-TSA - Conditional Use
- M - Permitted
- BI - Conditional Use



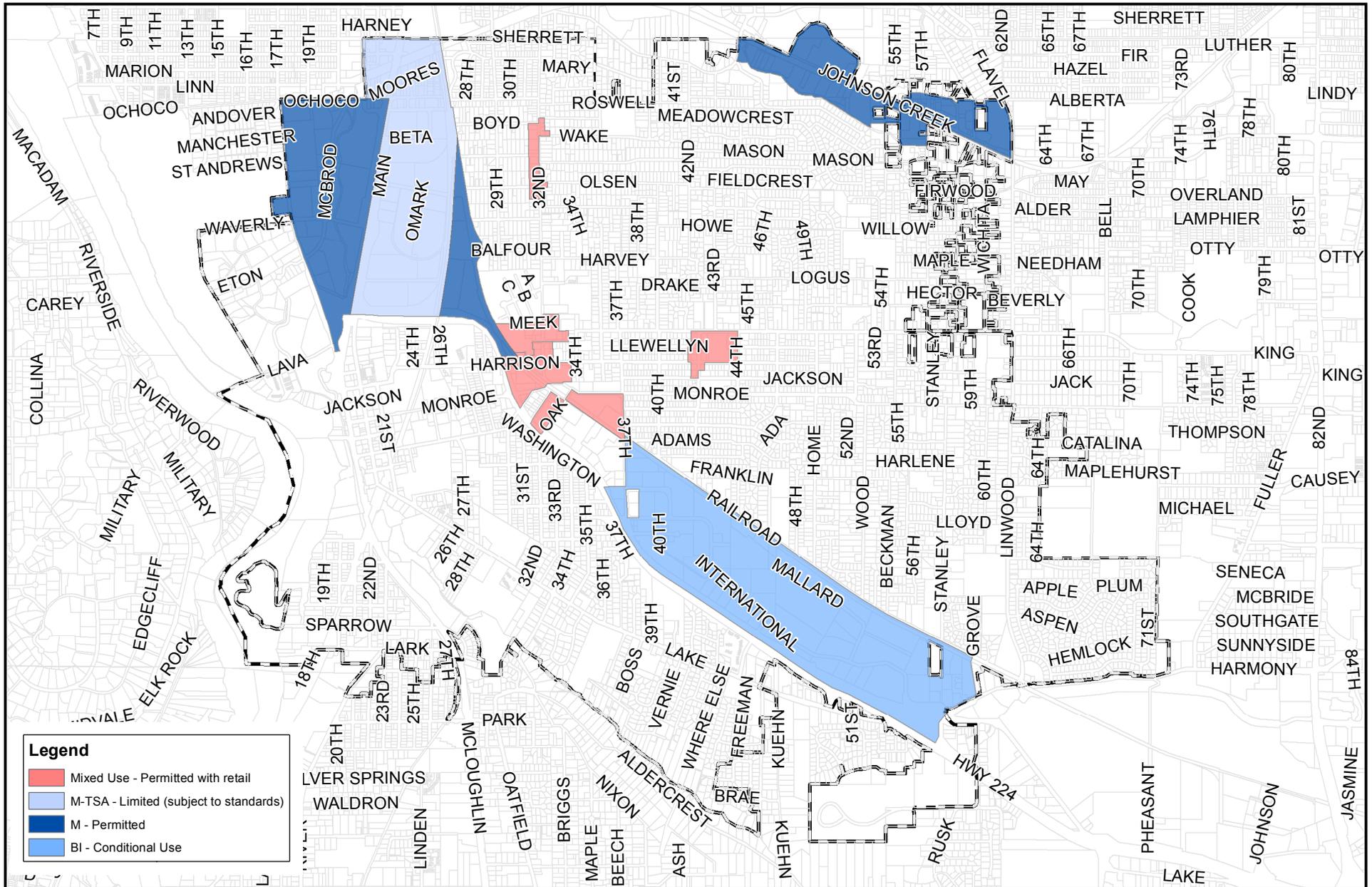
## Proposed Code Amendments Marijuana Production Facilities

Milwaukie Planning Dept.  
Data: City of Milwaukie GIS;  
Metro RLIS  
Date: 8/2/2016  
Author: Planning Staff

1 inch = 3,250 feet

0 650 300 2,600 3,900 5,200 Feet

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**Legend**

- Mixed Use - Permitted with retail
- M-TSA - Limited (subject to standards)
- M - Permitted
- BI - Conditional Use



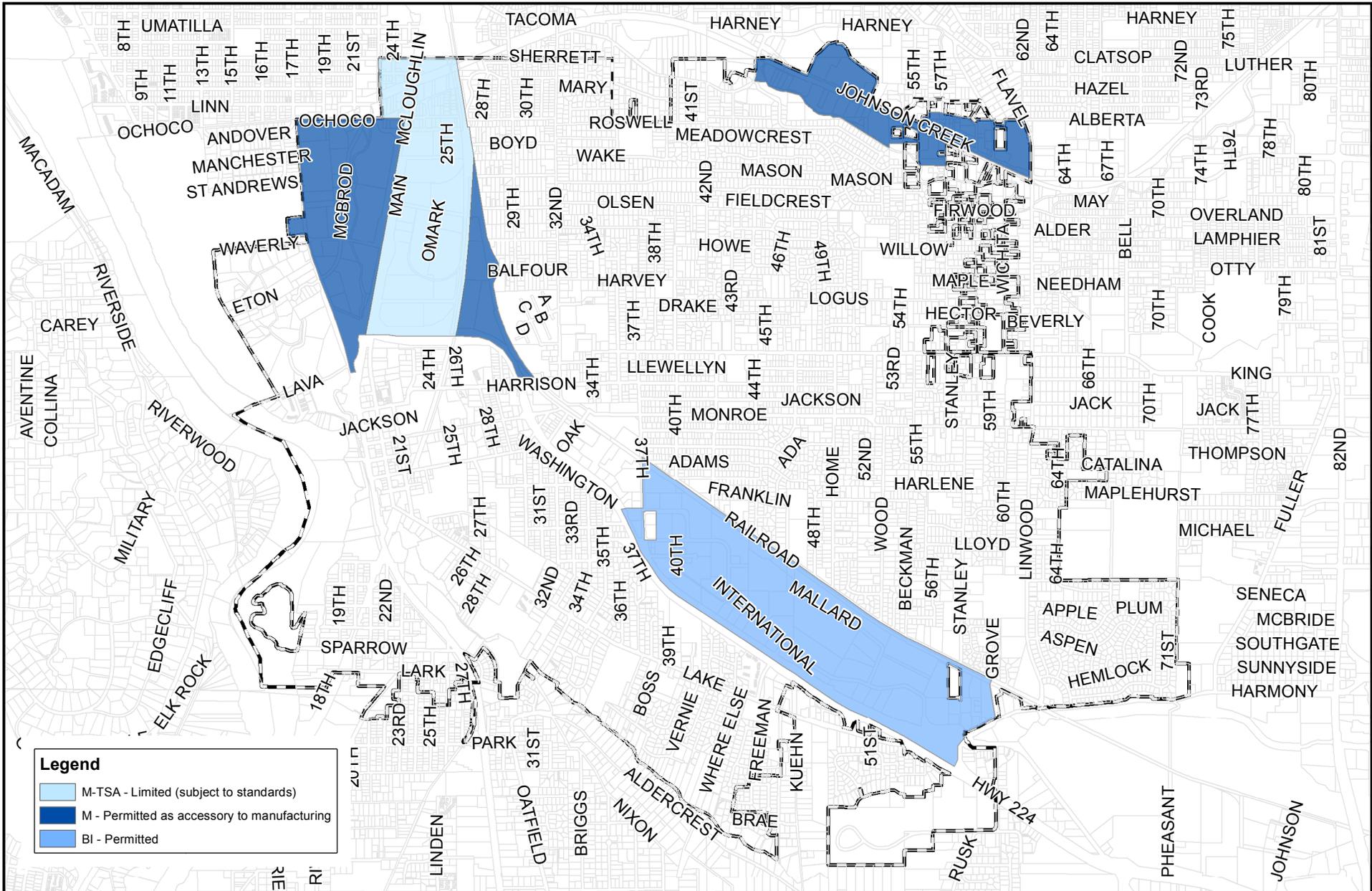
**Proposed Code Amendments  
Marijuana Processing Facilities**

Milwaukie Planning Dept.  
Data: City of Milwaukie GIS;  
Metro RLIS  
Date: 8/2/2016  
Author: Planning Staff

1 inch = 3,250 feet

0 650 300 2,600 3,900 5,200 Feet

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**Legend**

- M-TSA - Limited (subject to standards)
- M - Permitted as accessory to manufacturing
- BI - Permitted



**Proposed Code Amendments  
Marijuana Warehouse  
Facilities**

Milwaukie Planning Dept.  
Data: City of Milwaukie GIS;  
Metro RLIS  
Date: 8/2/2016  
Author: Planning Staff

1 inch = 3,250 feet

0 650 300 2,600 3,900 5,200  
Feet

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MILWAUKIE CITY COUNCIL  
STAFF REPORT

Agenda Item: **RS 5. B.**  
Meeting Date: **August 16, 2016**

To: Mayor and City Council  
Through: Bill Monahan, City Manager

Subject: **Urban Renewal Plan**

From: Denny Egner, Planning Director

Date: August 5, 2016 for August 16, 2016

### **ACTION REQUESTED**

Adopt the proposed Milwaukie Urban Renewal Plan (Plan) and Report Accompanying Milwaukie Urban Renewal Plan (Report), under a nonemergency ordinance along with direction to staff to work with the Fire District to address their concerns.

### **HISTORY OF PRIOR ACTIONS AND DISCUSSIONS**

**August 2, 2016:** The Council opened the public hearing and took testimony. The public testimony portion of the hearing was closed and the Council continued the hearing until August 16 for further deliberation.

**July 12, 2016:** The Planning Commission found the Milwaukie Urban Renewal Plan to be in conformance with the Milwaukie Comprehensive Plan and recommended approval of the Plan to Council.

**June 21, 2016:** The Milwaukie Redevelopment Commission voted to send the Plan through the public review process.

**June 7, 2016:** Council received a briefing from Elaine Howard on the Plan and Report and the process of preparing these documents to date.

**February 2, 2016:** Council adopted a resolution creating the Milwaukie Urban Renewal Advisory Group (MURAG) and appointed members to group.

**December 15, 2015:** Council adopted a resolution directing staff and the consultant team to develop a draft urban renewal plan for the downtown and central Milwaukie urban renewal area.

**December 1, 2015:** Council held a work session and heard a presentation from Nick Popenuk of ECONorthwest regarding urban renewal feasibility in Milwaukie.

**November 3, 2015:** Council held a work session at which the City's consultant team consisting of ECONorthwest and Elaine Howard provided an overview of issues related to urban renewal.

**June 30, 2015:** Council held a study session regarding their 2015 Goal to develop an urban renewal strategy for the downtown and the north industrial area.

**May 19, 2015:** Council adopted goals for the 2015-16 fiscal year including a goal to develop an "Urban Renewal Strategy for the Downtown and the North Industrial Area."

## **BACKGROUND AND DISCUSSION**

**Clackamas Fire District #1 Objections** - At the public hearing on August 2, testimony was received both in favor and against the proposed urban renewal plan. A key element of the testimony was oral and written concerns expressed by Chief Fred Charlton of Clackamas Fire District #1. Fire District objections focused on two points: 1) the duration of the proposed district, and 2) concern that the urban renewal program will be used to benefit tax exempt properties. State law requires that as part of the plan adoption process, the adopting agency must respond to any written comments from a taxing district. During the hearing, the Council asked that staff meet with Fire District representatives to explore potential amendments or changes to the plan. A meeting with Chief Charlton has been scheduled for August 9. This report was prepared prior to the meeting.

The concern about Plan duration is addressed below in the recommended approach. Regarding use of funds for tax exempt properties, the primary reason the Plan was developed was to help find ways to encourage private development of vacant and underutilized sites. Early in the plan development process, the City was made aware of the Fire District's policy regarding urban renewal. The policy includes a number of factors that the District Board may consider when deciding whether to support or oppose an urban renewal plan. The first factor states that the Board may support a plan when: *"the use of tax increment finance (TIF) is limited, generally, to the types of projects which have been shown to be effective in encouraging private investment, thereby increasing assessed value."* In response to this policy, the City's Plan was developed with a strong focus on economic development and infrastructure projects aimed at encouraging private development within the district.

**Timing of Adoption** – One of the targets for the urban renewal project was adoption of a plan prior to the certification of the tax rolls by the Clackamas County Assessor. Certification generally occurs at the beginning of October. Failure to adopt the Plan now will result in a full year delay in the opportunity to acquire bond funding for projects. The City's consultants have stated that it is necessary to show two years of positive tax increment income prior to having the ability to go to the bond markets to obtain a revenue bond. The Report assumes bond funding in the third year of the Plan – FY 2019-20. If the City doesn't adopt the plan prior to the October tax roll certification, it means project funds won't be available until sometime during FY 2020-21.

Consultant Elaine Howard contacted staff in the Assessor's office on August 3<sup>rd</sup> and was told that the tax rolls could be certified as early as October 4<sup>th</sup> or 5<sup>th</sup>. Urban renewal plans cannot be adopted by emergency ordinance and therefore they take effect 30 days after adoption. Based on Council discussion and deliberation, it is assumed that the vote on the Plan will not be unanimous and there will be a need to vote at two separate Council meetings. If the Council votes in favor of the Plan on August 16, it may be necessary to hold a special meeting for a second vote prior to the end of the month in order to have the Plan become effective prior to the date the tax rolls are certified.

**Options for Changes to the Plan** – There are two basic options for how the City might approach changes to the Plan to address Fire District concerns. Given the timing associated with adoption and the nature of the Fire District objections, it is not possible to amend the Plan to address their concerns prior to the 2016 tax roll certification by the County. Option 1 is to adopt the Plan now while acknowledging the Fire District concerns and commit to work with the Fire District to make amendments to the Plan that better address District issues. Option 2 is to refer the Plan back to staff and the Plan Advisory Group to make revisions to address Fire District concerns. In this case, it is likely that the Plan would be returned to the Council sometime next winter or spring for adoption.

**Recommended Approach** – Staff has worked with the consultant team and the City attorney to develop an approach that follows Option 1 as described above. A response to the Fire District's written comments is included in Section 1 (subsection 10) of the draft ordinance adopting the plan. In addition, new language addressing the Fire District's concern about the length of the Plan is included in the Plan under Section XI Duration of the Plan. The Fire District letter objected to the length of the Plan and suggested that the tax base be reset after 15 years. In response, staff recommends that new language be added to the Plan to require that in the 15th year of the Plan, the City conduct a financial analysis of the Plan, including updated projections for tax increment finance revenues and an evaluation of the ability of the Plan to achieve its maximum indebtedness by the anticipated expiration date in FYE 2046. The new Plan language would require the City to consult and confer with taxing districts regarding the analysis. In addition, the proposed ordinance directs staff to explore alternatives with the Fire District to better address their concerns. This process could include a reevaluation of projects and project priorities and may result in an amendment to the plan.

The proposed changes to the ordinance and Plan are included below.

New ordinance language (Subsection 10 of Section 1):

*10. Council carefully considered the concerns and proposed changes raised by Clackamas Fire District No. 1 in writing at the August 2<sup>nd</sup> public hearing. In response, the Council modifies those proposals by adding a provision to the Plan to require that in the 15<sup>th</sup> year of the Plan, the City conduct a financial analysis of the Plan, including updated projections for tax increment finance revenues and an evaluation of the ability of the Plan to achieve its maximum indebtedness by the anticipated expiration date in FYE 2046. The Council also directs staff to explore alternatives with the Fire District to address its concerns, including potential amendments to the Urban Renewal Plan.*

New plan language (Section XI Duration of the Plan):

*During the fifteenth (15th) year of the Plan, the Agency shall undertake a financial analysis of the Plan, including updated projections for tax increment finance revenues and evaluating the ability of the Plan to achieve its maximum indebtedness by the anticipated expiration date in FYE 2046. The Agency shall consult and confer with affected taxing districts regarding the results of this financial update.*

## **CONCURRENCE**

City Attorney Dan Olsen concurs with the proposed amended language.

## **RECOMMENDATION**

Staff recommends that Council vote to adopt the Plan and Report by ordinance on August 16, 2016. If needed, it is also recommended that the Council schedule a special meeting in August to have a second reading and vote on the Ordinance

## **ATTACHMENTS**

1. Ordinance
  - Exhibit A Milwaukie Urban Renewal Plan – August 16
  - Exhibit B Report Accompanying the Urban Renewal Plan – August 16
  - Exhibit C Milwaukie Planning Commission Recommendation from July 12, 2016 Meeting



**CITY OF MILWAUKIE**

*"Dogwood City of the West"*

**Ordinance No.**

**AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO AND APPROVING THE MILWAUKIE URBAN RENEWAL PLAN AND DIRECTING THAT NOTICE OF APPROVAL BE PUBLISHED**

**WHEREAS**, the Milwaukie Redevelopment Commission (MRC), as the duly authorized and acting urban renewal agency of the City of Milwaukie, Oregon, is proposing to undertake certain urban renewal activities in a designated area within the City pursuant to ORS Chapter 457; and

**WHEREAS**, the MRC, pursuant to the requirements of ORS Chapter 457, has caused the preparation of the Milwaukie Urban Renewal Plan (Plan) attached hereto and incorporated herein as Exhibit A. The Plan authorizes certain urban renewal activities within the Milwaukie Urban Renewal Area (Area); and

**WHEREAS**, the MRC has caused the preparation of a certain Urban Renewal Report (Report) dated August 2, 2016, attached hereto as Exhibit B to accompany the Plan as required under ORS 457.085(3); and

**WHEREAS**, the MRC forwarded the Plan and Report to the City's Planning Commission (Commission) for review and recommendation. The Commission considered the Plan and Report on July 12, 2016, and made a recommendation that the Plan conforms with the Milwaukie Comprehensive Plan. The Commission made a further recommendation that City Council commit to the expenditure priorities that put an emphasis on economic development as outlined on Page 24 of the Report; and

**WHEREAS**, on July 12, 2016, representatives of the City met with the Clackamas County Board of Commissioners to review the Plan, including proposed maximum indebtedness for the Plan; and

**WHEREAS**, the Plan and the Report were forwarded on June 22, 2016, to the governing body of each taxing district affected by the Plan, and the MRC has therefore consulted and conferred with each taxing district; and

**WHEREAS**, the Milwaukie City Council (City Council) has not received written recommendations from the governing bodies of the affected taxing districts; and

**WHEREAS**, on July 1, 2016, and August 1, 2016, the City caused notice of the hearing to be held before City Council on the Plan, including the required statements of ORS 457.120(3), to be mailed to property owners within City's incorporated limits through the Milwaukie Pilot; and

**WHEREAS**, on August 2, 2016, City Council held a public hearing to review and consider the Plan, the Report, the recommendation of the Commission, and the public testimony received on or before that date and to receive additional public testimony; and

**WHEREAS**, after consideration of the record presented through this date, City Council does by this Ordinance desire to approve the Plan.

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

Section 1. The Plan complies with all requirements of ORS Chapter 457 and the specific criteria of 457.095(1) through (7), in that, based on the information provided in the Report, the Planning Commission Recommendation, and the public testimony before the City Council:

1. The process for the adoption of the Plan, has been conducted in accordance with the provisions of Chapter 457 of the Oregon Revised Statutes;
2. The area designated in the Plan as the Milwaukie Urban Renewal Area is blighted, as defined by ORS 457.010(1) and is eligible for inclusion within the Plan because of conditions described in the Report in the Section “Existing Physical, Social, and Economic Conditions and Impacts on Municipal Services”, including the existence of inadequate streets and other rights of way, open spaces and utilities and underdevelopment of property within the Area (ORS 457.010(1)(e) and (g));
3. The rehabilitation and redevelopment described in the Plan to be undertaken by the MRC is necessary to protect the public health, safety or welfare of the City because absent the completion of urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according the goals of the City’s Comprehensive Plan;
4. The Plan conforms to the Milwaukie Comprehensive Plan and documented ancillary documents and provides an outline for accomplishing the projects described in the Plan, as more fully described in the Plan and in the Planning Commission recommendation;
5. No residential displacement will occur as a result of the acquisition and disposition of land and redevelopment activities proposed in the Plan and therefore the Plan does not include provisions to house displaced persons;
6. The acquisition of real property provided in the Plan is necessary for the development of transportation-related infrastructure improvements in the Area and for the development of public spaces because the MRC does not own all the real property interests (e.g., rights-of-way, easements, fee ownership, etc.) that will be required to undertake and complete these projects as described in Chapter IV of the Plan and Section V of the Report; and
7. Adoption and carrying out the Plan is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and ORS 457.440 and other available funding as more fully described in the Section “Financial Analysis of the Plan” of the Report;
8. The City shall assume and complete any activities prescribed it by the Plan; and
9. The MRC consulted and conferred with affected overlapping taxing districts prior to the Plan being forwarded to the City Council.
10. Council carefully considered the concerns and proposed changes raised by Clackamas Fire District No. 1 in writing at the August 2<sup>nd</sup> public hearing. In response, the Council modifies those proposals by adding a provision to the Plan to require that in the 15<sup>th</sup> year of the Plan, the City conduct a financial analysis of the Plan, including updated projections for tax increment finance revenues and

an evaluation of the ability of the Plan to achieve its maximum indebtedness by the anticipated expiration date in FYE 2046. The Council also directs staff to explore alternatives with the Fire District to address its concerns, including potential amendments to the Urban Renewal Plan.

Section 2: The Plan is hereby approved based upon review and consideration by the City Council of the Plan and Report, the Commission recommendations, each of which is hereby accepted, and the public testimony in the record.

Section 3: The City Manager shall forward forthwith to the MRC a copy of this Ordinance.

Section 4: The MRC shall thereafter cause a copy of the Plan to be recorded in the Records of Clackamas County, Oregon.

Section 5: The City Manager, in accordance with ORS 457.115, shall publish notice of the adoption of the Ordinance approving the Plan including the provisions of ORS 457.135, in The Oregonian no later than four days following adoption of this Ordinance.

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



# Milwaukie Urban Renewal Plan

Adopted by the City of Milwaukie  
Ordinance No.  
August 16, 2016

ECONorthwest  
Elaine Howard Consulting, LLC

List of Participants

Mayor: Mark Gamba  
City Council: Scott Churchill, Position 1  
Lisa Batey, Position 2  
Wilda Parks, Position 3  
Karin Power, Position 4

Planning Commission: Sine Adams, Chair  
Shaun Lowcock, Vice Chair  
Shane Abma  
Shannah Anderson  
Adam Argo  
Scott Barbur  
Greg Hemer

City Manager: Bill Monahan  
Community Development Director: Alma Flores  
Finance Director: Casey Camors  
Planning Director: Dennis Egner  
Associate Planner: Vera Kalias  
Administrative Specialist II: Alicia Martin

Urban Renewal Advisory Group: City Councilor Lisa Batey, Chair  
City Manager Bill Monahan (Ex-Officio)  
Casey Camors, Finance Director (Ex-Officio)  
Sine Adams, Planning Commission Chair  
Ray Bryan, Historic Milwaukie Neighborhood  
Kim Travis, Ardenwald Neighborhood  
Zac Perry, Linwood Neighborhood  
Kathy Lyle, Downtown Business Association  
Neil Hankerson, business owner  
Troy Reichlein, business owner  
Dave Knight, business owner  
Kimberly Maguire, business owner  
Tory McVay, North Clackamas School District  
Bob Cochran, Clackamas Community College  
Gary Barth, North Clackamas Parks and Recreation District  
Fire Chief Fred Charlton, Clackamas Fire District No. 1  
Christa Bosserman Wolfe, Clackamas County

Consultant Team: ECONorthwest – Nick Popenuk, Ali Danko, Lizzie Gooding  
Elaine Howard Consulting LLC – Elaine Howard

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## I. DEFINITIONS

“Advisory Group” means the committee composed of public officials and stakeholders to provide input on the Milwaukie Urban Renewal Plan. Those members are identified on the acknowledgement page of the urban renewal plan.

“Redevelopment Commission” means the Milwaukie Redevelopment Commission. This Redevelopment Commission is the urban renewal agency responsible for administration of the urban renewal plan. In Milwaukie, the Redevelopment Commission is the Milwaukie City Council.

“Annual report” means annual report on impacts to taxing jurisdictions and former year and following year budgets as required in ORS 457.460.

“Area” means the properties and rights of way located with the Milwaukie urban renewal boundary.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the urban renewal plan.

“City” means the city of Milwaukie, Oregon.

“City Council” or “Council” means the City Council of the city of Milwaukie.

“Comprehensive Plan” means the city of Milwaukie comprehensive land use plan and its implementing ordinances, policies and standards.

“County” means Clackamas County.

“Fiscal year” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured and utility values within an urban renewal area at the time of adoption. The County Assessor certifies the assessed value after the adoption of an urban renewal plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

“Milwaukie Transportation Systems Plan (TSP)” means the transportation system plan adopted by the Milwaukie City Council.

“ORS” means the Oregon revised statutes and specifically Chapter 457, which relates to urban renewal.

“Planning Commission” means the Milwaukie Planning Commission.

“Revenue Sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment financing (TIF)” means the funds that are associated with the division of taxes accomplished through the adoption of an urban renewal plan.

“Tax increment revenues” means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

“Under-levy” means taking less than the available tax increment in any year as defined in ORS 457.455.

“Urban renewal agency” or “Agency” means an urban renewal agency created under ORS 457.035 and 457.045. This agency is responsible for administration of the urban renewal plan.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

“Urban renewal plan” or “Plan” means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

“Urban renewal project” or “project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

“Urban renewal report” or “Report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.085(3).

## II. INTRODUCTION

The Milwaukie Urban Renewal Plan (Plan) implements the planning efforts from Moving Forward Milwaukie. The Moving Forward Milwaukie project began in June 2012 and was completed in December 2015. The goal of the Moving Forward Milwaukie project was to remove barriers and encourage appropriate development in Milwaukie's commercial areas through revisions to the policies and regulations guiding development in Milwaukie's commercial areas: downtown Milwaukie; central Milwaukie; and the "neighborhood main streets" of 32nd and 42nd Avenues. As a result of those planning efforts, the Central Milwaukie Land Use and Transportation Plan and the Milwaukie Downtown and Riverfront Land Use Framework Plan were adopted by the City Council. Those two documents contain goals and objectives and projects to be implemented within the two areas. An additional component of the planning process was specific economic site development opportunity analyses. These analyses found that developing specific sites in downtown and Central Milwaukie was not financially feasible without incentives. This urban renewal plan contains the tools to assist in making development in Milwaukie financially feasible.

The Plan has been developed for the Milwaukie City Council (City Council) with the cooperative input of an Urban Renewal Advisory Group (Advisory Group) and additional community input.

The Advisory Group met four times to review components of the Plan and Report Accompanying the Plan (Report), specifically the boundary, goals and objectives, projects, amendment procedures, duration of the Plan, financing and draft Plan and Report. The Advisory Group voted unanimously with one abstention, to forward the Plan and Report to the Milwaukie Redevelopment Commission for their consideration.

Several additional opportunities were available for public input including an Open House on April 20, 2016, two First Friday events, and two Farmer's Market events. Staff and the consultant provided background information on the proposed plan, projects and on the process for adoption of an urban renewal plan. Information was also placed on the city's website.

In addition, the consultant and city staff briefed the Clackamas County Board of County Commissioners in July, 2016.

There was also opportunity for public input at the Milwaukie Redevelopment Commission (Redevelopment Commission) meeting, the Milwaukie Planning Commission (Planning Commission) meeting, and the City Council meeting.

The Plan contains goals, objectives, and projects for the development of the Milwaukie Urban Renewal Area (Area). The overall purpose of the Plan is to use tax increment financing (TIF) to overcome obstacles to the proper development of the Area.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped, called blighted areas in ORS 457. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities that are inadequate or in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. The Area has infrastructure needs as identified in the Report and specifically cited in the ordinance for adoption of the urban renewal plan.

Urban renewal allows for the use of tax increment financing (TIF), a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues – the amount of property taxes generated by the increase in total assessed value in the urban renewal area from the time the urban renewal area is first established – are used to repay borrowed funds. The funds borrowed are used to pay for urban renewal projects.

In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities; assistance for rehabilitation or redevelopment of property; acquisition and re-sale of property (site assembly) from willing sellers; and improvements to public spaces. The specific projects to be approved in this Plan are outlined in Sections IV and V.

Urban renewal is put into effect when the local government (the City of Milwaukie, in this case) adopts an urban renewal plan. The urban renewal plan defines the urban renewal area, states goals and objectives for the area, lists projects and programs that can be undertaken, provides a dollar limit on the funds borrowed for urban renewal projects, and states how the plan may be changed in the future.

The Area, shown in Figure 1, consists of approximately 260.62 total acres: 168.13 acres of land in parcels and 92.49 acres of public right-of-way.

The Plan will be administered by the Redevelopment Commission, which was established by the Milwaukie City Council as the city's Urban Renewal Agency. Substantial changes to the plan must be approved by the City Council as outlined in Section X of this Plan.

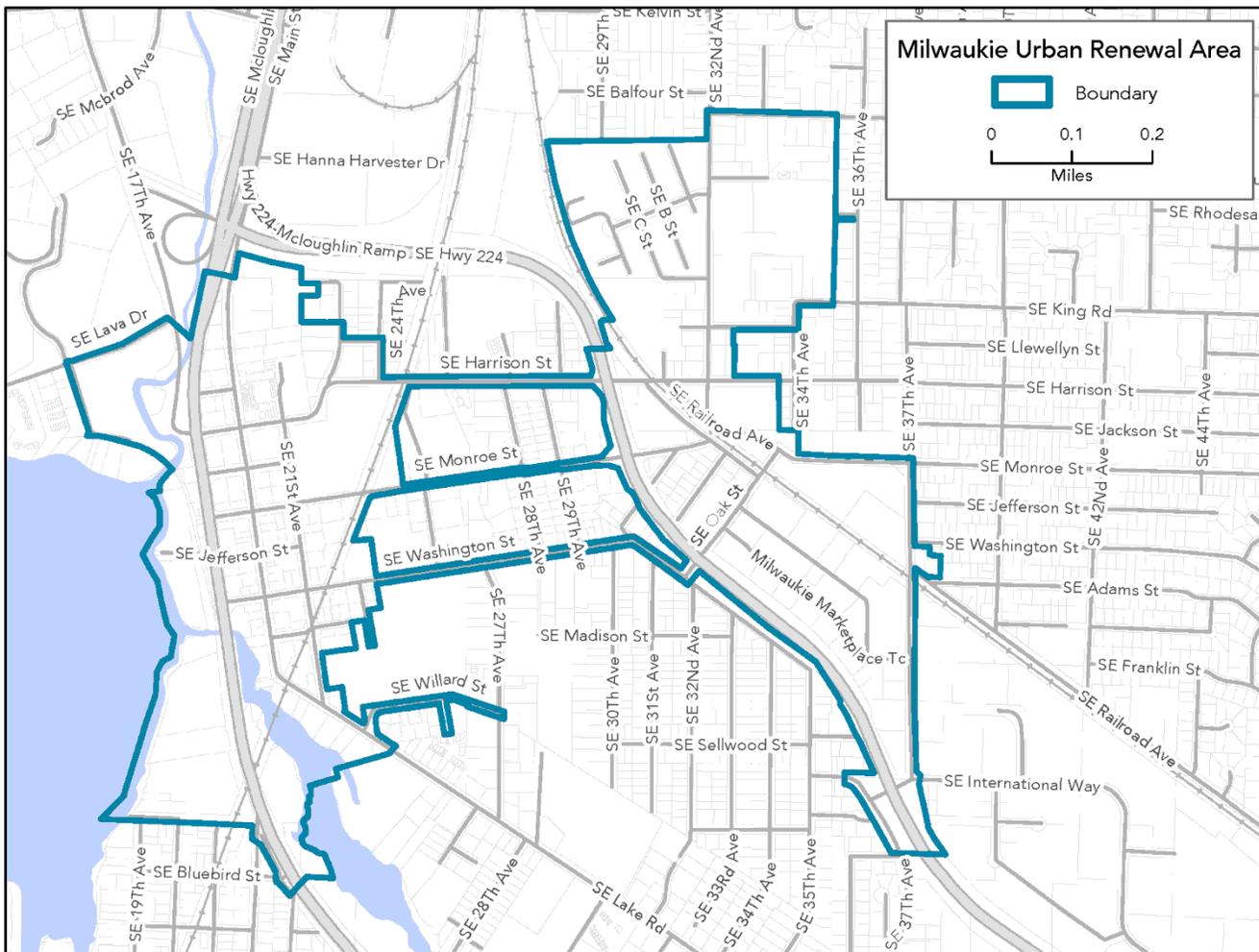
The Plan is accompanied by the Report that contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of each Area in the Plan;
- The relationship between each project to be undertaken and the existing conditions;
- The estimated total cost of each project and the source of funds to pay such costs;
- The anticipated completion date of each project;
- The estimated amount of funds required in the Area, and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
- A relocation report.

It is anticipated that the Plan will take 29 years to implement. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$92,500,000.

Future amendments will be listed numerically in this section of the Plan and then incorporated into the Plan document and noted by footnote as to amendment number and date adopted.

Figure 1 - Urban Renewal Area



### III. GOALS AND OBJECTIVES

The goals of the Plan represent the basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Redevelopment Commission intends to achieve the goals. The urban renewal projects identified in Sections IV and V of the Plan are the specific means of meeting the objectives. The goals relate to adopted plans, as detailed in Section XI, and were developed with input from the Milwaukie Urban Renewal Advisory Group. The goals and objectives will be pursued as economically as is feasible and at the discretion of the Redevelopment Commission. The goals and objectives are not ranked by priority.

#### **Goal 1: PUBLIC INVOLVEMENT**

- Provide opportunities for public input throughout the implementation process.
- Engage and inform stakeholders to maximize diverse participation in the revitalization of the downtown and Central Milwaukie.
- Ensure the opportunity for citizens to be involved in all phases of the urban renewal implementation process by providing accurate and timely information and genuinely encouraging public input and involvement.

#### **Objectives:**

1. Utilize ad hoc Advisory Groups to review major changes to projects, programs or goals and objectives in the Plan as identified in the Amendments section of the Plan in meetings that are open to the public.
2. Public participation might involve public meetings, surveys, open houses, workshops, polling, citizen's Advisory Groups and other forms of direct involvement with the public with the aim of offering opportunities to a diverse and typically unengaged groups of our citizenry.
3. Establish an ongoing Citizens' Advisory Group to assist the Redevelopment Commission in decisions regarding plan implementation as identified in the Amendments section of the Plan.

#### **Goal 2: ECONOMIC DEVELOPMENT/DEVELOPMENT**

- Reactivate Main Street to reestablish and strengthen lively storefront retail character with a pedestrian emphasis and 18-hour use.
- Enhance economic opportunities in downtown and Central Milwaukie.
- Support a downtown that is lively and active and includes a range of housing options.
- Complement, protect, and promote the continued growth and vitality of current businesses.
- Remove barriers and constraints to development.
- Capitalize on the light rail investment to serve as a catalyst for future investment and development.

#### **Objectives:**

1. Invest in catalyst projects that leverage public-private partnerships, incentives, and other tools that contribute to advancing multiple objectives of the Urban Renewal Plan.
2. Support the development of transit-oriented residential, commercial, employment and recreational uses that will benefit from and support light rail.

3. Implement pedestrian and bicycle system improvements that will enhance connectivity between downtown and central Milwaukie and surrounding residential and commercial areas.
4. Create a tool kit of Public-Private Partnership (PPP) tools that can be used to invest in appropriate catalyst projects.
5. Promote programs that help mitigate the impacts of gentrification by assisting existing businesses with their growth and viability.
6. Develop and implement wayfinding systems plans for the downtown and Central Milwaukie areas.
7. Encourage adaptive re-use of developed sites with vacant or underperforming buildings.
8. Encourage a mix of retail uses to support a downtown that is lively and active.
9. Encourage housing as part of new-mixed use development.
10. Proactively encourage development on vacant parcels.
11. Make publicly-owned sites available to developers.
12. Support affordable housing development.

**Goal 3: INFRASTRUCTURE: PUBLIC SPACES and TRANSPORTATION**

- Provide adequate infrastructure and public amenities to support new development.
- Enhance McLoughlin Boulevard as the primary entry point into downtown Milwaukie from the north and south.
- Improve pedestrian connections from the downtown commercial area to Riverfront Park and the Trolley Trail to enhance the sense of place for downtown visitors.
- Improve significant parks and open spaces.
- Improve access to and within Central Milwaukie for pedestrians, cyclists, and vehicles.

**Objectives:**

1. Improve connectivity in Downtown Milwaukie including streetscape improvements.
2. Enhance existing downtown parks.
3. Assist with funding of streetscape improvements (Public Area Requirements identified in the Public Works Standards) for catalyst projects.
4. Upgrade pedestrian and bicycle connections across McLoughlin Boulevard.
5. Provide gateway and entryway improvements along McLoughlin Boulevard.
6. Construct the South Downtown Plaza.
7. Provide additional public space amenities in Central Milwaukie.
8. Address transportation infrastructure deficiencies for Central Milwaukie.
9. Improve connectivity within the Central Milwaukie district with easily accessible multimodal pathways that are safe and attractive.

10. Facilitate creation of a more connected and complete street network within Central Milwaukie, especially through the Murphy and McFarland opportunity sites.
11. Improve external connections to the Central Milwaukie district.
12. Assist in the development of parking solutions in Downtown Milwaukie.

**Goal 4: SENSE OF PLACE**

- Build on existing assets Downtown, including local businesses, existing buildings, and the City's unique character.
- Foster a sense of place in Central Milwaukie by enhancing the identity of the area.
- Maintain an overall character complementary to and protective of surrounding neighborhoods.
- Feature the natural environment, especially the Willamette River.
- Strengthen Main Street as a source of pride and to ensure economic success.

**Objectives:**

1. Promote development of gateway and entryway projects.
2. Install downtown and Central Milwaukie wayfinding signage and heritage plaques.
3. Promote high-quality, urban design that is complementary to surrounding areas.
4. Employ parking management measures as needed to limit potential negative impacts of new development on residential parking needs.
5. Explore public-private partnerships to provide additional public space in Central Milwaukie.
6. Assist in the completion of streetscape improvements (Public Area Requirements) in Downtown Milwaukie.
7. Assist in improvements to existing and planned parks, plazas, and open spaces.

**Goal 5: FISCAL STEWARDSHIP**

- Work with taxing jurisdictions to both inform them of the annual project and financial activities of the urban renewal area and to evaluate opportunities to share tax increment revenues.

**Objectives:**

1. Send a copy of the annual report required by ORS 457.460 and financial report to all taxing jurisdictions, informing them of the activities of the urban renewal area.
2. Notify taxing jurisdictions of revenue sharing responsibilities and the timing of those responsibilities.
3. Reimburse city for annual costs in administering the urban renewal area.

## **IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES**

The projects and activities within the Area are divided into the following main categories:

***Development/Economic Development***

***Infrastructure: Transportation Downtown and Central Milwaukie***

***Public Amenities: Parks and Open Space***

***Debt Service and Plan Administration***

## **V. URBAN RENEWAL PROJECTS**

Urban renewal projects authorized by the Plan are described below.

### ***A. Development/Economic Development***

#### **1. Pre-Development Assistance for Development Opportunities**

Assist with the up-front costs of development on a site such as technical assistance, feasibility studies, and site planning, to name a few. Providing this assistance can incentivize investment in a development project.

#### **2. Tenant Improvements**

The goal of this program is to partner with downtown property and/or new business owners to encourage and fund high-quality tenant improvements to the interiors of vacant commercial spaces. The program would assist property owners in attracting businesses to locations that are difficult and costly to renovate, and incentivize new retail and restaurant businesses to locate within the Project Area.

#### **3. Small Business Development Fund**

The goal of this program is to provide funds and/or financing for things such as equipment and machinery, to help small and micro-businesses expand or become established in Milwaukie.

#### **4. Developer Assistance**

Develop public/private partnership tools that may include but not be limited to programs such as façade/storefront improvement, retail and food-related tenant Improvement, a small business start-up fund, developer assistance (for catalytic projects: land assembly, SDC/permit write down, assistance with public area requirements, green building or energy assistance, parking, utility relocations, adaptive re-use and other assistance), community economic development activities such as a bike share, affordable housing assistance (rent stabilization, and other anti-displacement strategies), technical assistance, feasibility studies, and site planning.

#### **5. Downtown Main Street Enhancements**

Urban renewal could fund a portion of some activities included in a Main Street Program in downtown, focusing on four elements: Design, Economic Vitality, Organization, and Promotions. The intent of a Main Street program is to work collaboratively with both private organizations and established City committees to achieve the following broad goals: create a visually appealing downtown; assist existing businesses in identifying and taking advantage of business opportunities and encourage prospective new businesses to locate in Downtown Milwaukie; develop a highly-functioning Main Street

organization; and promote the program and Downtown Milwaukie. Urban renewal expenditures would focus on design, planning, and capital projects related to the downtown Main Street corridor.

**B. Infrastructure: Transportation Downtown**

1. McLoughlin Boulevard Improvements

Improve the section of McLoughlin Boulevard north of Harrison Street to enhance pedestrian safety and signal visitors that they are entering downtown. Upgrade sidewalks where needed.

2. McLoughlin Boulevard Intersection Upgrades

Improve all existing crossings of McLoughlin Boulevard, using better signage and extended crossing times and distinctive crosswalk paving. Construct improvements at Harrison Street, Monroe Street, Jackson Street, Jefferson Street, and Washington Street to enhance bike/pedestrian crossings.

3. Pedestrian Bridge across McLoughlin Boulevard

Establish a dedicated bicycle and pedestrian connection across McLoughlin Boulevard.

4. Parking Solutions

Develop a variety of parking solutions, such as creative parking management tools, including the potential assistance in the development of structured parking as part of a larger mixed-use development that would service downtown uses.

5. Streetscape Improvements

Improvements to public spaces along streets have been installed at some locations in Downtown Milwaukie, but there are many blocks where the improvements have not been constructed. This project would assist in the installation of sidewalk bulb-outs, lighting, wider sidewalks, and pedestrian amenities consistent with the required public area street standards in Downtown Milwaukie.

**C. Infrastructure: Transportation Central Milwaukie**

1. Bike/Pedestrian Path Connections

The goal is to provide connections to and through Central Milwaukie for pedestrians and bicyclists. The projects include improving bicycle routes and pedestrian ways along Harrison Street, Railroad Avenue, Oak Street, 37th Avenue, and 29th Avenue. Provide connections to and through Central Milwaukie for pedestrians and bicyclists as designated in the Central Milwaukie Land Use & Transportation Plan and the Transportation Systems Plan. These connections include improvements on Campbell Street and Railroad Avenue. These improvements would enhance pedestrian connections and improve bike trails and facilities to increase safe and convenient multimodal access throughout the district. Designate and improve Primary Bicycle Routes along Harrison Street, Railroad Avenue, Oak Street, 37<sup>th</sup> Avenue, and 29<sup>th</sup> Avenue. Implement features to enhance pedestrian and cyclist safety.

Create a bicycle and pedestrian connection through the McFarland site from Railroad Ave to Oak Street which would help to provide better connectivity through Central Milwaukie. It will also provide a more direct connection from Railroad Avenue to the Monroe Street Neighborhood Greenway.

Create a bicycle and pedestrian connection through the Murphy Site from 31<sup>st</sup> Avenue to Meek Street in order to provide a north-south connection to central Milwaukie from the 29<sup>th</sup> Avenue bikeway. This

project would also include a path through the Clackamas County Housing Authority property north of the Murphy site.

Safe pedestrian connections do not currently exist along Oak, Myrtle, Penzance Streets and through the Milwaukie Marketplace commercial area. This project would develop and improve pedestrian connections along Oak, Myrtle, and Penzance Streets and the Milwaukie Marketplace.

#### 2. Improved Access to Opportunity Sites

This project would provide improved vehicle access to the Murphy and McFarland development opportunity sites in Central Milwaukie, which would encourage investment in development of the sites.

#### 3. Highway 224 Intersection Upgrades

This project would improve pedestrian crossings at 37th Avenue, Oak Street, Monroe Street, and Harrison Street. Improve intersection crossing safety for bicyclists at Washington Street and Oak Street.

#### 4. Improve Transit Stops

This project would provide transit shelters as sites are developed and to ensure excellent transit service to Central Milwaukie. It would also add Transit Tracker and LED lighting units at main stops along bus routes.

#### 5. Monroe Street Greenway Includes Monroe Street/Highway224

This project would implement central Milwaukie and downtown improvements for the Monroe Street Neighborhood Greenway which would implement the design concepts developed under an Oregon Department of Transportation grant and are expected to include lane striping, signage, and the application of sharrows, and potential traffic diverters.

### **D. Public Amenities: Parks and Open Space**

#### 1. South Downtown Plaza

As identified in the South Downtown Concept Plan, this project would construct a public plaza at the intersection of Adams Street and Main Street that connects the new light rail station with Main Street and creates a focal point at the south end of downtown.

#### 2. Riverfront Park

This project would fund implementation of Phases 3 and 4 of the Riverfront Park master plan, which include a plaza, an amphitheater, a fountain, large restroom facilities, and additional landscaping.

#### 3. Dogwood Park

This project would fund improvements to Dogwood Park as outlined in the South Downtown Concept Plan. An expanded Dogwood Park would be integrated to the north and east with the South Downtown Plaza and Main Street streetscape improvements, and to the south and west with the Kellogg Natural Area. A refined design for the South Downtown Plaza will include integration with Dogwood Park and will identify key improvements for the area.

#### 4. Scott Park

This project would fund completion of remaining phases of improvements to Scott Park per the 1990 Scott Park Master Plan. Specific projects to be determined.

#### 5. New Parks and Open Spaces in Central Milwaukie

There are currently no parks in Central Milwaukie. This project would fund the development of new parks and opens spaces to serve Central Milwaukie as underdeveloped sites are preparing to develop. The project could also include exploring a partnership with Union Pacific Railroad to turn the small area at Railroad Avenue and Oak Street into a public park or install park improvements at the Murphy and McFarland sites.

#### 6. Gateway/Entryway Improvements on McLoughlin Boulevard

This project would install gateway and entryway signage at the north and south entrances to downtown along McLoughlin Boulevard. It would use elements such as gateway features, plantings, lighting, and related improvements to draw more traffic off of McLoughlin Boulevard and into downtown.

#### 7. Wayfinding Signage and Heritage Plaques

This project would fund the implementation of the 2016 downtown Wayfinding Systems Plan, including the installation of wayfinding signage and kiosks to aid residents and visitors in exploring Milwaukie by providing easy access to cultural and recreational opportunities within an area that can be easily accessed by foot, bicycle, and transit. This project would also fund the installation of heritage plaques to celebrate the architectural history of the city and describe Milwaukie's heritage and culture.

#### 8. Kronberg Park

This project would fund the implementation of the adopted 2015 Kronberg Park Master Plan, which includes the construction of a pathway in Kronberg Park to connect Kellogg Lake to south downtown.

#### 9. Kellogg Dam Removal

The Kellogg Dam currently blocks fish passage through Kellogg Creek. This project would replace the McLoughlin Boulevard Bridge over Kellogg Creek, remove the dam, and restore habitat, as well as construct a bike/pedestrian undercrossing between downtown and Riverfront Park.

### **E. Debt Service and Plan Administration**

This activity would allow for the repayment of costs associated with the implementation of the Milwaukie Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long- and short-term debt, relocation costs and other administrative costs, including the potential repayment of costs for any amendments of the urban renewal plan.

## **VI. PROPOSED LAND USES, MAXIMUM DENSITIES AND BUILDING REQUIREMENTS**

The proposed land uses, densities, and building requirements for the Area will comply with the Milwaukie Comprehensive Plan and Milwaukie Municipal Code as stated in those documents and incorporated herein by reference. If those documents change, those changes will be automatically incorporated into this Plan. The specific zones within the Area are:

### **Medium and High Density Residential:**

The medium and high density residential zones are intended to create and maintain higher density residential neighborhoods that blend a range of housing types with a limited mix of neighborhood-scale commercial, office, and institutional uses.

### **Downtown Zones:**

The downtown zones are Downtown Mixed Use Zone DMU and Open Space Zone OS. The zones are shown on Figure 19.304-1. These zones implement the Town Center and Public land use designations in the Milwaukie Comprehensive Plan. The downtown zones implement the Downtown and Riverfront Land Use Framework Plan and Milwaukie Comprehensive Plan.

The downtown and riverfront area is envisioned as the focus of the community. Two zones are designated to distinguish between areas intended for public open space and those intended for downtown development. Specific use, development, and design standards are adopted for the downtown zones to assure an active, attractive, and accessible environment for shoppers, employees, and residents.

#### **Downtown Mixed Use (DMU)**

The Downtown Mixed Use Zone provides for a wide range of uses, including retail, office, commercial, and residential—that will bring visitors to the downtown to live, work, shop, dine, and recreate. The desired character for this zone is a pedestrian-friendly and vibrant urban center, with a prominent main street and connections to the riverfront, and which includes buildings that are built to the right-of-way and oriented toward the pedestrian, with primary entries located along streets rather than parking lots.

#### **Open Space (OS)**

The Open Space Zone provides a specific zone to accommodate open space, park, and riverfront uses. The Open Space Zone is generally applied to lands that are in public ownership along the Willamette River, Kellogg Creek, Spring Creek, and Johnson Creek in the downtown area. The desired character for the Open Space Zone includes parkland, open space, and riverfront amenities.

### **Community Shopping (C-CS):**

Development shall be a community-scale shopping center including uses such as department store uses; drug and/or variety store uses; food supermarkets; and retail specialty shops.

**Business Industrial (BI):**

This section is adopted to implement the policies of the Comprehensive Plan for industrial land uses providing a mix of clean, employee-intensive, industrial and office uses, with associated services, in locations supportive of mass transit and the regional transportation network.

**General Mixed-Use (GMU):**

The General Mixed Use Zone is intended to recognize the importance of central Milwaukie as a primary commercial center and promote a mix of uses that will support a lively and economically robust district. It is also intended to ensure high-quality urban development that is pedestrian-friendly and complementary to the surrounding area.

**Limited Commercial (C-L):**

The Limited Commercial Zone is intended to allow small-scale commercial services within residential neighborhoods. These services provide convenience and whose activities generate a minimal amount of traffic and maintain the general character of a residential neighborhood.

**Low Density Residential:**

The low density residential zones are intended to create, maintain, and promote neighborhoods with larger lot sizes where the land use is primarily single-family dwellings. They allow for some non-household living uses but maintain the overall character of a single-family neighborhood.

## **VII. PROPERTY ACQUISITION AND DISPOSITION**

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use.

### ***A. Property acquisition for public improvements***

The Redevelopment Commission may acquire any property within the Area for the public improvement projects undertaken pursuant to the Plan by all legal means, including use of eminent domain. Good faith negotiations for such acquisitions must occur prior to institution of eminent domain procedures.

### ***B. Property acquisition – from willing sellers***

The Plan authorizes Redevelopment Commission acquisition of any interest in property within the Area that the Redevelopment Commission finds is necessary to support private redevelopment, but only in those cases where the property owner wishes to convey such interest to the Redevelopment Commission. The Plan does not authorize the Redevelopment Commission to use the power of eminent domain to acquire property from a private party to transfer property to another private party for private redevelopment. Property acquisition from willing sellers may be required to support development of projects within the Area.

### ***C. Land disposition***

The Redevelopment Commission will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction and/or maintenance of the public improvement. The Redevelopment Commission may retain such property during the construction of the public improvement.

The Redevelopment Commission may dispose of property acquired under Subsection B of this Section VI by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the Redevelopment Commission, in its discretion, determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in such plan. Because fair reuse value reflects limitations on the use of the property to those purposes specified in the Plan, the value may be lower than the property's fair market value.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the Plan and to begin and complete the building of its improvements within a period of time that the Redevelopment Commission determines is reasonable.

## **VIII. RELOCATION METHODS**

When the Redevelopment Commission acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Redevelopment Commission shall adopt rules and regulations, as necessary, for the administration of relocation assistance.

## **IX. TAX INCREMENT FINANCING OF THE PLAN**

Tax increment financing consists of using annual tax increment revenues to make payments on loans, usually in the form of tax increment bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be either long-term or short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

### **A. General description of the proposed financing methods**

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from the federal, state, or local governments, or other public bodies;
- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

Revenues obtained by the Redevelopment Commission will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

### **B. Tax increment financing and maximum indebtedness**

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Redevelopment Commission, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$92,500,000 (ninety-two million five hundred thousand dollars). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds. It does include initial bond financing fees and interest earned on tax increment proceeds, separate from interest on bond proceeds.

## **X. FUTURE AMENDMENTS TO PLAN**

The Plan may be amended as described in this section.

### **A. Substantial Amendments**

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Redevelopment Commission, the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Milwaukie, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

Substantial Amendments are amendments that:

1. Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.
3. Increase the duration of the Plan beyond 31 years from first year of receipt of tax increment revenue.

### **B. Minor Amendments**

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS 457. Minor Amendments require approval by the Redevelopment Commission by resolution.

Increasing the duration of the Plan beyond 29 years to a limit of 31 years from first year of receipt of tax increment revenue is a minor amendment.

### **C. Amendments to the Milwaukie Comprehensive Plan and/or Milwaukie Zoning Ordinance**

Amendments to the Milwaukie Comprehensive Plan and/or Milwaukie Zoning Ordinance that affect the Urban Renewal Plan and/or the Urban Renewal Area shall be incorporated automatically within the Urban Renewal Plan without any separate action required by the Redevelopment Commission or the City Council.

## **XI. DURATION OF THE PLAN**

The Agency intends that it not collect tax increment revenues for the Area after FYE 2046. The Agency shall not initiate any urban renewal projects in the Area unless the Agency reasonably projects it will be able to pay for those projects from the proceeds of indebtedness issued on or before FYE 2046, and from other funds available to the Agency. Except as provided in the next sentence, all indebtedness that is secured by the tax increment revenues of the Area shall mature no later than FYE 2046, and the Agency shall structure all its indebtedness so that it can be paid in full from the tax increment revenues of the Area that the Agency reasonably projects it will receive on or before FYE 2046. The Agency may issue refunding indebtedness that matures after FYE 2046, only if issuing that refunding indebtedness is necessary to avoid a default on previously-issued indebtedness.

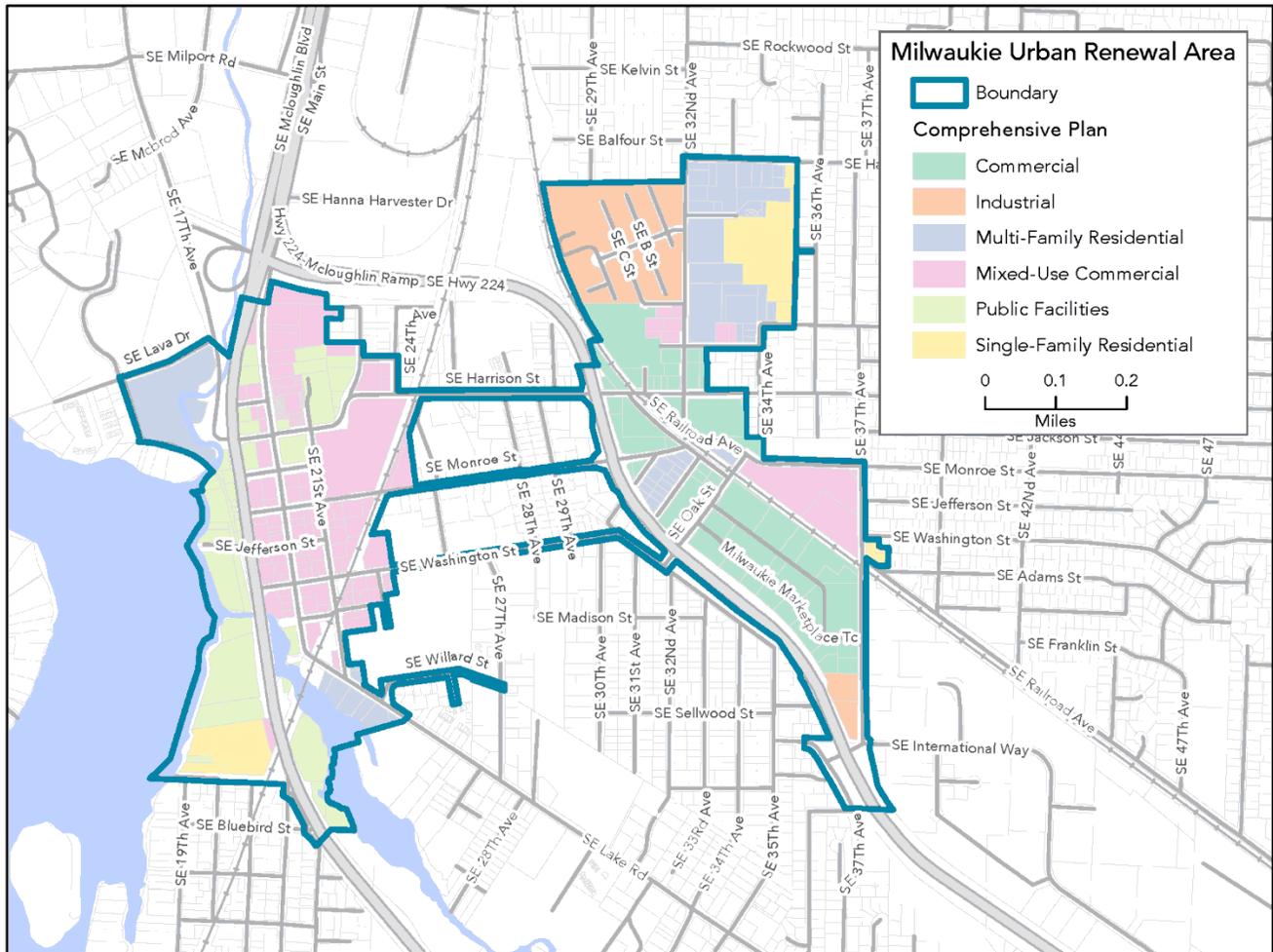
During the fifteenth (15th) year of the Plan, the Agency shall undertake a financial analysis of the Plan, including updated projections for tax increment finance revenues and evaluating the ability of the Plan to achieve its maximum indebtedness by the anticipated expiration date in FYE 2046. The Agency shall consult and confer with affected taxing districts regarding the results of this financial update.

## XII. RELATIONSHIP TO LOCAL OBJECTIVES

The Plan relates to local planning and development objectives contained within the Milwaukie Comprehensive Plan and Municipal Code (Title 19: Zoning Ordinance), and the Transportation System Plan. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering that occurs in the original document. Italicized text is text that *has* been taken directly from an original planning document. The Comprehensive Plan designations are shown in Figure 2. The maximum densities and building requirements are contained in the Milwaukie Zoning Ordinance. The proposed land uses conform to Figure 2.

This is not a comprehensive list of all parts of the Milwaukie Comprehensive Plan that are supported by this Plan. This list includes the major Goals and Policies from the Comprehensive Plan that are supported; however, there may be other Goals and Policies that are not listed, but are still supported by this Plan.

**Figure 2 – Comprehensive Plan Designations**



## **A. Milwaukie Comprehensive Plan**

The Plan conforms to the Citizen Involvement, Land Use: Residential Land Use and Housing Element, Economic Base and Industrial/Commercial Land Use Element, Recreational Needs Element, Willamette Greenway Element, Neighborhood Element, Transportation, Public Facilities and Energy Conservation: Transportation Element, Public Facilities and Services Element, Energy Conservation Element sections of the Comprehensive Plan as it contains projects to upgrade the transportation infrastructure, to support existing business and allow for development of new businesses to create jobs, utilizing underutilized and/or blighted sites and improve public amenities throughout the Area.

### **Chapter 1 - Citizen Involvement**

*Policy: Citizen Involvement To encourage and provide opportunities for citizens to participate in all phases of the planning process, to keep citizens informed and to open lines of communication for the sharing of questions, problems and suggestions regarding the Comprehensive Plan and land use regulations.*

The Plan conforms with the Citizen Involvement Section of the Comprehensive Plan as members of the neighborhood associations were on the Advisory Group and the process included many opportunities for public input including the Advisory Group meetings, Planning Commission meeting, City Council hearing, and six community events at which there was information about the urban renewal plan. Information was also posted to the City of Milwaukie website and articles published in the March, May, June, July and August editions of the Milwaukie Pilot.

### **Chapter 4 - Land Use - Residential Land Use and Housing Element**

*GOAL STATEMENT: To provide for the maintenance of existing housing, the rehabilitation of older housing and the development of sound, adequate new housing to meet the housing needs of local residents and the larger metropolitan housing market, while preserving and enhancing local neighborhood quality and identity.*

#### **OBJECTIVE #1 — BUILDABLE LANDS**

*To utilize lands in the City according to their relative measure of buildability, based on land type classifications.*

The Plan conforms to the buildable lands objective as one of the goals in the Plan is to develop vacant and underutilized properties within the Area that may have residential uses as a component of the redevelopment. There are specific programs authorized in the Plan that would provide developer assistance.

#### **OBJECTIVE #2 — RESIDENTIAL LAND USE: DENSITY AND LOCATION**

*To locate higher density residential uses so that the concentration of people will help to support public transportation services and major commercial centers and foster implementation of the Town Center Master Plan.*

The Plan conforms to the residential land use: density and location objective as one of the goals in the Plan is to develop vacant and underutilized properties within the Area, , that is also part of the Town Center Master Plan, that may have residential uses as a component of the redevelopment. There are specific programs authorized in the Plan that would provide developer assistance.

#### OBJECTIVE #4 — NEIGHBORHOOD CONSERVATION

*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.*

The Plan conforms to the neighborhood conservation objective as a goal of the Plan is to preserve the downtown core and enhance opportunities in central Milwaukie, both of which will help support the existing residential neighborhoods.

#### OBJECTIVE #5 — HOUSING CHOICE

*To continue to encourage an adequate and diverse range of housing types and the optimum utilization of housing resources to meet the housing needs of all segments of the population.*

The Plan conforms to the housing choice objective as one of the goals in the Plan is to develop vacant and underutilized properties within the Area that may have residential as a component of the redevelopment. There are specific programs authorized in the Plan that would provide developer assistance, including affordable housing assistance.

#### OBJECTIVE #6 – HOUSING ASSISTANCE

*To assist low and moderate income households in obtaining housing which is consistent with other housing objectives and policies.*

The Plan conforms to the housing assistance objective as one of the goals in the Plan is to develop vacant and underutilized properties within the Area that may have residential as a component of the redevelopment. There are specific programs authorized in the Plan that would provide developer assistance, including affordable housing assistance.

### **Economic Base and Industrial/ Commercial Land Use Element**

*GOAL STATEMENT: To continue to support and encourage the development of a broad industrial base in the City, and to encourage the expansion of service facilities in the community.*

#### OBJECTIVE #1 — ECONOMIC DEVELOPMENT

*The City will encourage an increase in the overall economic development activity within the City, will strive to retain existing businesses as well as actively attract new businesses, particularly those identified as having growth potential.*

The Plan conforms to the economic development objective as there are programs within the Plan designed to increase overall economic development activity for both existing businesses and attracting new businesses.

#### OBJECTIVE #2 — EMPLOYMENT OPPORTUNITY

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

The Plan conforms to the economic opportunity objective as there are programs within the Plan designed to increase overall economic development activity for both existing businesses and attracting new businesses, providing a range of employment opportunities for Milwaukie citizens.

### OBJECTIVE #3 — COORDINATION

*To continue to participate in economic development and employment programs and develop a working partnership with the private sector and various agencies to meet the economic development needs of Milwaukie.*

The Plan conforms to the coordination objective as there are programs within the Plan designed to increase overall economic development activity for both existing businesses and attracting new businesses, coordinating with private sector and other agencies as opportunities occur.

### OBJECTIVE #6 — COMMERCIAL LAND USE

*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.*

The Plan conforms to the commercial land use objective as there are underutilized and vacant commercial parcels included within the area where in the city intends to encourage economic development.

### OBJECTIVE #8 — COMMERCIAL LAND USE: COMMUNITY CENTER

*To provide for the weekly and comparison goods shopping needs of the City's and surrounding areas' residents.*

The Plan conforms to the commercial land use: community center objective as there are underutilized and vacant commercial parcels included within the area where in the city intends to encourage economic development that could provide for the weekly and comparison goods shopping needs for the community.

### OBJECTIVE #12 — TOWN CENTER

*To emphasize downtown Milwaukie and the expanded city center as a Town Center with the major concentration of mixed use and high density housing, office, and service uses in the City*

The Plan conforms to the Town Center objective as the downtown and the expanded city center, including central Milwaukie, are included in the urban renewal area with goals to increase mixed-use and high density housing, office and services in the Area.

### OBJECTIVE #13 — MCLOUGHLIN BOULEVARD

*To provide for limited highway service uses along McLoughlin Boulevard while improving the visual and pedestrian-oriented linkages between downtown and the Willamette River, and making McLoughlin Boulevard more attractive.*

The Plan conforms to the McLoughlin Boulevard objective as projects are included within the plan to improve links between downtown and the Willamette River, making McLoughlin Boulevard more attractive.

### OBJECTIVE #16 – CENTRAL MILWAUKIE

*To adopt and implement the Central Milwaukie Land Use and Transportation Plan as an ancillary document to the Comprehensive Plan and acknowledge the Central Milwaukie boundary as shown on Map 7.*

The Plan conforms to the Central Milwaukie objective as central Milwaukie is included in the urban renewal area and projects are included within the plan to enhance economic opportunities and improve access to the area for pedestrians, cyclists, and vehicles with the intent to improve central Milwaukie as a commercial center.

**Recreational Needs Element**

*GOAL STATEMENT: To provide for the recreational needs of present and future City residents by maximizing the use of existing public facilities, encouraging the development of private recreational facilities, and preserving the opportunity for future public recreational use of vacant private lands.*

OBJECTIVE #6 — MAXIMIZATION OF EXISTING PARKS

*To maximize the use of existing City parks consistent with their natural features and carrying capacity.*

The Plan conforms to the Maximization of Existing Parks objective as there are projects within the Plan to upgrade parks within the Area.

OBJECTIVE #7 — RIVERFRONT RECREATION

*To maximize the recreational use of the Willamette River shoreland and waterways.*

The Plan conforms to the Riverfront Recreation objective as one of the projects within the Plan is to assist in the completion of the Willamette Riverfront Park.

**Willamette Greenway Element**

*GOAL STATEMENT: To protect, conserve, enhance, and maintain the natural, scenic, Downtown, agricultural, economic, and recreational qualities of lands along the Willamette River as the Willamette River Greenway.*

OBJECTIVE #5 — PUBLIC ACCESS AND VIEW PROTECTION

*To provide, improve, and maintain public access and visual access within the Greenway and to the Willamette River and Kellogg Lake.*

The Plan conforms to the Riverfront Recreation objective as one of the projects within the Plan is to assist in the completion of the Willamette Riverfront Park and assist with improvements to Kellogg Lake.

**Neighborhood Element**

*GOAL STATEMENT: 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

*To maintain the residential character of designated neighborhood areas.*

The Plan conforms to the neighborhood character objective as improvement to the downtown commercial core in Central Milwaukie will help support the neighborhood residential areas.

## OBJECTIVE #2 — NEIGHBORHOOD NEEDS

*To meet the needs of neighborhood areas for public facilities and services.*

The Plan conforms to the neighborhood needs objective as improvement to the downtown commercial core and Central Milwaukie will help support the neighborhood residential areas.

### **Chapter 5 - Transportation, Public Facilities and Energy Conservation**

*Policy: The City of Milwaukie has a responsibility to its present and future residents to provide a full range of urban services including streets, sewers and water, as well as police and fire protection. In order to create a healthy living environment and efficiently allocate public expenditures, the City believes that these public facilities must be planned prior to future growth, and continually upgraded and maintained once constructed. The Plan elements which address these concerns are:*

#### **Transportation Element**

*The Transportation System Plan (TSP) is an ancillary Comprehensive Plan document that contains the City's long-term transportation goals and policies for pedestrians, cyclists, drivers, transit users, and freight carriers. It provides for the coordination of transportation improvements at the local level and the integration of the local transportation system with the regional transportation system. It also identifies the transportation issues, policies, and projects that are important to the community.*

*Transportation goals form the basis for how the local transportation system will be developed and maintained over the long term. Given their importance, the City involved agency, business, and citizen stakeholders in developing goals that support a multimodal approach to transportation planning that reflects how citizens think about and experience the transportation system. Since they are equally important in different ways, they are not listed in order of importance or priority.*

*GOAL 1: Livability. Design and construct transportation facilities in a manner that enhances the livability of Milwaukie's community.*

The Plan conforms to the livability goal as there are transportation projects, specifically projects to allow the development of underutilized parcels in the Area, within the Plan that will enhance the livability of Milwaukie's community.

*GOAL 2: Safety. Develop and maintain a safe and secure transportation system.*

The Plan conforms to the safety goal as there are transportation projects, specifically projects to allow the development of underutilized parcels in the Area and to improve intersections and other connections and corridors, within the Plan that will enhance the safety of Milwaukie's transportation system.

*GOAL 3 Travel Choices. Plan, develop, and maintain a transportation system that provides travel choices and allows people to reduce the number of trips made by single-occupant vehicles.*

The Plan conforms to the travel choices goal as there are transportation projects, specifically projects to allow the development of underutilized parcels in the Area, and to improve intersections and other connections and corridors, within the Plan that will enhance the livability of Milwaukie's community. These projects include enhanced transportation options for pedestrians and bicyclists.

*GOAL 4: Quality Design. Establish and maintain a set of transportation design and development regulations that are sensitive to local conditions.*

The Plan conforms to the quality design goal as there are transportation projects, specifically projects to allow the development of underutilized parcels in the Area, within the Plan that will enhance the livability of Milwaukie's community. These projects will be constructed in conformance with Milwaukie's transportation design and development regulations.

*GOAL 5: Reliability and Mobility. Develop and maintain a well-connected transportation system that reduces travel distance, improves reliability, and manages congestion.*

The Plan conforms to the reliability and mobility goal as there are transportation projects, specifically projects to allow the development of underutilized parcels in the Area, within the Plan that will reduce travel distance, improve reliability and manage congestion.

*GOAL 6: Sustainability. Provide a sustainable transportation system that meets the needs of present and future generations.*

The Plan conforms to the sustainability goal as there are transportation projects, specifically projects to allow the development of underutilized parcels in the Area, within the Plan that will reduce travel distance, improve reliability and manage congestion. These projects include enhanced transportation options for pedestrians and bicyclists.

*GOAL 7: Efficient and Innovative Funding. Efficiently allocate available funding for recommended transportation improvements, and pursue additional transportation funding that includes innovative funding methods and sources.*

The Plan conforms to the efficient and innovative funding goal as there are transportation projects, specifically projects to allow the development of underutilized parcels in the Area, within the Plan that will allow the city to use funds other than the city's general fund to provide for recommended transportation improvements.

*GOAL 8: Compatibility. Develop a transportation system that is consistent with the City's Comprehensive Plan and coordinates with County, State, and regional plans.*

The Plan conforms to the compatibility goal as there are transportation projects, specifically projects to allow the development of underutilized parcels in the Area, within the Plan that will be coordinated by the city to ensure compliance with the comprehensive plan and coordination with the county, state and regional plans.

*GOAL 9: Economic Vitality. Promote the development of Milwaukie's, the region's and the state's economies through the efficient movement of people, goods and services, and the distribution of information.*

The Plan conforms to the economic vitality goal as there are transportation projects in the area that will promote the development of Milwaukie, the region, and the state economies through the efficient movement of people, goods and services, and the distribution of information.

### **Public Facilities and Services Element**

*To plan, develop and maintain a timely, orderly and efficient arrangement of public facilities and services to serve urban development.*

### **OBJECTIVE #1 — PRIORITY**

*To ensure that adequate levels of public facilities and services are provided to existing City residents and businesses as a first priority as urban development or growth occurs.*

The Plan conforms to the Priority objective as public facilities including streets bike paths, and pedestrian facilities, will be upgraded within the Area.

#### OBJECTIVE #2 — COORDINATION

*To encourage cooperation and coordination between all public service agencies to maximize the efficient provision of all services.*

The Plan conforms to the Coordination objective as the city will coordinate with other public service agencies to maximize the efficient provision of both services. The urban renewal advisory group that helped with the development of the Plan had representatives of the Clackamas Fire District No. 1, Milwaukie School District, Clackamas Community College and Clackamas County.

#### **Energy Conservation Element**

*GOAL STATEMENT: To conserve energy by encouraging energy efficient land use patterns and transportation systems, and by encouraging the construction industry and private homeowners to participate in energy conservation programs.*

#### OBJECTIVE #1 — LAND USE

*To encourage an energy efficient land use pattern.*

The Plan conforms to the commercial land use objective as there are underutilized and vacant commercial parcels included within the Area where in the city intends to encourage economic development that would encourage an energy efficient land use pattern.

#### OBJECTIVE #2 — TRANSPORTATION SYSTEM

*To encourage an energy efficient transportation system.*

The Plan conforms to the Transportation System objective as there are transportation projects, specifically projects to allow the development of underutilized parcels in the Area, within the Plan that will encourage an energy efficient transportation system.

#### **B. Central Milwaukie Land Use and Transportation Plan – Ancillary document to the Milwaukie Comprehensive Plan**

*The Central Milwaukie Land Use and Transportation Plan was adopted by Ordinance #2110 on December 15, 2015. The document presents a land use and transportation framework for development and circulation in Central Milwaukie. Its purpose is to provide a cohesive vision for the area and facilitate future private and public investment that will meet community needs and desires while also achieving economic success.*

*The Guiding Principles are:*

- *Maintain and improve Central Milwaukie as the city's primary commercial center*
- *Foster a sense of place in Central Milwaukie by promoting an identity and*
- *a vision*
- *Enhance economic opportunities in the area*
- *Add a mix of uses to support a district*

- *that is lively and active*
- *Maintain an overall character complementary to and protective of surrounding neighborhoods*
- *Improve access to and within the area for pedestrians, cyclists, and vehicles*

*The Fundamental Concepts are:*

- *Facilitate development of the Murphy and McFarland opportunity sites*
- *Promote high-quality, urban design that is complementary to the surrounding area*
- *Encourage a range of housing types as a part of new mixed-use development*
- *Improve connectivity within the district with easily accessible multimodal pathways that are safe and attractive*
- *Improve external connections to the district*

The Plan conforms to the Central Milwaukie Land Use and Transportation Plan as there are specific projects including transportation upgrades and connectivity projects and programs that provide developer assistance identified within the Plan that will provide implementation tools for the Central Milwaukie Land Use and Transportation Plan.

**C. *Milwaukie Downtown and Riverfront Land Use Framework Plan - Ancillary document to the Milwaukie Comprehensive Plan***

*The Milwaukie Downtown and Riverfront Land Use Framework Plan was adopted by Ordinance #1880 on September 19, 2000, revised by Ordinance #2106, adopted September 1, 2015. The Milwaukie Downtown and Riverfront Land Use Framework Plan (Framework Plan) represents a major opportunity to reinvigorate downtown Milwaukie. With aggressive and focused efforts from both the public and private sectors over the coming years, downtown Milwaukie will be revitalized. This Framework Plan outlines the components necessary to make such a vision of Milwaukie a reality. It foremost builds upon existing assets, capitalizes upon significant existing uses, and features the natural environment. It also sets out a realistic agenda and implementation program that the City and private development can follow.*

*The Guiding Principles are:*

*Creating a Livable Community  
Ensuring Economic Success*

*The Fundamental Concepts are:*

*Anchors and Attractors  
The Main Street Retail Spine  
McLoughlin Boulevard Commercial Corridor  
21<sup>st</sup> Avenue Mixed-Use Corridor  
Connecting to the River  
South Downtown Planning Area*

The Plan conforms to the Milwaukie Downtown and Riverfront Land Use Framework Plan as there are specific projects including parks projects, transportation upgrades and connectivity projects and programs that provide developer assistance identified within the Plan that will provide implementation tools for the Milwaukie Downtown and Riverfront Land Use Framework Plan.

**D. *Regional Center Master Plan***

*Adopted December 2, 1997 Ordinance #1826*

*The Milwaukie Regional Center Master Plan established the framework for the city center referenced in the Milwaukie Vision Statement. The Master Plan complies the objectives for housing, transportation, commercial, urban design and general land use changes in the Regional Center.*

The Plan conforms to the Regional Center Master Plan, as updated by the Milwaukie Downtown and Riverfront Land Use Framework Plan and the Central Milwaukie Land Use and Transportation Plan, as there are specific projects including transportation upgrades and connectivity projects and programs that provide developer assistance identified within the Plan.

### **E. Transportation Systems Plan**

*The Milwaukie Transportation System Plan (TSP) is the City's long-term plan for transportation improvements and includes policies and projects that could be implemented through the City Capital Improvement Plan, development review, or grant funding. The 2007 TSP planning process was a great opportunity for the community to fully define its transportation goals and discuss how the whole transportation system could be improved to support livability in Milwaukie. The 2013 TSP update process provided an opportunity to ensure that the plan reflected current conditions and took into account the latest forecasts and projections.*

#### **Goals**

*Transportation goals and policies form the basis for how the local transportation system will be developed and maintained over the next 22 years. The City's transportation goals support a multimodal approach to transportation planning and reflect how citizens think about and experience Milwaukie's transportation system. The City's nine transportation goals are:*

*GOAL 1 Livability: Design and construct transportation facilities in a manner that enhances the livability of Milwaukie's community.*

*GOAL 2 Safety: Develop and maintain a safe and secure transportation system.*

*GOAL 3 TRAVEL CHOICES: Plan, develop, and maintain a transportation system that provides travel choices and allows people to reduce the number of trips made by single-occupant vehicles.*

*GOAL 4 QUALITY DESIGN: Establish and maintain a set of transportation design and development regulations that are sensitive to local conditions.*

*GOAL 5 RELIABILITY AND MOBILITY: Develop and maintain a well-connected transportation system that reduces travel distance, improves reliability, and manages congestion.*

*GOAL 6 SUSTAINABILITY: Provide a sustainable transportation system that meets the needs of present and future generations.*

*GOAL 7 EFFICIENT AND INNOVATIVE FUNDING: Efficiently allocate available funding for recommended transportation improvements, and pursue additional transportation funding that includes innovative funding methods and sources.*

*GOAL 8 COMPATIBILITY: Develop a transportation system that is consistent with the City's Comprehensive Plan and coordinates with County, State, and regional plans.*

*GOAL 9 ECONOMIC VITALITY: Promote the development of Milwaukie's, the region's, and the state's economies through the efficient movement of people, goods, and services, and the distribution of information.*

The Plan conforms to the Transportation Systems Plan as there are specific projects including transportation upgrades and connectivity projects identified within the Plan.

***Parks Master Plans***

There are master plans for Kronberg and Scott parks.

The Plan conforms to these master plans as there are specific projects identified within the Plan for the upgrading of these parks.

### XIII. APPENDIX A: LEGAL DESCRIPTION



AKS ENGINEERING & FORESTRY, LLC  
12965 SW Herman Road, Suite 100, Tualatin, OR 97062  
P: (503) 563-6151 F: (503) 563-6152

AKS Job #5392

OFFICES IN: TUALATIN, OR - VANCOUVER, WA - SALEM-KEIZER, OR

## EXHIBIT A

Urban Renewal Area  
Milwaukie, Oregon

A tract of land located in the Southeast One-Quarter and the Southwest One-Quarter of Section 25, the Southeast One-Quarter of Section 26, the Northeast One-Quarter and the Southeast One-Quarter of Section 35, the Northeast One-Quarter and the Southeast One-Quarter and the Southwest One-Quarter and the Northwest One-Quarter of Section 36, Township 1 South, Range 1 East, Willamette Meridian, City of Milwaukie, Clackamas County, Oregon, and being more particularly described as follows:

Beginning at the northwest corner of the Daniel Hathaway Donation Land Claim No. 60 located in the Southeast One-Quarter of Section 25, Township 1 South, Range 1 East, Willamette Meridian, City of Milwaukie, Clackamas County, Oregon (Assessor's Map 1 1E 25DC):

1. Thence along the west line of said Donation Land Claim, Southerly 30 feet, more or less, to the southerly right-of-way line of King Street (Assessor's Map 1 1E 25DC);
2. Thence along said southerly right-of-way line, Westerly 226 feet, more or less, to the easterly right-of-way of 35th Street (Assessor's Map 1 1E 25DC);
3. Thence along said easterly right-of-way line, Southerly 158 feet, more or less, to the easterly extension of the southerly right-of-way line of Llewellyn Street (Assessor's Map 1 1E 25DC);
4. Thence along said easterly extension and the southerly right-of-way line of Llewellyn Street, Westerly 429 feet, more or less, to the westerly line of Lot 8, Block 1 of the plat "Leo First Addition" (Assessor's Map 1 1E 36AB);
5. Thence along said westerly line, Southerly 100 feet, more or less, to the southerly line of said Lot 8 (Assessor's Map 1 1E 36AB);
6. Thence along said southerly line, Easterly 6 feet, more or less, to the northwest corner of Document Number 2005-040292 (Assessor's Map 1 1E 36AB);
7. Thence along the west line of said deed, Southerly 200 feet, more or less, to the northerly right-of-way line of Harrison Street (Assessor's Map 1 1E 36AB);
8. Thence along said northerly right-of-way line, Easterly 295 feet, more or less, to the northerly extension of the west line of Document Number 2014-043914 (Assessor's Map 1 1E 36AB);
9. Thence along said northerly extension and the westerly line of said deed, also along the west lines of Document Number 98-036167, Document Number 1985-040139, and Document Number 2014-001431, Southerly 358 feet, more or less, to the northerly line of Parcel 1 of Document Number 1972-022047 (Assessor's Map 1 1E 36AB);
10. Thence along the northerly line of said Parcel 1, Easterly 126 feet, more or less, to the northeast corner of said Parcel 1 (Assessor's Map 1 1E 36AB);
11. Thence along the easterly line of said Parcel 1, Southerly 156 feet, more or less, to the northerly right-of-way line of Monroe Street (Assessor's Map 1 1E 36AB);

12. Thence along said northerly right-of-way line, Easterly 756 feet, more or less, to the easterly right-of-way line of 37th Street (Assessor's Map 1 1E 36AA);
13. Thence along said easterly right-of-way line, Southerly 579 feet, more or less, to the southerly right-of-way line of Washington Street (Assessor's Map 1 1E 36AD);
14. Thence along said southerly right-of-way line, Easterly 98 feet, more or less, to the northeast corner of Lot 18, Block 74 of the plat "Minthorn-Detail Sheet No. 2" (Assessor's Map 1 1E 36AD);
15. Thence along the easterly line of said Lot 18, Southerly 50 feet, more or less, to the southwest corner of Document Number 1997-071749 (Assessor's Map 1 1E 36AD);
16. Thence along the southerly line of said deed, Easterly 75 feet, more or less, to the easterly line of Lot 15, Block 74 of the plat "Minthorn-Detail Sheet No. 2" (Assessor's Map 1 1E 36AD);
17. Thence along said easterly line and the easterly line of Lot 26, Block 74 of the plat "Minthorn-Detail Sheet No. 2", Southerly 140 feet, more or less, to the northerly right-of-way line of Adams Street (Assessor's Map 1 1E 36AD);
18. Thence along said northerly right-of-way line, Westerly 80 feet, more or less, to the northeasterly right-of-way line of Railroad Avenue (Assessor's Map 1 1E 36AD);
19. Thence along said northeasterly right-of-way line, Northwesterly 102 feet, more or less, to the easterly right-of-way line of 37th Street (Assessor's Map 1 1E 36AD);
20. Thence along said easterly right-of-way line, Southerly 1,434 feet, more or less, to the intersection of the southerly right-of-way line of International Way and the easterly right-of-way line of Pacific Highway East Cascade Section 224 (Assessor's Map 1 1E 36DA);
21. Thence along said easterly right-of-way line, Southerly 500 feet, more or less, to the easterly extension of the northerly right-of-way line of Grogan Avenue (Assessor's Map 1 1E 36DA);
22. Thence along said easterly extension, Westerly 358 feet, more or less, to the southwesterly right-of-way line of 37th Street (Assessor's Map 1 1E 36DA);
23. Thence along said southwesterly right-of-way line and the southwesterly right-of-way line of Edison Street, Northwesterly 556 feet, more or less, to the easterly line of Lot 17, Block 93 of the plat "Minthorn-Detail Sheet No. 1" (Assessor's Map 1 1E 36DA);
24. Thence along said easterly line and the northerly extension thereof, Northerly 79 feet, more or less, to the northerly right-of-way line of Edison Street (Assessor's Map 1 1E 36AD);
25. Thence along said northerly right-of-way line, Easterly 194 feet, more or less, to the westerly right-of-way line of Pacific Highway East Cascade Section 224 (Assessor's Map 1 1E 36AD);
26. Thence along said westerly right-of-way line, Northwesterly 1,796 feet, more or less, to the southwesterly extension of the southeasterly right-of-way line of Oak Street (Assessor's Map 1 1E 36AC S1);
27. Thence along said southwesterly extension, Southwesterly 60 feet, more or less, to the southwesterly right-of-way line of Washington Street (Assessor's Map 1 1E 36 AC);
28. Thence along said southwesterly right-of-way line, Northwesterly 451 feet, more or less, to the easterly line of Lot 7, Block 1 of the plat "Quincy Addition to

- Milwaukie”, being on the southerly right-of-way line of Washington Street (Assessor’s Map 1 1E 36BD);
29. Thence along said southerly right-of-way line, Southwesterly 1,695 feet, more or less, to the easterly line of Document Number 2005-002827, being a line parallel to and 84 feet, more or less, easterly of the easterly right-of-way line of 23rd Avenue (Assessor’s Map 1 1E 36BC);
  30. Thence along said easterly line and the easterly line of Document Number 2004-064898, Southerly 158 feet, more or less, to the southerly line of said deed (Assessor’s Map 1 1E 36BC);
  31. Thence along said southerly line, Westerly 84 feet, more or less, to the easterly right-of-way line of 23rd Avenue (Assessor’s Map 1 1E 36BC);
  32. Thence along said easterly right-of-way line, Southerly 240 feet, more or less, to the northerly line of the plat “Young’s Addition” (Assessor’s Map 1 1E 36BC);
  33. Thence along said northerly line, Westerly 42 feet, more or less, to the westerly right-of-way line of 23rd Avenue (Assessor’s Map 1 1E 36BC);
  34. Thence along said westerly right-of-way line, Northerly 175 feet, more or less, to the southerly line of Parcel 2 of Document Number 2003-167202 (Assessor’s Map 1 1E 36BC);
  35. Thence along said southerly line of said Parcel 2, Westerly 86 feet, more or less, to the easterly line of the plat “Duersts Addition to Milwaukie” (Assessor’s Map 1 1 E 36 BC);
  36. Thence along said easterly line, Southerly 174 feet, more or less, to the easterly extension of the south line of Lot 3, Block 2 of said plat (Assessor’s Map 1 1E 36BC);
  37. Thence along said easterly extension and the southerly line thereof and along the southerly line of Lot 8, Block 2 of said plat, Westerly 228 feet, more or less, to the easterly right-of-way line of 21st Avenue (Assessor’s Map 1 1E 36BC);
  38. Thence along said easterly right-of-way line, Southerly 240 feet, more or less, to the northerly line of Lot 7, Block 1 of the plat “Duersts Addition To Milwaukie” (Assessor’s Map 1 1E 36BC);
  39. Thence along said northerly line, Easterly 100 feet, more or less, to the easterly line of said Lot 7 (Assessor’s Map 1 1E 36BC);
  40. Thence along said easterly line and the easterly line of Lot 8, Block 1 of said plat and the southerly extension thereof, Southerly 162 feet, more or less, to the vacated centerline of Willard Street (Assessor’s Map 1 1E 36BC);
  41. Thence along said vacated centerline line, Westerly 9 feet, more or less, to the northeasterly right-of-way line of Lake Road (Assessor’s Map 1 1E 36BC);
  42. Thence along said northeasterly right-of-way line, Southeasterly 146 feet, more or less, to the westerly right-of-way line of 22nd Avenue (Assessor’s Map 1 1E 36BC);
  43. Thence along said westerly right-of-way line, Northerly 111 feet, more or less, to the northerly right-of-way line of Willard Street (Assessor’s Map 1 1E 36BC);
  44. Thence along said northerly right-of-way line and the easterly extension thereof, Easterly 953 feet, more or less, to the easterly right-of-way line of 27th Avenue (Assessor’s Map 1 1E 36BD);

45. Thence along said easterly right-of-way line, Southerly 48 feet, more or less, to the easterly extension of the southerly right-of-way line of Willard Street (Assessor's Map 1 1E 36BD);
46. Thence along said easterly extension and the southerly right-of-way line thereof, Northwesterly 411 feet, more or less, to the easterly right-of-way line of 25th Avenue (Assessor's Map 1 1E 36BC);
47. Thence along said easterly right-of-way line, Southerly 218 feet, more or less, to the southerly line of the plat "Young's Addition" (Assessor's Map 1 1E 36BC);
48. Thence along said southerly line, Westerly 50 feet, more or less, to the westerly right-of-way line of 25th Avenue (Assessor's Map 1 1E 36BC);
49. Thence along said westerly right-of-way line, Northerly 208 feet, more or less, to the southerly right-of-way line of Willard Street (Assessor's Map 1 1E 36 BC);
50. Thence along said southerly right-of-way line, Westerly 470 feet, more or less, to the easterly right-of-way line of 22nd Avenue (Assessor's Map 1 1E 36BC);
51. Thence along said easterly right-of-way line, Southerly 75 feet, more or less, to the northeasterly right-of-way line of Lake Road (Assessor's Map 1 1E 36BC);
52. Thence along said northeasterly right-of-way line, Southeasterly 135 feet, more or less, to a point which bears southeasterly 31 feet, more or less, from the southerly line of the plat "Young's Addition" and also being a point northeasterly 65 feet, more or less, when measured at right angles from the most northerly corner of Document Number 1992-014322 (Assessor's Map 1 1E 36BC);
53. Thence Southwesterly 65 feet, more or less, to the southwesterly right-of-way line of Lake Road, also being the most northerly corner of Document Number 1992-014322 (Assessor's Map 1 1E 36CB);
54. Thence along the northwesterly line of said deed, Southwesterly 365 feet, more or less, to an angle point (Assessor's Map 1 1E 36CB);
55. Thence continuing along said northwesterly line, Southerly 57 feet, more or less, to an angle point (Assessor's Map 1 1E 36CB);
56. Thence continuing along said northwesterly line and the northerly line of Document Number 2007-045540, Southwesterly 194 feet, more or less, to the northwesterly corner of said Document Number 2007-045540 (Assessor's Map 1 1E 36CB);
57. Thence along the westerly line of said deed, Southerly 744 feet, more or less, to the southerly line of Lot 2, Block 32 of the plat "Milwaukie Heights" (Assessor's Map 1 1E 36CB);
58. Thence along said southerly line, Westerly 175 feet, more or less, to the northeasterly right-of-way line of US 99E (Assessor's Map 1 1E 36CB);
59. Thence Southwesterly 168 feet, more or less, to the westerly right-of-way line of River Road, also being the northeasterly corner of Oregon Department of Transportation Right-of-Way File 17793 (Assessor's Map 1 1E 36CB);
60. Thence along the northeasterly line of said Right-of-Way file and the northeasterly line of Document Number 1991-022253, Northwesterly 130 feet, more or less, to the southerly right-of-way line of Bluebird Street (Assessor's Map 1 1E 36CB);
61. Thence Northerly 60 feet, more or less, to the northerly right-of-way line of Bluebird Street, also being the southwesterly corner of Document Number 2014-038909 (Assessor's Map 1 1E 36CB);

62. Thence along the southwesterly line of said deed, Northwesterly 205 feet, more or less, to the easterly right-of-way line of 22nd Avenue (Assessor's Map 1 1E 36CB);
63. Thence Northwesterly 70 feet, more or less, to a point which bears northerly 13 feet, more or less, from the southeasterly corner of Lot 3, Block 10 of the plat "Robertson", also being on the westerly right-of-way line of 22nd Avenue (Assessor's Map 1 1E 35DA);
64. Thence along said westerly right-of-way line, Northerly 87 feet, more or less, to the southerly right-of-way line of Eagle Street (Assessor's Map 1 1E 35DA);
65. Thence along said southerly right-of-way line, Westerly 1,000 feet, more or less, to the westerly line of the Open Space Zone (Assessor's Map 1 1E 35DA);
66. Thence along said westerly line, Northerly 2,387 feet, more or less, to the westerly extension of the southerly line of Document Number 2003-162584 (Assessor's Map 1 1E 35AA);
67. Thence along said westerly extension, Easterly 77 feet, more or less, to the southwesterly corner of said deed (Assessor's Map 1 1E 35AA);
68. Thence along the westerly line of said deed, Northeasterly 173 feet, more or less, to the southerly right-of-way line of the abandoned Portland Traction Company Rail Road (Assessor's Map 1 1E 35AA);
69. Thence along said abandoned southerly right-of-way line, Northwesterly 643 feet, more or less, to southwesterly corner of Document Number 98-011667 (Assessor's Map 1 1E 35AA);
70. Thence along the westerly line of said deed, Northeasterly 45 feet, more or less, to the westerly right-of-way line of SE River Lane (Assessor's Map 1 1E 35AB);
71. Thence along said westerly right-of-way line and the northerly extension thereof, Northwesterly 477 feet, more or less, to the westerly extension of the northerly right-of-way line of SE Lava Drive (Assessor's Map 1 1E 26DC);
72. Thence along said northerly right-of-way line, Northeasterly 732 feet, more or less, to the westerly right-of-way line of 17th Avenue (Assessor's Map 1 1E 26DD);
73. Thence leaving said westerly right-of-way line, Southeasterly 206 feet, more or less, to the intersection of the westerly right-of-way line of US 99E and the easterly line of Johnson Creek (Assessor's Map 1 1E 25CC);
74. Thence along said westerly right-of-way line, Northerly 449 feet, more or less, to the westerly extension of the northerly line of Parcel 1 of Partition Plat 1990-015 (Assessor's Map 1 1E 25CC);
75. Thence along said westerly extension and the northerly line of said Parcel 1 and the easterly extension thereof, Easterly 202 feet, more or less, to the easterly right-of-way line of Main Street (Assessor's Map 1 1E 25CC);
76. Thence along said easterly right-of-way line, Northerly 164 feet, more or less, to the southerly right-of-way line of Pacific Highway East Cascade Section 224 (Assessor's Map 1 1E 25CC);
77. Thence along said southerly right-of-way line, Easterly 422 feet, more or less, to the easterly line of Document Number 1990-039292 (Assessor's Map 1 1E 25CC);
78. Thence along said easterly line and the westerly right-of-way line of 23rd Street, Southerly 101 feet, more or less, to the southerly right-of-way line of 23rd Street (Assessor's Map 1 1E 25CC);

79. Thence along said southerly right-of-way line, Easterly 110 feet, more or less, to the westerly line of Document Number 2012-035206 (Assessor's Map 1 1E 25CC);
80. Thence along said westerly line, Southerly 80 feet, more or less, to the northerly line of Document Number 99-012354 (Assessor's Map 1 1E 25CC);
81. Thence along said northerly line, Westerly 110 feet, more or less, to westerly line of the plat "Streib's First Addition" (Assessor's Map 1 1E 25CC);
82. Thence along said westerly line, Southerly 175 feet, more or less, to the westerly extension of the northerly line of Lot 2, Block 6 of said plat (Assessor's Map 1 1E 25CC);
83. Thence along said westerly extension and the northerly line of said Lot 2, and also the northerly line of Lot 13, Block 6 of said plat and the easterly extension thereof, Easterly 277 feet, more or less, to the easterly right-of-way line of 23rd Street (Assessor's Map 1 1E 25CC);
84. Thence along said easterly right-of-way line, Southerly 100 feet, more or less, to the northerly right-of-way line of Llewellyn Street (Assessor's Map 1 1E 25CC);
85. Thence along said northerly right-of-way line, Easterly 260 feet, more or less, to the easterly right-of-way line of 24th Street (Assessor's Map 1 1E 25CC);
86. Thence along said easterly right-of-way line, Southerly 260 feet, more or less, to the northerly right-of-way line of Harrison Street (Assessor's Map 1 1E 25CC);
87. Thence along said northerly right-of-way line, Easterly 1,367 feet, more or less, to the westerly right-of-way line of Pacific Highway East Cascade Section 224 (Assessor's Map 1 1E 25CD);
88. Thence along said westerly right-of-way line, Northerly 186 feet, more or less, to a point which bears northwesterly 31 feet, more or less, from the northerly line of Lot 14, Block 2 of the plat "Brownell Acres" (Assessor's Map 1 1E 25CD);
89. Thence Easterly 158 feet, more or less, to the northerly corner of Document Number 1983-038560, also being on the easterly right-of-way line of Pacific Highway East Cascade Section 224 (Assessor's Map 1 1E 25CD);
90. Thence along said easterly right-of-way line, Northerly 189 feet, more or less, to the northwesterly corner of Document Number 2007-046203 (Assessor's Map 1 1E 25CD);
91. Thence along the northerly line of said deed and the easterly extension thereof, Northeasterly 77 feet, more or less, to the easterly right-of-way line of Southern Pacific Railroad (Assessor's Map 1 1E 25CD);
92. Thence along said easterly right-of-way line, Northwesterly 1,258 feet, more or less, to the southerly line of the plat "Bonnie View Acres Plat No. 4" (Assessor's Map 1 1E 25CD);
93. Thence along said southerly line, Easterly 1,050 feet, more or less, to the westerly right-of-way line of 32nd Street (Assessor's Map 1 1E 25CD);
94. Thence along said westerly right-of-way line, Northerly 191 feet, more or less, to the westerly extension of the northerly right-of-way line of Harvey Street (Assessor's Map 1 1E 25CA);
95. Thence along said westerly extension and the northerly right-of-way line of Harvey Street, Easterly 856 feet, more or less, to the northerly extension of the westerly line of the plat "Boly's Addition" (Assessor's Map 1 1E 25DB);

96. Thence along said northerly extension and the westerly line of the plat "Boly's Addition" and the westerly right-of-way of an un-named Public Road, Southerly 684 feet, more or less, to the southerly right-of-way line of said Public Road (Assessor's Map 1 1E 25DC);
97. Thence along said southerly right-of-way line, Easterly 116 feet, more or less, to the westerly right-of-way line of 36th Street (Assessor's Map 1 1E 25DC);
98. Thence along said westerly right-of-way line, Southerly 10 feet, more or less, to the northerly line of Document Number 82-31253 (Assessor's Map 1 1E 25DC);
99. Thence along said northerly line, Westerly 116 feet, more or less, to the northwesterly corner of said deed, also being a point on the easterly line of Document Number 2003-111384 (Assessor's Map 1 1E 25DC);
100. Thence along said easterly line and the easterly line of Document Number 2003-111383 and the southerly extension thereof, Southerly 539 feet, more or less, to the Point of Beginning (Assessor's Map 1 1E 25DC).

**Excepting the following parcels:**

**Parcel 1:**

Beginning at the intersection of the southerly right-of-way line of Monroe Street and the westerly right-of-way line of 28th Street, being the northeasterly corner of Lot 2 of the plat "Spring Side Park", located in the Northwest One-Quarter of Section 36, Township 1 South, Range 1 East, Willamette Meridian, City of Milwaukie, Clackamas County, Oregon (Assessor's Map 1 1E 36BA):

101. Thence along said southerly right-of-way line of Monroe Street, Northeasterly 653 feet, more or less, to the westerly right-of-way line of Pacific Highway East Cascade Section 224 (Assessor's Map 1 1E 36BA);
102. Thence along said westerly right-of-way line, Southeasterly 770 feet, more or less, to the northwesterly right-of-way line of Oak Street (Assessor's Map 1 1E 36AB);
103. Thence along said northwesterly right-of-way line, Southwesterly 60 feet, more or less, to the northeasterly right-of-way line of Washington Street (Assessor's Map 1 1E 36AB);
104. Thence along said northeasterly right-of-way line, Northwesterly 365 feet, more or less, to a point which bears northwesterly 20 feet, more or less, from the southerly corner of Lot 16, Block 3 of the plat "Robert's Re-plat of J.R.W. Sellwood Addn.", also being on the northerly right-of-way line of Washington Street (Assessor's Map 1 1E 36AB);
105. Thence along said northerly right-of-way line, Southwesterly 1,731 feet, more or less, to the easterly line of Document Number 1996-095540 (Assessor's Map 1 1E 36BB);
106. Thence along said easterly line, Northwesterly 245 feet, more or less, to the northerly line of said deed (Assessor's Map 1 1E 36BB);
107. Thence along said northerly line, Southwesterly 120 feet, more or less, to the easterly right-of-way line of Southern Pacific Rail Road (Assessor's Map 1 1E 36BB);
108. Thence along said easterly right-of-way line, Northeasterly 305 feet, more or less, to the southerly right-of-way line of Monroe Street (Assessor's Map 1 1E 36BB);
109. Thence along said southerly right-of-way line, Northeasterly 1,002 feet, more or less, to the Point of Beginning (Assessor's Map 1 1E 36BA).

**Parcel 2:**

Beginning at the northeasterly corner of the plat "Harrison Street Condominiums", being on the southerly right-of-way line of Harrison Street, located in the Northwest One-Quarter of Section 36, Township 1 South, Range 1 East, Willamette Meridian, City of Milwaukie, Clackamas County, Oregon (Assessor's Map 1 1E 36BBS1):

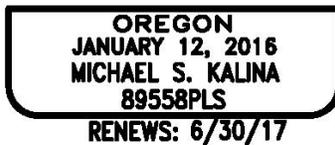
110. Thence along said southerly right-of-way line, Easterly 828 feet, more or less, to the westerly right-of-way line of Pacific Highway East Cascade Section 224 (Assessor's Map 1 1E 36BA);
111. Thence along said westerly right-of-way line, Southerly 514 feet, more or less, to the northerly right-of-way line of Monroe Street (Assessor's Map 1 1E 36BA);
112. Thence along said northerly right-of-way line, Southwesterly 1,331 feet, more or less, to the easterly line of Document Number 1995-042318 (Assessor's Map 1 1E 36BB);
113. Thence along said easterly line, Northwesterly 387 feet, more or less, to the easterly right-of-way line of Southern Pacific Rail Road (Assessor's Map 1 1E 36BB);
114. Thence along said easterly right-of-way line, Northeasterly 228 feet, more or less, to the southerly right-of-way line of Harrison Street (Assessor's Map 1 1E 36BB);
115. Thence along said southerly right-of-way line, Easterly 382 feet, more or less, to the Point of Beginning (Assessor's Map 1 1E 36BB).

The above described tract of land contains 262 acres, more or less.

7/8/2016



*Michael Kalina*



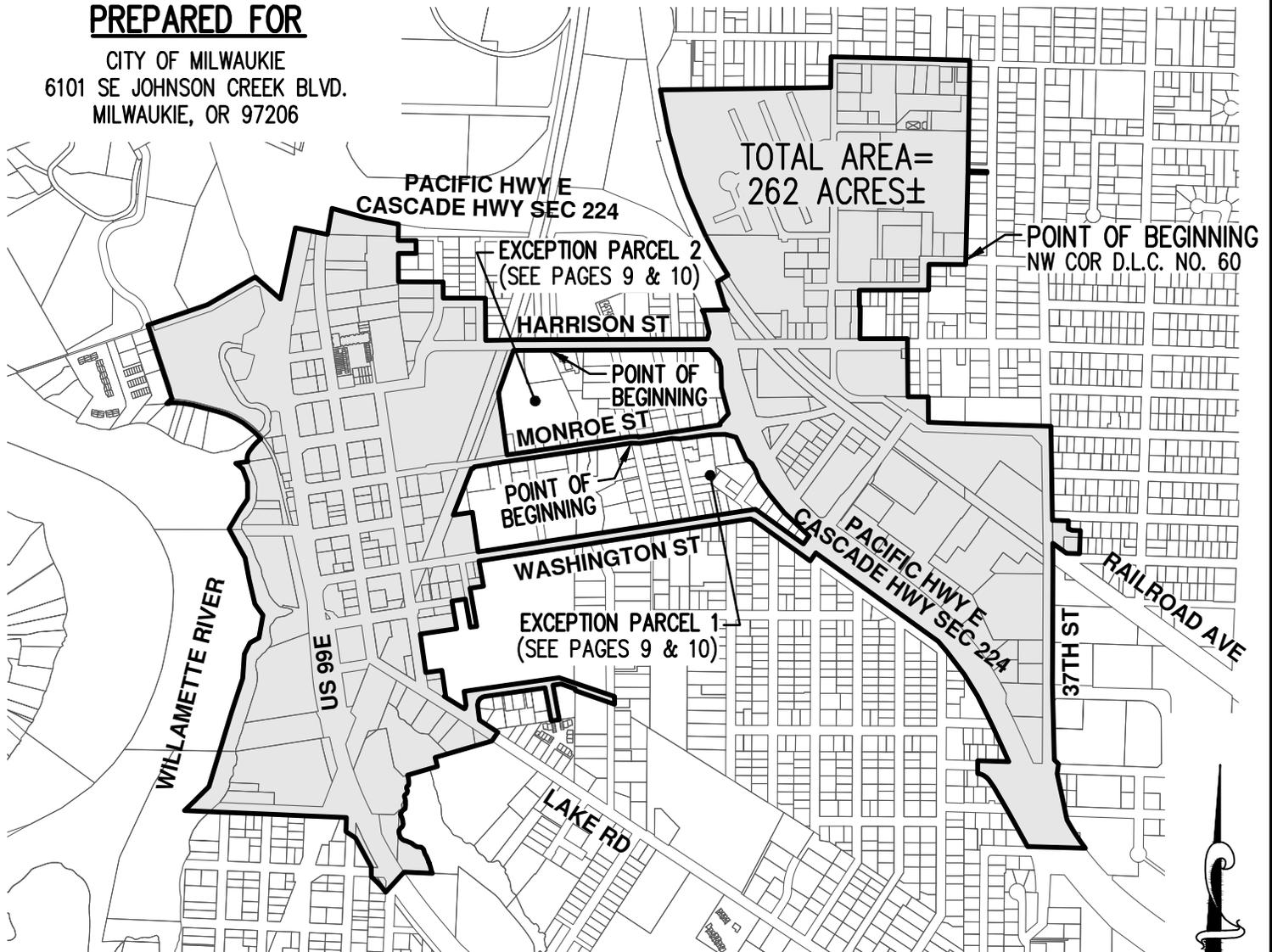
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## MAP OF URBAN RENEWAL AREA

A TRACT OF LAND LOCATED IN THE SE 1/4 AND SW 1/4 OF SECTION 25,  
 THE SE 1/4 OF SECTION 26, THE NE 1/4 AND SE 1/4 OF SECTION 35,  
 THE NE 1/4 AND SE 1/4 AND SW 1/4 AND NW 1/4 OF SECTION 36,  
 T1S, R1E, W.M., CITY OF MILWAUKIE, CLACKAMAS COUNTY, OREGON

### PREPARED FOR

CITY OF MILWAUKIE  
 6101 SE JOHNSON CREEK BLVD.  
 MILWAUKIE, OR 97206



7/8/2016

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 PROFESSIONAL  
 LAND SURVEYOR

*Michael Kal*

OREGON  
 JANUARY 12, 2016  
 MICHAEL S. KALINA  
 89558PLS

RENEWS: 6/30/17

### LEGEND

PP NO. PARTITION PLAT NUMBER  
 DN. DOCUMENT NUMBER  
 URBAN RENEWAL AREA

SCALE 1" = 1000 FEET



CITY OF MILWAUKIE  
 URBAN RENEWAL AREA

AKS ENGINEERING & FORESTRY, LLC  
 12965 SW HERMAN RD, STE 100  
 TUALATIN, OR 97062  
 P: 503.563.6152 503.563.6152 aks-eng.com



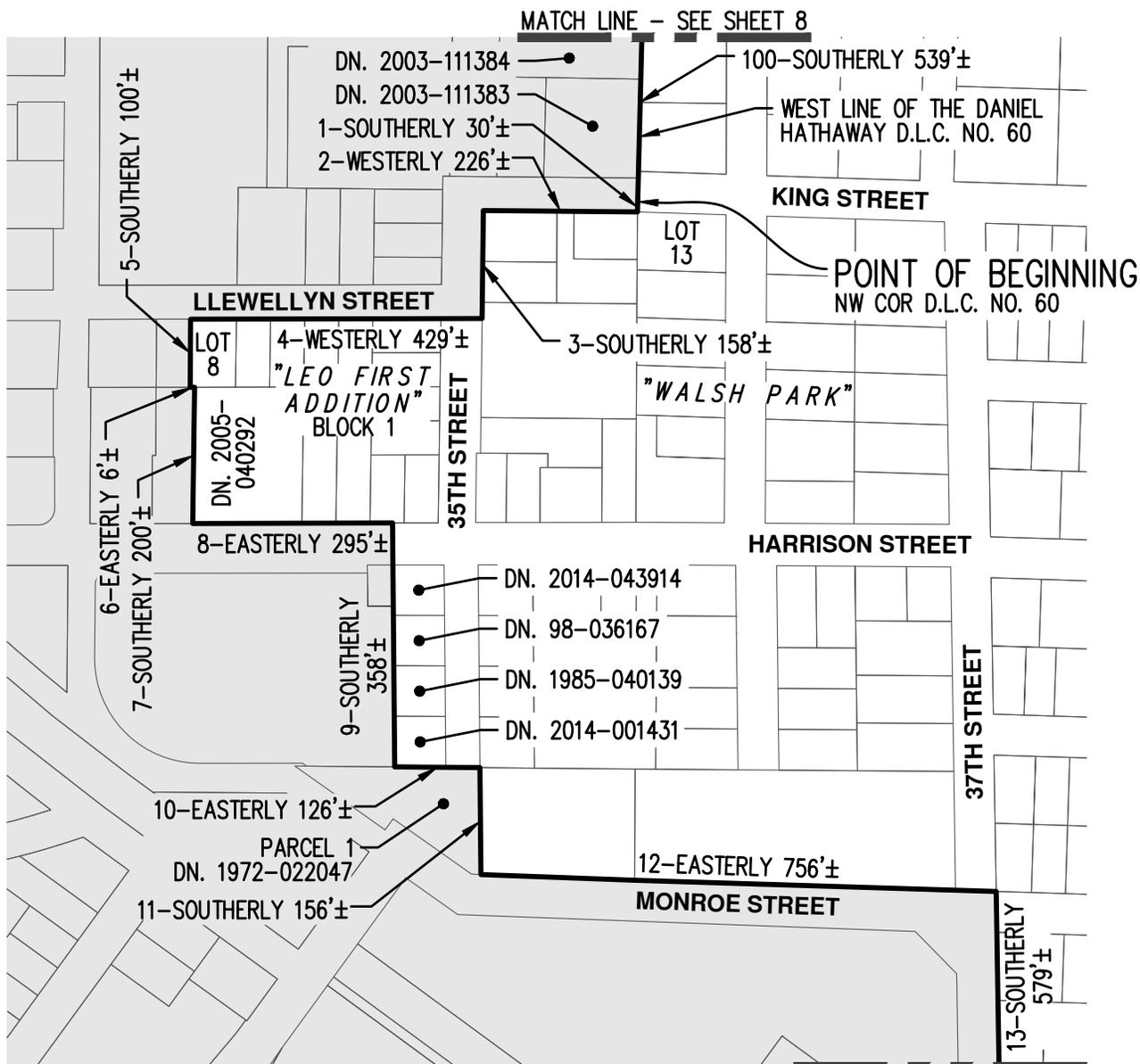
EXHIBIT  
**B**

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 CHKD: NSW  
 AKS JOB:  
 5392

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6101 SE JOHNSON CREEK BLVD.  
MILWAUKIE, OR 97206

MATCH LINE - SEE SHEET 3

SCALE 1" = 250 FEET



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PROFESSIONAL  
LAND SURVEYOR

*Michael Kal*

OREGON  
JANUARY 12, 2016  
MICHAEL S. KALINA  
89558PLS

RENEWS: 6/30/17

CITY OF MILWAUKIE  
URBAN RENEWAL AREA

AKS ENGINEERING & FORESTRY, LLC  
12965 SW HERMAN RD, STE 100  
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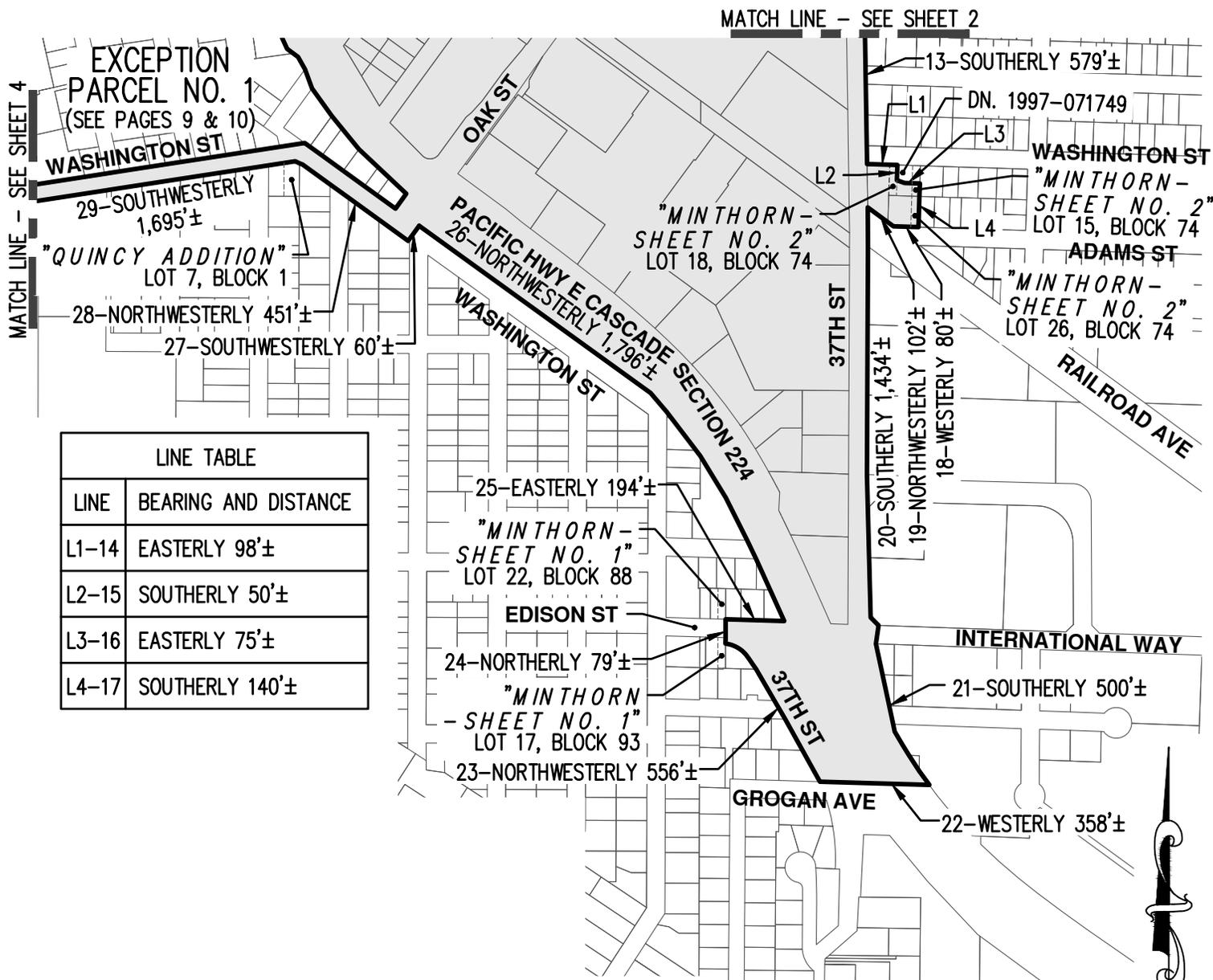
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| LINE TABLE |                      |
|------------|----------------------|
| LINE       | BEARING AND DISTANCE |
| L1-14      | EASTERLY 98'±        |
| L2-15      | SOUTHERLY 50'±       |
| L3-16      | EASTERLY 75'±        |
| L4-17      | SOUTHERLY 140'±      |

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SCALE 1" = 500 FEET



REGISTERED PROFESSIONAL LAND SURVEYOR

*Michael Kalina*

OREGON  
JANUARY 12, 2016  
MICHAEL S. KALINA  
89558PLS  
RENEWS: 6/30/17

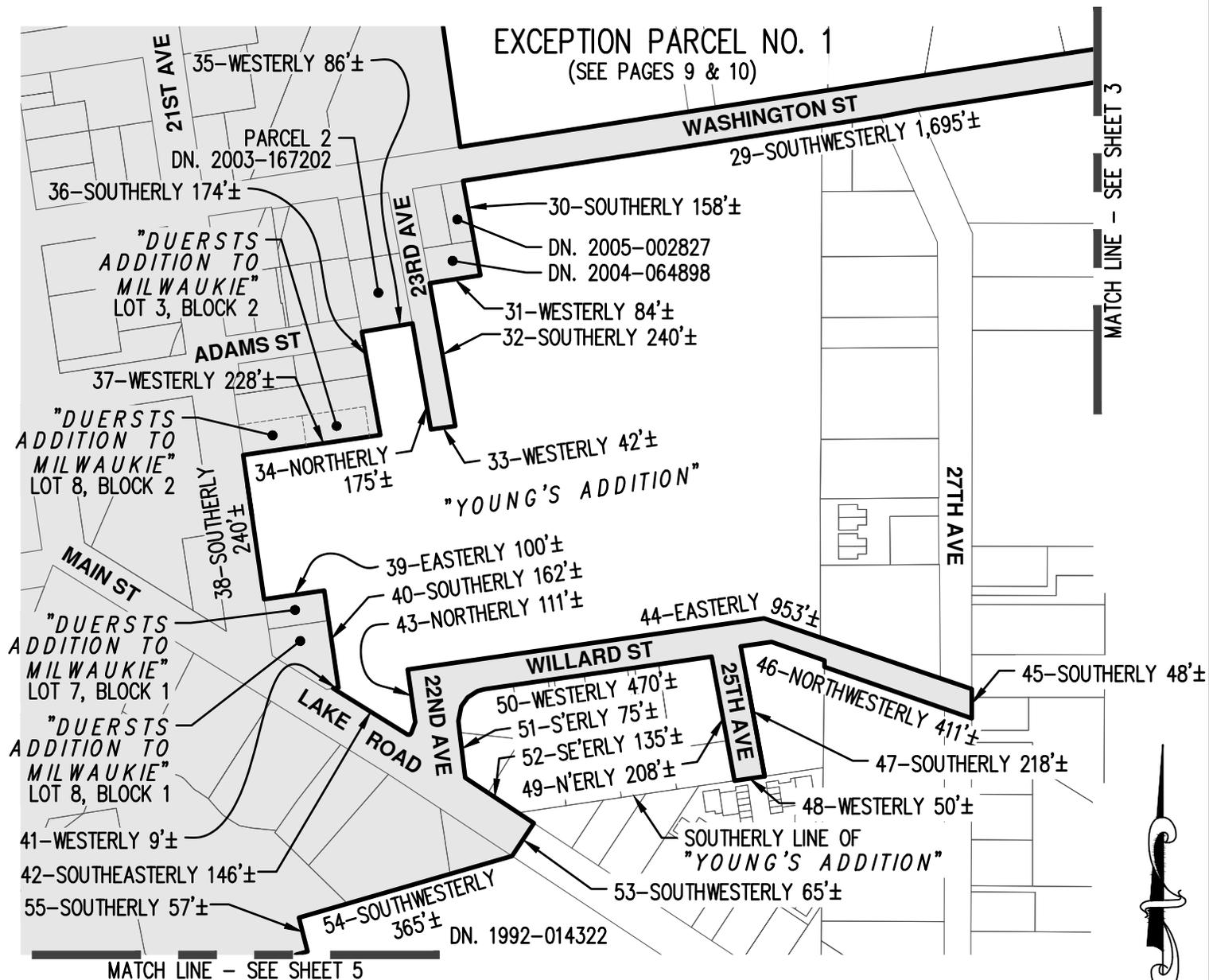
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MILWAUKIE, OR 97206

SCALE 1" = 250 FEET



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*Michael Kal*

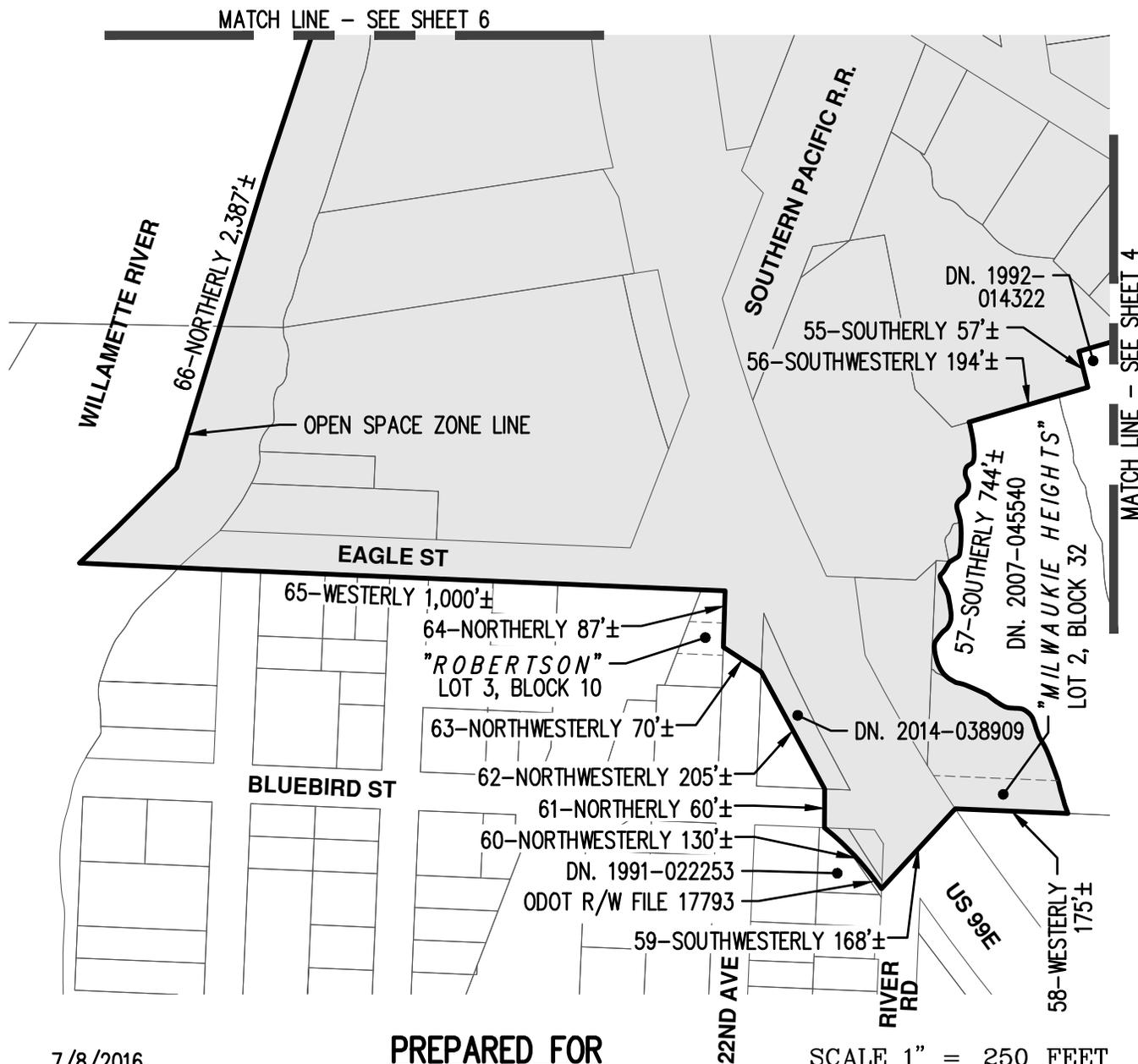
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RENEWS: 6/30/17

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| <b>AKS</b>   |  |  |

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SCALE 1" = 250 FEET



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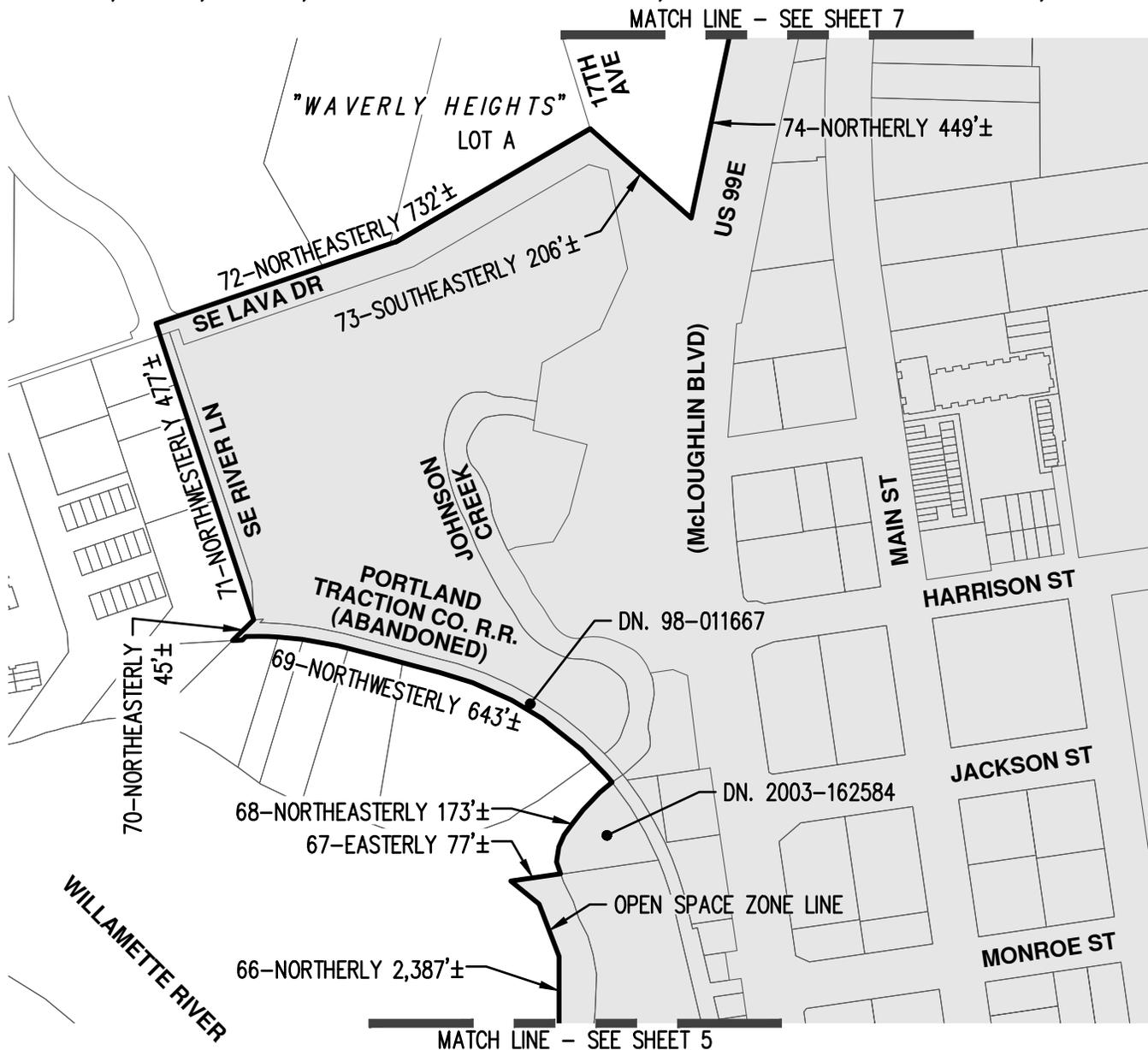
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6101 SE JOHNSON CREEK BLVD.  
MILWAUKIE, OR 97206

SCALE 1" = 250 FEET



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MICHAEL S. KALINA  
89558PLS  
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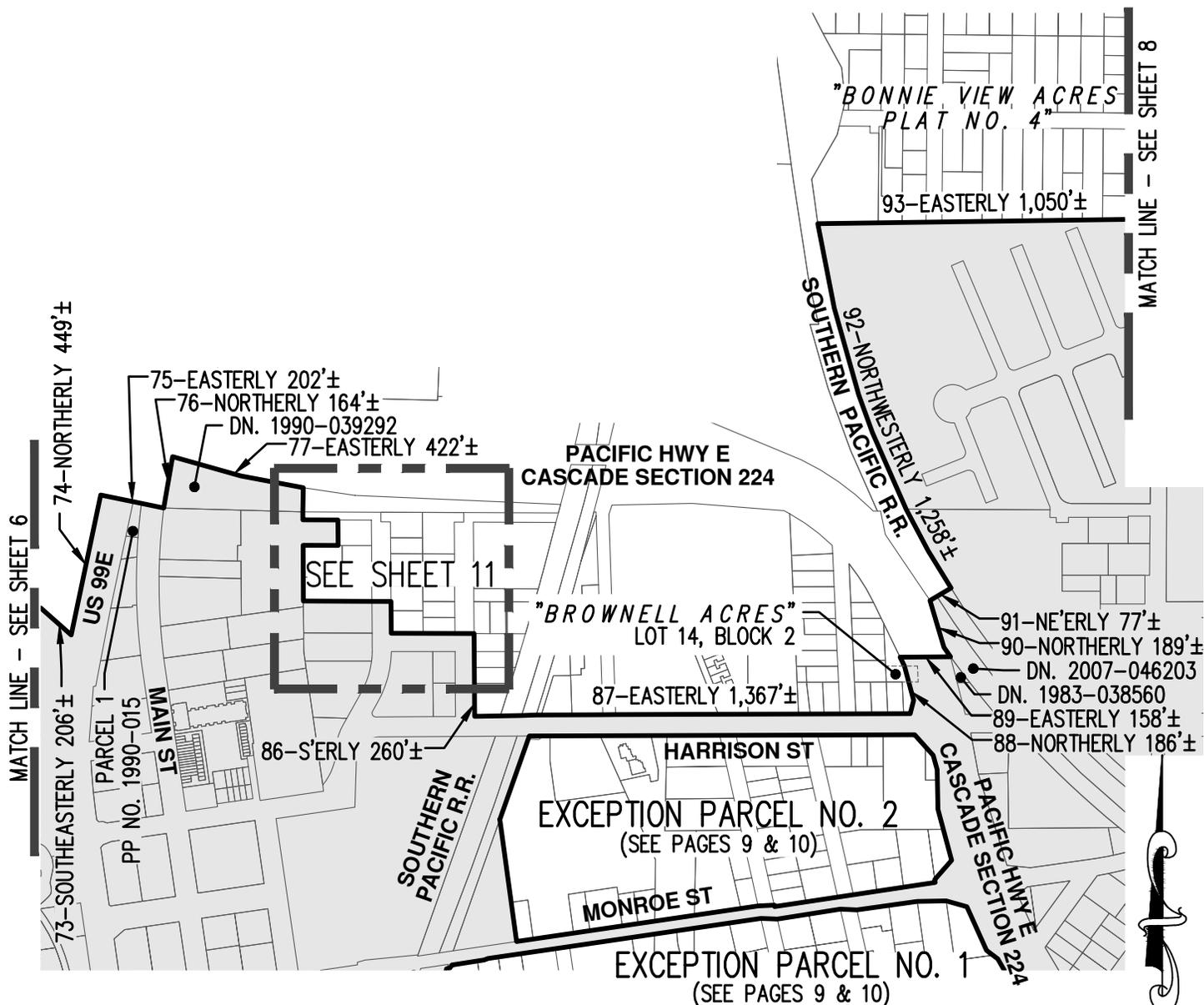
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 T1S, R1E, W.M., CITY OF MILWAUKIE, CLACKAMAS COUNTY, OREGON



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 6101 SE JOHNSON CREEK BLVD.  
 MILWAUKIE, OR 97206

SCALE 1" = 500 FEET



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*Michael Kal*

OREGON  
 JANUARY 12, 2016  
 MICHAEL S. KALINA  
 89558PLS  
 RENEWS: 6/30/17

|  |  |                        |
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| AKS  |  | AKS JOB:<br>5392       |

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MILWAUKIE, OR 97206

SCALE 1" = 250 FEET



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RENEWS: 6/30/17

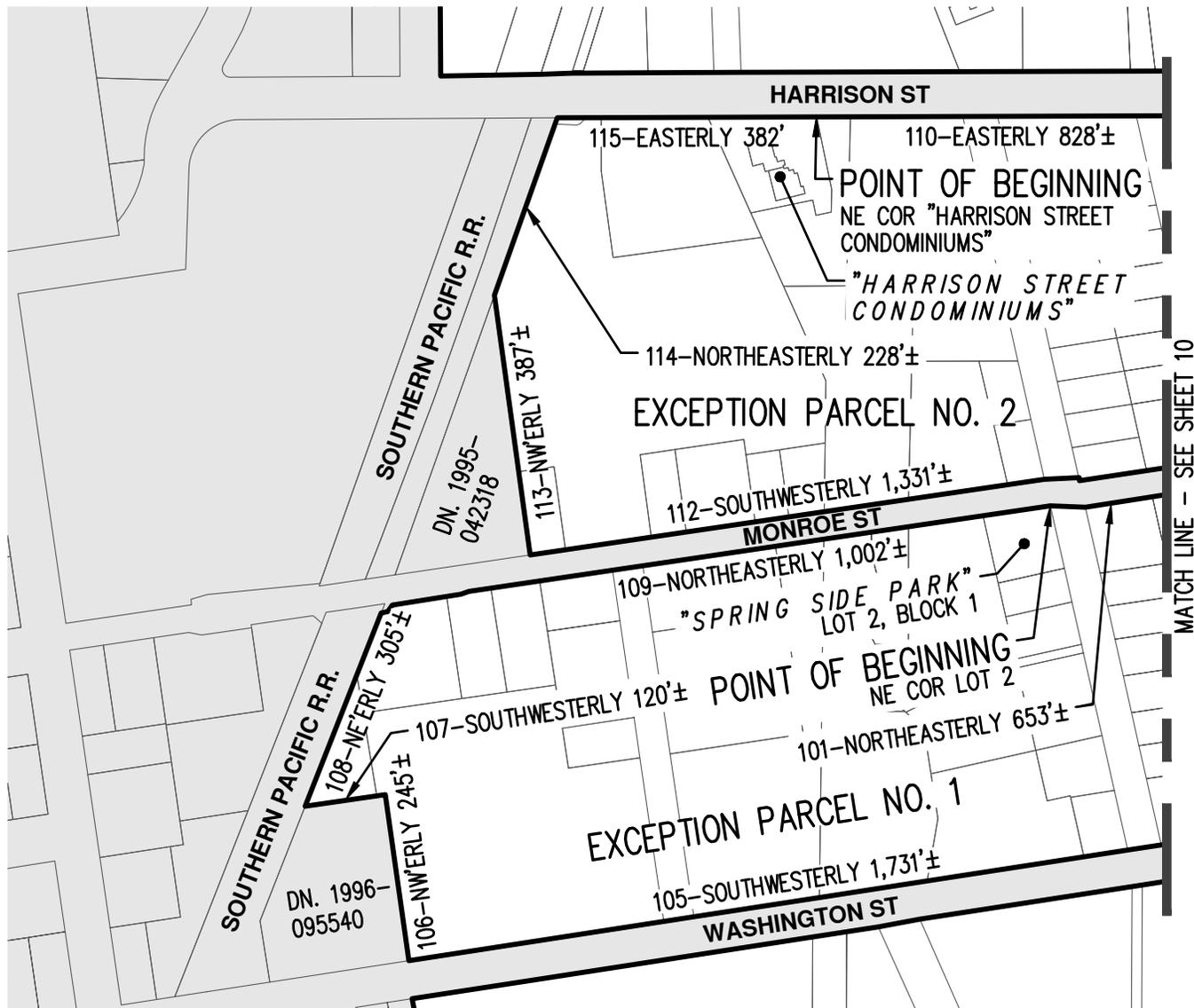
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 MILWAUKIE, OR 97206

SCALE 1" = 250 FEET



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*Michael Kalina*

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 JANUARY 12, 2016  
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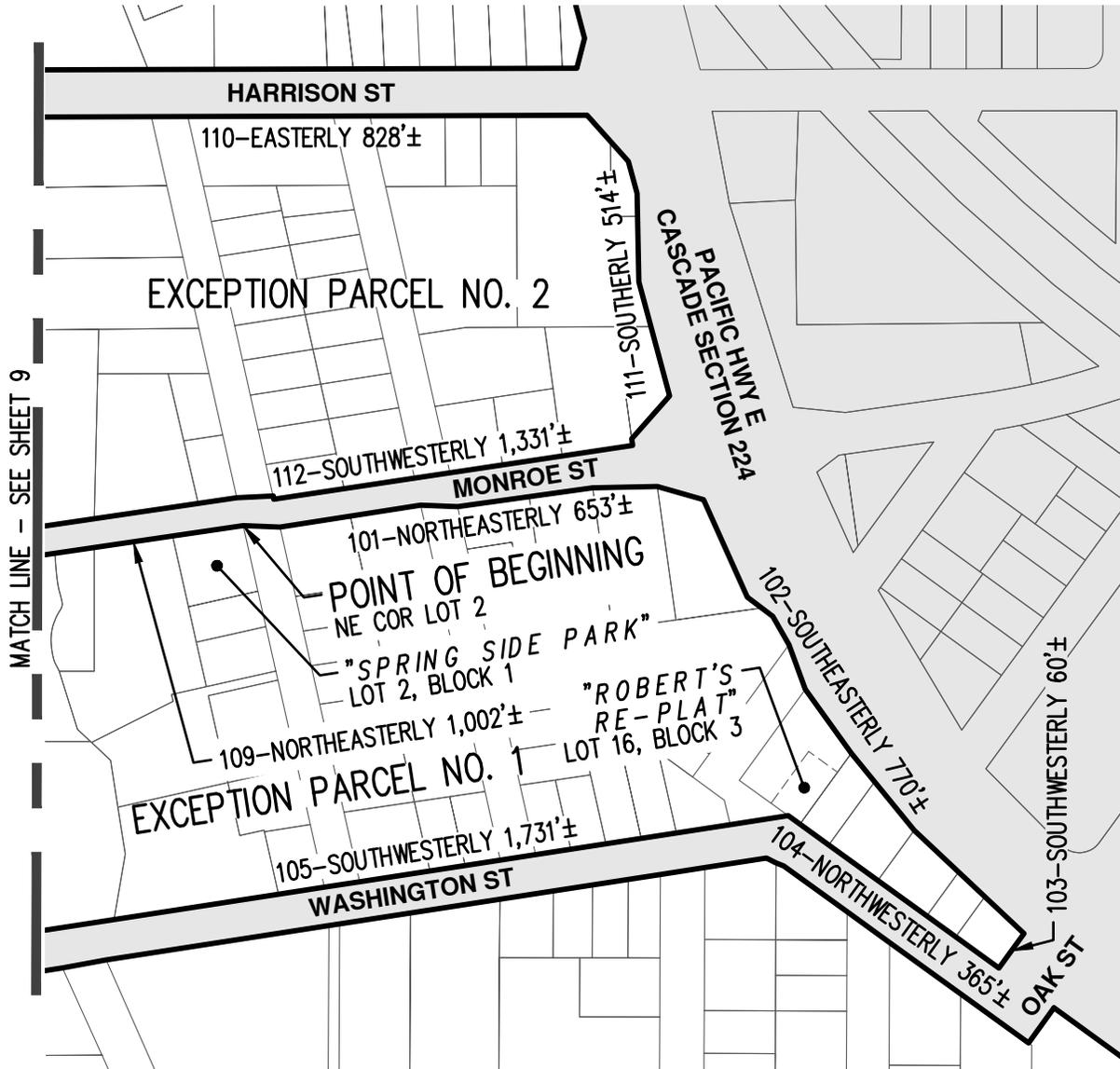
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### PREPARED FOR

CITY OF MILWAUKIE  
6101 SE JOHNSON CREEK BLVD.  
MILWAUKIE, OR 97206

SCALE 1" = 250 FEET



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PROFESSIONAL  
LAND SURVEYOR

*Michael Kal*

OREGON  
JANUARY 12, 2016  
MICHAEL S. KALINA  
89558PLS

RENEWS: 6/30/17

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URBAN RENEWAL AREA

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12965 SW HERMAN RD, STE 100  
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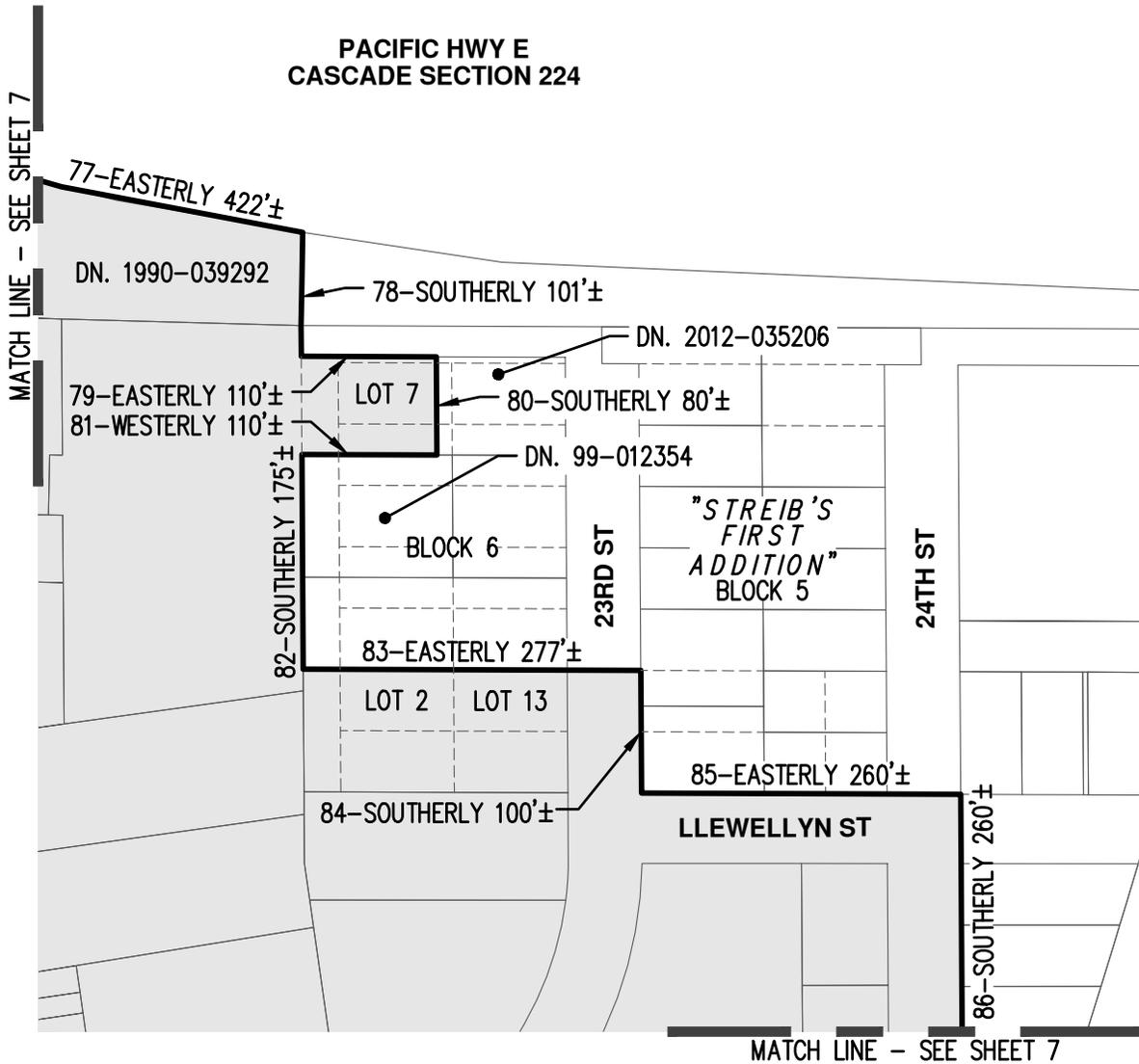
CHKD: NSW

AKS JOB:  
5392

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7/8/2016

### PREPARED FOR

CITY OF MILWAUKIE  
 6101 SE JOHNSON CREEK BLVD.  
 MILWAUKIE, OR 97206

SCALE 1" = 150 FEET



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 PROFESSIONAL  
 LAND SURVEYOR**

*Michael Kalina*

OREGON  
 JANUARY 12, 2016  
 MICHAEL S. KALINA  
 89558PLS  
 RENEWS: 6/30/17

|  |  |
|--|--|
| <b>CITY OF MILWAUKIE<br/>                 URBAN RENEWAL AREA</b>   |  |
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| EXHIBIT<br><b>B</b>                        |
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# Report Accompanying Milwaukie Urban Renewal Plan

Adopted by the City of Milwaukie

Ordinance No.

August 16, 2016

**RS127**

ECONorthwest  
Nick Popenuk  
Ali Danko  
Rob Wyman

Elaine Howard Consulting, LLC  
Elaine Howard

**RS128**

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## **I. INTRODUCTION**

The Report on the Milwaukie Urban Renewal Plan (Report) contains background information and project details that pertain to the Milwaukie Urban Renewal Plan (Plan). The Report is not a legal part of the Plan, but is intended to provide public information and a basis for the findings made by the City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility. The format of the Report is based on this statute. The Report documents not only the proposed projects in the Plan, but also documents the existing conditions in the Milwaukie Urban Renewal Area (Area).

However, the Report provides only guidance on how the urban renewal plan might be implemented. As the Milwaukie Redevelopment Commission (Redevelopment Commission) reviews revenues and potential projects each year, they have the authority to make adjustments to the assumptions in this Report. They may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other changes, as allowed in the amendments section of the Plan.

## **II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES**

This section of the Report describes existing conditions within the Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

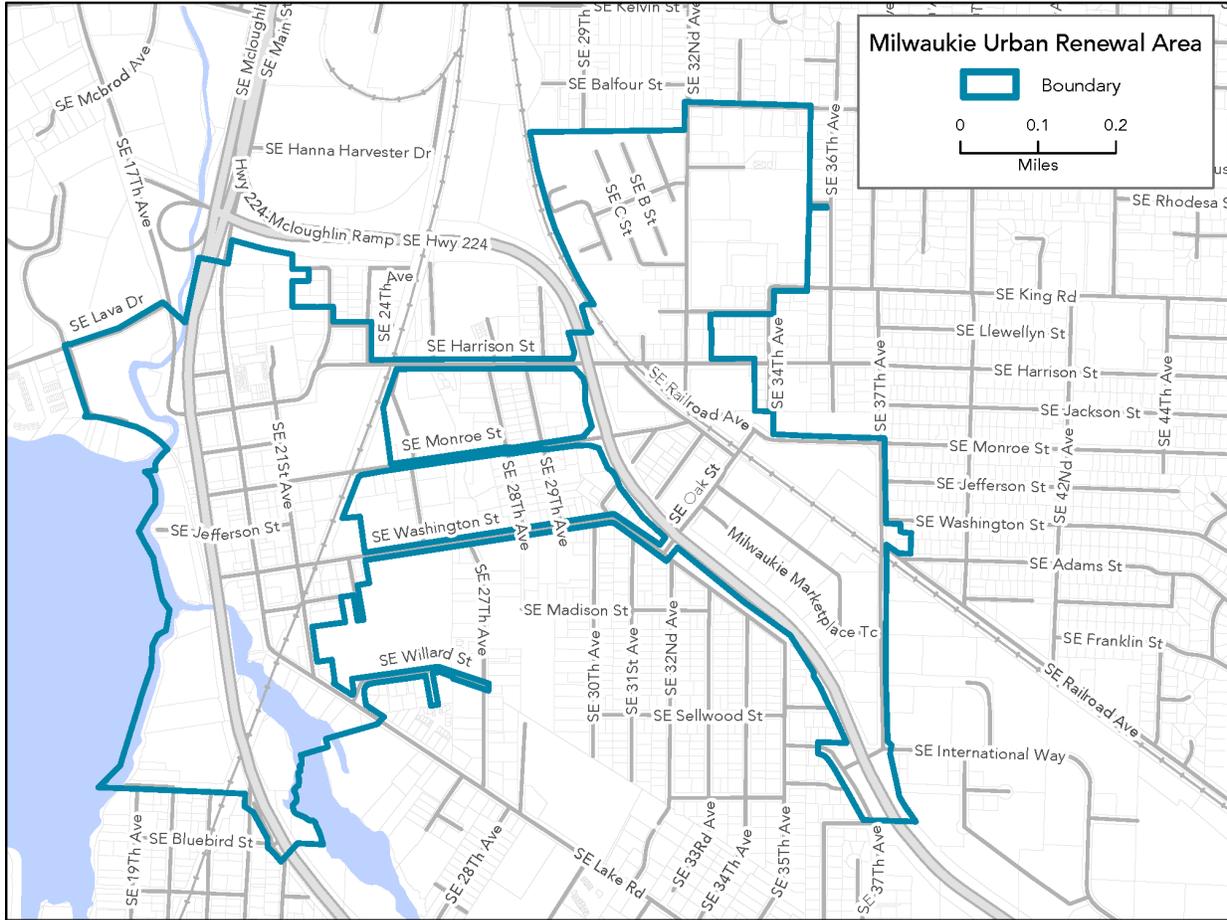
### **A. Physical Conditions**

#### **1. Land Use**

The Milwaukie Urban Renewal Area (Area) shown in Figure 1, contains 318 parcels consisting of 168.13 acres and 92.49 acres of right of way, for a total of 260.62 acres.

The Area is located in Downtown and Central Milwaukie in Clackamas County.

**Figure 1 – Milwaukie Urban Renewal Plan Area Boundary**



The land use designation of parcels in the Area were evaluated, as reported by Metro (RLIS 2016 Quarter 1 GIS data). By acreage, commercial use accounts for the largest land use within the area (56%). This is followed by multi-family residential uses (13%). The total land uses of the Area, by acreage and parcel, are shown in Table 1.

**Table 1 – Existing Land Use of Area**

| Existing Land Use         | Parcels    | Acres         | Percent of Acres |
|---------------------------|------------|---------------|------------------|
| Commercial                | 169        | 93.35         | 55.5%            |
| Vacant                    | 45         | 21.50         | 12.8%            |
| Multi-Family Residential  | 45         | 21.30         | 12.7%            |
| Single Family Residential | 51         | 13.08         | 7.8%             |
| Industrial                | 7          | 11.45         | 6.8%             |
| Rural                     | 1          | 7.45          | 4.4%             |
| <b>Total</b>              | <b>318</b> | <b>168.13</b> | <b>100.0%</b>    |

Source: Metro RLIS 2016 Quarter 1 GIS data

## 2. Zoning and Comprehensive Plan Designations

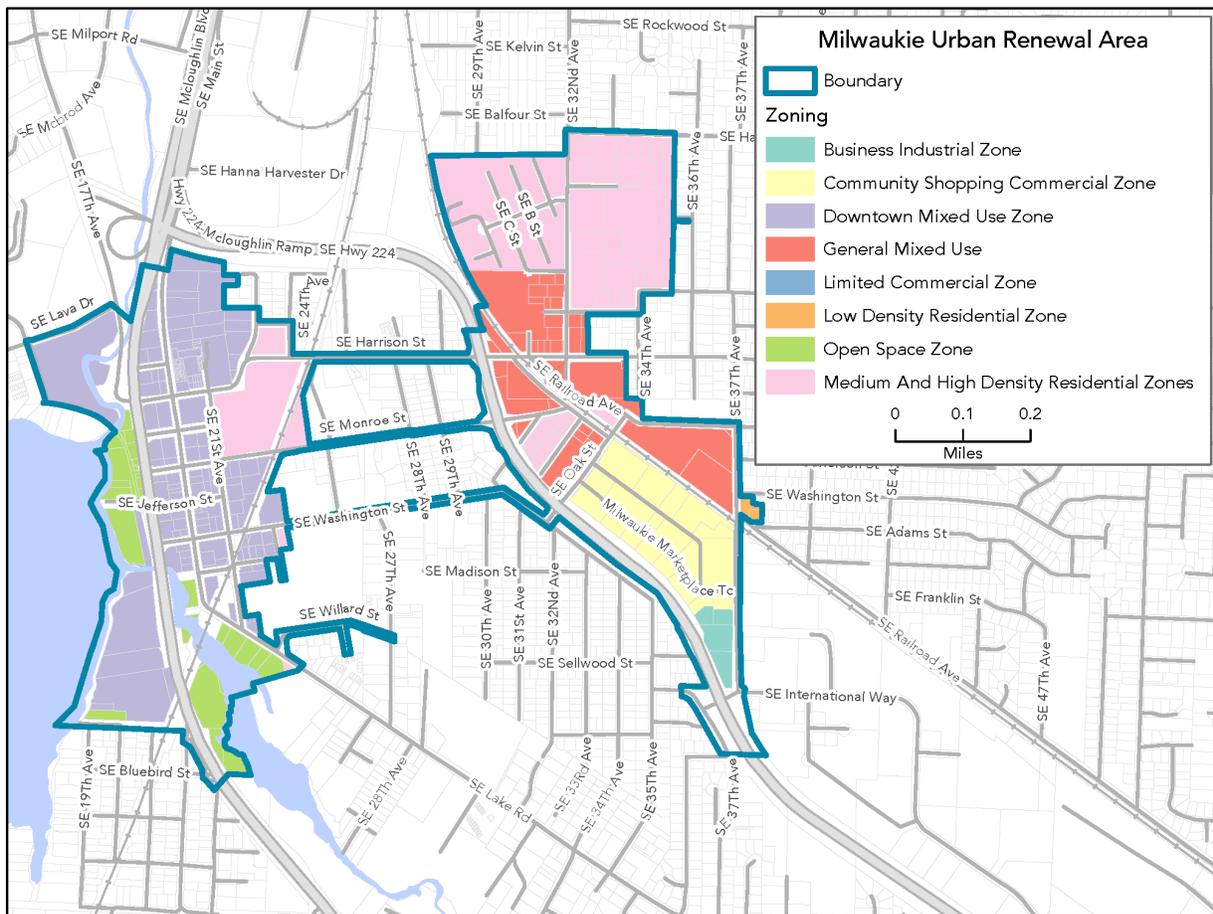
As shown in Table 2 and Figure 2, 31% of these properties are zoned Medium and High Density Residential and 30% are Downtown Mixed Use. Open Space zoning accounts for 9% of the acreage.

**Table 2 – Existing Zoning Plan Designations of Area**

| Zoning                              | Parcels    | Acres         | Percent of Acres |
|-------------------------------------|------------|---------------|------------------|
| Medium and High Density Residential | 65         | 52.31         | 31.2%            |
| Downtown Mixed Use                  | 163        | 50.98         | 30.4%            |
| General Mixed Use                   | 39         | 26.17         | 15.6%            |
| Community Shopping Commercial       | 17         | 19.77         | 11.8%            |
| Open Space                          | 27         | 15.34         | 9.1%             |
| Business Industrial                 | 4          | 2.67          | 1.6%             |
| Low Density Residential             | 2          | 0.62          | 0.4%             |
| Limited Commercial                  | 1          | 0.27          | 0.2%             |
| <b>Total</b>                        | <b>317</b> | <b>167.86</b> | <b>100.00%</b>   |

Source: City of Milwaukie GIS data, provided on 4/13/2016.

**Figure 2 – Area Zoning Designations**



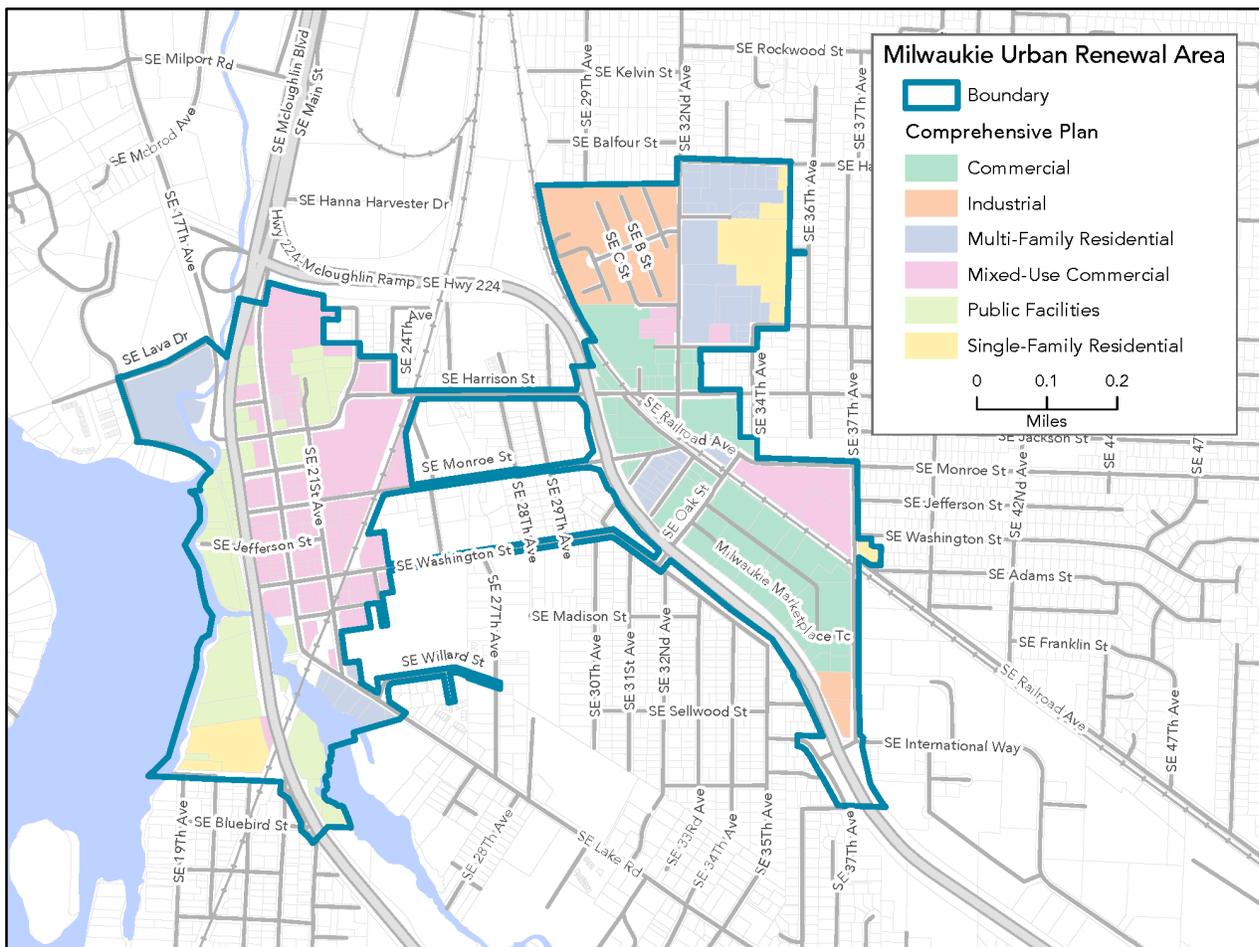
As illustrated in Table 3 and Figure 3, 26% of the acreage is designated as Mixed-Use Commercial and 23% as Commercial in the City of Milwaukie Comprehensive Plan.

**Table 3 – Existing Comprehensive Plan Designations of Area**

| Comprehensive Plan        | Parcels    | Acres         | Percent of Acres |
|---------------------------|------------|---------------|------------------|
| Mixed-Use Commercial      | 161        | 43.89         | 26.1%            |
| Commercial                | 49         | 38.32         | 22.8%            |
| Multi-Family Residential  | 57         | 29.69         | 17.7%            |
| Public Facilities         | 39         | 25.06         | 14.9%            |
| Industrial                | 3          | 17.79         | 10.6%            |
| Single Family Residential | 9          | 13.37         | 8.0%             |
| <b>Total</b>              | <b>309</b> | <b>168.13</b> | <b>100.0%</b>    |

Source: City of Milwaukie GIS data, provided on 4/13/2016.

**Figure 3 – Area Comprehensive Plan Designations**



## B. Infrastructure

This section identifies the existing conditions in the Area, helping to establish deficient conditions in the Area as part of the blight analysis. There are projects listed in City of Milwaukie Capital Improvement Plan (CIP) and the Central Milwaukie Land Use and Transportation Plan (CMLUTP) that identify these existing conditions. **This does not mean all of these projects are included in the urban renewal plan.** The specific projects to be included in the urban renewal plan are listed in Sections IV, V, and VI of this document.

### 1. Transportation

The transportation needs within the Area as identified in the CIP.

#### Streets and Intersections

##### 1. Monroe Street Greenway Phase 1 Improvements

- Phase 1 Improvements for the Monroe Street Greenway will implement the design concepts developed under an Oregon Department of Transportation grant and are expected to include lane striping, signage, and the application of sharrows.
- Monroe Bicycle Boulevard – Designate as a Bicycle Boulevard and install bicycle boulevard improvements.
- Monroe Street Sidewalks – Fill in sidewalk gaps on both sides of street.

##### 2. Kellogg Creek Dam Removal and Highway 99 East Underpass – Replace Highway 99 East bridge over Kellogg Creek, remove dam, restore habitat; construct pedestrian undercrossing between downtown Milwaukie and Riverfront Park.

##### 3. Public Transit

Downtown transit center improvements – Construct new bus layover facility outside the downtown core. Improve downtown bus stops and shelters and include ample bike parking.

##### 4. Downtown Parking Management

- Downtown Parking Signage – Install wayfinding and identification signage at McLoughlin Boulevard intersections and around public parking lots.
- Downtown Parking Enforcement – Implement parking management system, including dedicated parking manager.
- Downtown Public Parking Lot Improvements – Upgrade and maintain off-street public parking facilities with improved landscaping and lighting.

##### 5. Kronberg Park Trail

##### 6. Intersection Improvements at Highway 224 Crossings

As part of the Highway 224/99 East corridor plan, improve bike and pedestrian crossings at Oak, Monroe, and Harrison Streets.

##### 7. Bike Lanes

- Harrison Street Bike Lanes – Bike lanes on a major road, part of a grid of bike lanes; connects east-west to downtown.
- 37th Avenue Bike Lanes – Bike lanes on a major road, part of a grid of bike lanes; connects north-south.

- Railroad Avenue Bike Lanes – Bike lanes on a major road, part of a grid of bike lanes; continues to south-east.
8. Downtown Streetscape Improvements – Install sidewalk bulb outs, lighting, and pedestrian amenities. Note: According to city staff as of April 2016, 31 block faces have been completed and 38 block faces have not been completed.
  9. McLoughlin Boulevard Sidewalks – Fill in sidewalk gaps on both sides of street.
  10. Union Pacific Mainline Railroad Crossing Improvements at Monroe Street – Upgrade paving materials to concrete or rubberized material to improve longevity and enhance for alternative modes.
  11. Pedestrian Walkway Amenities – Install amenities, such as benches, along key walking routes.
  12. McLoughlin Boulevard Intersection Improvements at 17th Avenue – Prohibit left turn movement from 17th Ave to northbound McLoughlin Boulevard and include in Highway 224 and Highway 99 East Refinement Plan.
  13. Pedestrian Way Signage – Provide maps and wayfinding signage on streets that identify ways to get around the city.
  14. Harrison St Capacity Improvements – Widen to standard 3-lane cross section from 32nd Avenue to 42nd Avenue.
  15. Harrison Street Intersection Improvements at Main Street – Add westbound shared through/right turn lane or eastbound right turn lane.

#### Sidewalk Deficiencies

A 2016 City of Milwaukie survey showed deficiencies on sidewalks within the Area as shown below. The sections identified are those areas that do not comply with city and Americans with Disability Act (ADA) standards. In addition, there is a ramp inventory where numerous ramps within Priority 1 Corridors are rated as failing. Priority 1 corridors are the streets within downtown including McLoughlin Boulevard, Main Street, 21st Avenue, and other streets within the Area including Willard Street, Kronberg Pathway, Harrison Street, Monroe Street, Washington Street, and 32nd Avenue.

Streets that do not comply with sidewalk standards:

1. Main Street west side between Harrison Street and Jefferson Street
2. Main Street east side between Jefferson Street and Washington Street
3. Monroe Street south side from McLoughlin Boulevard to Main Street
4. Jefferson Street north side from Main Street to 21st Avenue
5. Washington Street north side from McLoughlin Boulevard to Main Street
6. Washington Street south side from McLoughlin Boulevard to Main Street and Main Street to 21st Avenue
7. Access to Scott Park

8. Harrison Street south side from 29th Avenue to Highway 224
9. Harrison Street north side to 34th Avenue
10. Lake Road and both sides north of Willard Street
11. Willard Street south side between Lake Road and 27th Avenue
12. Numerous ramps throughout the Area are not ADA compliant

#### Improvements identified in the Central Milwaukie LUTP

1. Murphy Site Internal Circulation – Provide auto, bike, and pedestrian circulation.
2. McFarland Site Internal Circulation – Provide auto, bike, and pedestrian circulation.
3. Harrison Street/32nd Avenue Intersection – Open the currently closed pedestrian crosswalk on the west leg of the intersection.
4. Oak Street/34th Avenue connection – Provide pedestrian/bike connection between central Milwaukie and nearby residential neighborhood.
5. Northern Bike Route – Bicycle connection through the Murphy site north to 29th Avenue. Exact location to be determined.
6. Campbell Street Upgrades – Pedestrian and bicycle treatments between Monroe Street and Harrison Street.
7. Connection Through Railroad Property – Provide connection between Monroe Street and Campbell Street.
8. Access Point across Harrison at 21st Avenue – Provide connection across Harrison Street between Campbell Street and the Murphy site.
9. Parking Management – Employ parking management measures as needed to limit potential negative impacts of new development on residential streets.
10. Transit – Enhance transit connections to the Area.

#### **2. Water**

The water system need within the Area as identified in the CIP is full water main replacement between Harrison Street and Harvey Street on 32nd Avenue.

#### **3. Storm Water**

The stormwater system needs within the Area as identified in the CIP are:

- Kellogg Creek Dam Removal – This project will remove the Kellogg Dam, address contaminated sediments, re-establish fish passage and restore riparian habitat for endangered salmon and native wildlife.
- Washington Street Pipe Replacement – This project will replace existing 18 inch pipe in Washington Street with 24 inch pipe.
- Harrison Street Outfall - This project replaces the existing 24 inch storm pipe in Harrison Street between 21st Avenue and the outfall into Johnson Creek with 36 inch pipe.

#### **4. Sewer**

The sewer system need within the Area identified in the CIP is clay pipe replacement.

## **5. Parks and Open Space**

The parks and open space needs within the Area as identified in the CIP and CMLUTP are:

- Riverfront Park – The completed park design will include new parking areas north and south of Kellogg Creek, a play area for children, one large and one small restroom facility, an amphitheater for performances, a festival lawn, two overlooks for river viewing and pathways for pedestrians and bikers.
- Install a new lighting system in Scott Park.
- Open Space – Explore public-private partnerships to provide additional public space in Central Milwaukie.

## **6. Other Utilities**

Clackamas County has constructed nearly 200 miles of broadband infrastructure, the Clackamas Broadband exchange, serving Milwaukie. There are broadband lines within the Area on 21st Avenue, 22nd Avenue, Monroe Street, Jefferson Street, Harrison Street and 32nd Avenue.

## **C. Social Conditions**

There are 96 parcels representing 34.38 acres shown as residential use in the county assessor's records. The United States Census Bureau American Community Survey for 2009 to 2013, provides the most current demographic data available for this area. This information is available at the "block group" level. Our analysis was conducted on the block groups that most closely approximate the specific Area boundary, however, this is not an exact match, and the Census block groups comprise an area that is larger than the specific Area boundary. The total population at the block group level is estimated to be 2,528, however, much of this population likely resides in residential neighborhoods adjacent to the Area boundary, but inside the same block groups.

Two-thirds of the population is under 54 years old.

**Table 4 – Age in the Area**

| Age               | Number       | Percent     |
|-------------------|--------------|-------------|
| Under 5 Years     | 65           | 3%          |
| 5 to 9 Years      | 85           | 3%          |
| 10 to 14 Years    | 123          | 5%          |
| 15 to 17 Years    | 139          | 5%          |
| 18 to 24 Years    | 275          | 11%         |
| 25 to 34 Years    | 367          | 15%         |
| 35 to 44 Years    | 234          | 9%          |
| 45 to 54 Years    | 352          | 14%         |
| 55 to 64 Years    | 468          | 19%         |
| 65 to 74 Years    | 256          | 10%         |
| 75 to 84 Years    | 96           | 4%          |
| 85 Years and over | 68           | 3%          |
| <b>Total</b>      | <b>2,528</b> | <b>100%</b> |

Source: U.S. Census Bureau, ACS 2009-2013; Social Explorer

The majority of the residents are white. The second largest category of race is American Indian and Alaska Native.

**Table 5 – Race in the Area**

| Race   | Number       | Percent     |
|--|--------------|-------------|
| White Alone                                      | 2,174        | 86%         |
| American Indian and Alaska Native Alone          | 184          | 7%          |
| Two or More races                                | 130          | 5%          |
| Black or African American Alone                  | 20           | 1%          |
| Some Other Race Alone                            | 18           | 1%          |
| Asian Alone                                      | 2            | 0%          |
| Native Hawaiian and Other Pacific Islander Alone | 0            | 0%          |
| <b>Total</b>                                     | <b>2,528</b> | <b>100%</b> |

Source: U.S. Census Bureau, ACS 2009-2013; Social Explorer

Sixty-three percent of the residents in the Area have at least some college education, with 21% earning a bachelor’s degree or higher. Twelve percent of residents in the area have less than a high school education.

**Table 6 – Educational Attainment in the Area**

| Educational Attainment                      | Number       | Percent     |
|---|--------------|-------------|
| Some college                                | 766          | 42%         |
| High School Graduate (includes equivalency) | 456          | 25%         |
| Bachelor's degree                           | 240          | 13%         |
| Less Than High School                       | 230          | 12%         |
| Master's degree                             | 116          | 6%          |
| Professional school degree                  | 23           | 1%          |
| Doctorate degree                            | 10           | 1%          |
| <b>Total</b>                                | <b>1,841</b> | <b>100%</b> |

Source: U.S. Census Bureau, ACS 2009-2013; Social Explorer

The majority of the residents (67 percent) travel less than 30 minutes to work, including those who work at home.

**Table 7 – Travel time to Work in the Area**

| Travel Time to Work  | Number       | Percent     |
|----------------------|--------------|-------------|
| Less than 10 minutes | 119          | 10%         |
| 10 to 19 minutes     | 289          | 25%         |
| 20 to 29 minutes     | 276          | 24%         |
| 30 to 39 minutes     | 248          | 21%         |
| 40 to 59 minutes     | 99           | 9%          |
| 60 to 89 minutes     | 27           | 2%          |
| 90 or More minutes   | 10           | 1%          |
| Worked at home       | 88           | 8%          |
| <b>Total</b>         | <b>1,156</b> | <b>100%</b> |

Source: U.S. Census Bureau, ACS 2009-2013; Social Explorer

The majority of residents (79 percent) drove alone to work.

**Table 8 – Mode of Transportation to Work in the Area**

| Means of Transportation to Work          | Number       | Percent     |
|--|--------------|-------------|
| Drove Alone                              | 917          | 79%         |
| Carpooled                                | 45           | 4%          |
| Public transportation (Includes Taxicab) | 43           | 4%          |
| Motorcycle                               | 0            | 0%          |
| Bicycle                                  | 32           | 3%          |
| Walked                                   | 21           | 2%          |
| Other means                              | 10           | 1%          |
| Worked at home                           | 88           | 8%          |
| <b>Total</b>                             | <b>1,156</b> | <b>100%</b> |

Source: U.S. Census Bureau, ACS 2009-2013; Social Explorer

## D. Economic Conditions

### 1. Taxable Value of Property within the Area

The estimated total assessed value of the Milwaukie Area, including all real, personal, personal manufactured and utility properties, is \$138,482,705. The utility values were calculated by applying the tax code area's utility to real property value to the urban renewal area's real property value. This number will be adjusted when the assessor certifies the frozen base. The total assessed value of the City of Milwaukie is \$1,897,526,766. The frozen base value of the Area is 7.3% of Milwaukie's total assessed value.

### 2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Ratio," or "I:L." The values used are real market values as estimated by the Clackamas County Assessor. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

Table 9 below shows the improvement to land ratios for taxable properties within Area. These I:L figures represent an area with a mix of uses and development intensities. A healthy I:L in what would be a mixed-use neighborhood, as identified by ECONorthwest, would be 3:1. As the table shows, 16% of the property in the area has no improvement value, meaning it is not developed. Over 72% of the Area has less than a 3.0 improvement value, including the properties with no improvement values. The I:L ratios for improved properties in the urban renewal study area are very low compared to a fully developed urban commercial and residential mixed-use area. The Area, as a whole, is underdeveloped and not contributing fully to the tax base in Milwaukie.

**Table 9 – I:L Ratio of Parcels in the Area**

| Improvement/Land Ratio | Parcels    | Acres         | Percent of Acres |
|------------------------|------------|---------------|------------------|
| No Improvement Value   | 57         | 27.57         | 16.4%            |
| 0.01-0.50              | 36         | 31.20         | 18.6%            |
| 0.51-1.00              | 19         | 9.01          | 5.4%             |
| 1.01-1.50              | 38         | 21.69         | 12.9%            |
| 1.51-2.00              | 46         | 13.36         | 7.9%             |
| 2.01-2.50              | 21         | 12.38         | 7.4%             |
| 2.51-3.00              | 16         | 6.42          | 3.8%             |
| 3.01-4.00              | 13         | 11.53         | 6.9%             |
| > 4.00                 | 72         | 34.97         | 20.8%            |
| <b>Total</b>           | <b>318</b> | <b>168.13</b> | <b>100.0%</b>    |

Source: Clackamas County Assessor Real Market Value data

## **E. Impact on Municipal Services**

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX Impact of Tax Increment Financing of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of urban renewal are economic development, infrastructure, and public amenity projects. The use of urban renewal funding for these projects allows the city to implement plans developed for these Areas. Many of the projects could not be constructed without tax increment funds. These funds also allow the city to match other funding sources to actually construct the improvements. It also allows the city to tap a different funding source besides the city's general funds or system development charge (SDC) funds to make these improvements.

It is anticipated that these projects will catalyze development on the undeveloped and underdeveloped parcels. This development will require city services. However, since the property is within the urban growth boundary, the city has anticipated the need to provide infrastructure to the Area. As the development will be new construction or redevelopment, it will be up to current building code and will aid in any fire protection needs.

These impacts will be countered by, in the future, providing jobs to the Milwaukie residents, placing property back on the property tax rolls, and future increased tax base for all taxing jurisdictions.

## **III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN**

The primary reason for selecting the Area is to provide the ability to fund improvements necessary to cure blight within the Area. Secondary reasons are to improve the economic vitality of the Area to enable it to pay its full share of property taxes. This improved vitality includes the upgrading of existing buildings and the development of under-utilized sites and improvements to the infrastructure and public amenities in the Area, setting the stage for economic activity in the Area.

## **IV. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA**

The projects identified for the Area are described below, including how they relate to the existing conditions in the Area.

The projects are listed in no particular order. The finance plan specifies an order to project at this point in time. However, the Redevelopment Commission will determine through their annual budgeting process the order of projects to be completed in the Area.

## **A. Development/Economic Development**

### **1. Pre-Development Assistance for Development Opportunities**

Assist with the up-front costs of development on a site such as technical assistance, feasibility studies, and site planning, to name a few. Providing this assistance can incentivize investment in a development project.

**Existing Conditions:** There is no program in existence in the Area to provide this type of assistance.

### **2. Tenant Improvements**

The goal of this program is to partner with downtown property and/or new business owners to encourage and fund high-quality tenant improvements to the interiors of vacant commercial spaces. The program would assist property owners in attracting businesses to locations that are difficult and costly to renovate, and incentivize new retail and restaurant businesses to locate within the Project Area.

**Existing Conditions:** There is a small program in existence in the Area to provide this type of assistance, however there are more needs than the existing program can finance.

### **3. Small Business Development Fund**

The goal of this program is to provide funds and/or financing for things such as equipment and machinery to help small and micro-businesses expand or become established in Milwaukie.

**Existing Conditions:** There is no program in existence in the Area to provide this type of assistance.

### **4. Developer Assistance**

Develop Public/Private Partnership Tools that may include but not be limited to programs such as Façade/Storefront Improvement, Retail and Food-related Tenant Improvement, Small Business Start-up Fund, Developer Assistance (for catalytic projects: land assembly, SDC/Permit write down, assistance with Public Area Requirements, green building assistance, parking, utility relocations, adaptive re-use and other assistance), community economic development activities such as a bike share, affordable housing assistance (rent stabilization, and other anti-displacement strategies), technical assistance, feasibility studies, and site planning.

**Existing Conditions:** The current economic development tools in the city of Milwaukie are sparse. The only available tools in the downtown is a commercial bancrofting program to help offset the costs of eligible SCDs for a mixed-use project, eligible New Market Tax Credit and EB5 Investment Program in census tracts around the downtown and central Milwaukie, and a Metro Storefront program for the downtown. These programs are for eligible projects and are managed by outside entities like the federal government or our Metro Planning agency which serves the region.

There is no city program in existence in the Area to provide this type of assistance.

### **5. Downtown Main Street Enhancements**

Urban renewal could fund a portion of some activities included in a Main Street Program in downtown, focusing on four elements: Design, Economic Vitality, Organization, and Promotions. The intent of a Main Street program is to work collaboratively with both private organizations and established city committees to achieve the following broad goals: create a visually appealing downtown; assist existing businesses in identifying and taking advantage of business

opportunities and encourage prospective new businesses to locate in Downtown Milwaukie; develop a highly-functioning Main Street organization; and promote the program and downtown Milwaukie. Urban renewal expenditures would focus on design, planning, and capital projects related to the downtown Main Street corridor.

**Existing Conditions:** A small amount of seed money for assistance with these activities has been included in the 2017-2018 budget. However, there are more needs than this budget can finance.

## **B. Infrastructure: Transportation Downtown**

### **1. McLoughlin Boulevard Improvements**

Improve the section of McLoughlin Boulevard north of Harrison Street to enhance pedestrian safety and signal visitors that they are entering downtown. Upgrade sidewalks where needed.

**Existing Conditions:** There are inadequate sidewalks and there is no median on McLoughlin Boulevard at this location.

### **2. McLoughlin Boulevard Intersection Upgrades**

Improve all existing crossings of McLoughlin Boulevard, using better signage and extended crossing times. Construct improvements at Harrison Street, Monroe Street, Jackson Street, Jefferson Street, and Washington Street to enhance bike/pedestrian crossings.

**Existing Conditions:** There are specific intersection improvements required at Harrison Street, Monroe Street, Jackson Street, Jefferson Street, and Washington Street. These intersections do not presently have adequate signage, crossing times, nor adequate bike/pedestrian crossings.

### **3. Pedestrian Bridge across McLoughlin Boulevard**

Establish a dedicated bicycle and pedestrian connection across McLoughlin Boulevard.

**Existing Conditions:** There is no pedestrian bridge to provide safe access from the downtown to Milwaukie Riverfront Park.

### **4. Parking Solutions**

Study the need for a variety of parking solutions, such as creative parking management tools, including the assistance in the development of structured parking as part of a larger mixed-use development that would service downtown uses.

**Existing Conditions:** There is surface parking on lots in downtown Milwaukie, and it is hoped that these surface lots are developed in the future. There is presently no structured parking in downtown Milwaukie. Parking management tools need to be established for the Area.

### **5. Streetscape Improvements**

Improvements to public spaces along streets have been installed at some locations in Downtown Milwaukie, but there are many blocks where the improvements have not been constructed. This project would assist in the installation of sidewalk bulb-outs, lighting, wider sidewalks, and pedestrian amenities consistent with the required public area street standards in Downtown Milwaukie.

**Existing Conditions:** These Public Area Requirements improvements have been installed at some locations in downtown Milwaukie, with small portions on Harrison Street, Jackson Street, Monroe Street, Jefferson Street, Washington Street and Adams Street Main Street and 21st

Avenue. These amount to 31 block faces that have been completed. There are an additional 38 block faces that need to be completed in the downtown.

### **C. Infrastructure: Transportation Central Milwaukie**

#### **1. *Bike/Pedestrian Path Connections***

The goal is to provide connections to and through Central Milwaukie for pedestrians and bicyclists. The projects include improving bicycle routes and pedestrian ways along Harrison Street, Railroad Avenue, Oak Street, 37th Avenue, and 29th Avenue. Provide connections to and through Central Milwaukie for pedestrians and bicyclists as designated in the Central Milwaukie Land Use & Transportation Plan and the Transportation Systems Plan. These connections include improvements on Campbell Street and Railroad Avenue as well as connections between the residential area made up of Myrtle Street and Penzance Street and the Milwaukie Marketplace. Also included are potential improvements to pedestrian and bicycle circulation through the Milwaukie Marketplace development. These improvements would enhance pedestrian connections and improve bike trails and facilities to increase safe and convenient multimodal access throughout the district. Designate and improve Primary Bicycle Routes along Harrison Street, Railroad Avenue, Oak Street, 37th Avenue, and 29th Avenue. Implement features to enhance pedestrian and cyclist safety.

This project also includes creating a bicycle and pedestrian connection through the McFarland site from Railroad Avenue to Oak Street which would provide a more continuous north-south connection through Central Milwaukie. It will also provide a more direct connection from Railroad Avenue to the Monroe Street Neighborhood Greenway.

This project also includes creating a bicycle and pedestrian connection through the Murphy Site from 31st Avenue to Meek Street in order to provide a north-south connection to central Milwaukie from the 29th Avenue bikeway. This connection would also include the Clackamas County Housing Authority property adjacent to the north of the Murphy site, which would provide a key connection to the other commercial areas in central Milwaukie.

Safe pedestrian connections do not currently exist between Oak, Myrtle, and Penzance Streets and the Milwaukie Marketplace commercial area. This project would develop and improve pedestrian connections between Oak, Myrtle, and Penzance Streets and the Milwaukie Marketplace.

**Existing Conditions:** Central Milwaukie does not have adequate pedestrian and bicycle connections as identified in the TSP and the Central Milwaukie Land Use and Transportation Plan. Virtually no convenient or safe north-south connections exist, limiting multi-modal access to key retail and service commercial nodes in the area, which serves as a central commercial area for several different neighborhoods, multi-family housing, as well as a regional hospital and medical facility.

Safe pedestrian connections currently do not exist between Myrtle Street and Penzance Street and the Milwaukie Marketplace, nor do they exist through the Marketplace development.

The McFarland site is an approximately 7 acre vacant site that was identified as a key opportunity site in central Milwaukie. There are presently no pedestrian or bicycle connections; the vision is to create these connections as well as encourage mixed-use development on the site.

The Murphy site is an approximately 7 acre vacant site that was identified as a key opportunity site in central Milwaukie. There are presently no pedestrian or bicycle connections; the vision is to create these connections as well as encourage mixed-use development on the site.

Safe pedestrian connections currently do not exist between Myrtle Street and Penzance Street and the Milwaukie Marketplace, nor do they exist through the Marketplace development.

## ***2. Improved Access to Opportunity Sites***

This project would provide improved vehicle access to the Murphy and McFarland development opportunity sites in Central Milwaukie, which would encourage investment in development of the sites.

**Existing Conditions:** Both of these identified opportunity sites are over 7 acres in size and present tremendous development opportunity in the area. However, neither has improved. Efficient vehicle access is needed in order to fulfill their development potential.

## ***3. Highway 224 Intersection Upgrades***

This project would improve pedestrian crossing at Freeman Way, 37th Avenue, Oak Street, Monroe Street, and Harrison Street. Improve intersection crossing safety for bicyclists at Washington Street and Oak Street.

**Existing Conditions:** There are specific intersection improvements required at Freeman Way, 37th Avenue, Oak Street, Monroe Street, and Harrison Street. These intersections do not presently have adequate signage, crossing times, nor bike/pedestrian crossings.

## ***4. Improve Transit Stops***

This project would provide transit shelters as sites are developed and ensure excellent transit service to Central Milwaukie. It would also add Transit Tracker and LED lighting units at main stops along bus routes.

**Existing Conditions:** The Harrison Street/32nd Avenue intersection provides frequent service bus transit connections to Downtown Milwaukie and MAX light rail. This provides the Murphy site with excellent transit connectivity. Additionally, the Milwaukie Shuttle provides shopping service to the Milwaukie Marketplace from both Downtown Milwaukie and the Clackamas Town Center. This service may be re-routed to serve the opportunity sites as well. Regional transit integration is provided through bus connections at the Milwaukie Bus Shelter Area on Jackson Street and via the downtown.

## ***5. Monroe Street Greenway Includes Monroe Street/Highway 224***

This project would implement Phase 1 improvements for the Monroe Street Neighborhood Greenway which would implement the design concepts developed under an Oregon Department of Transportation grant and are expected to include lane striping, signage, and the application of sharrows.

**Existing Conditions:** There are specific intersection improvements required on Monroe Street throughout the section designated for the greenway improvements. Monroe Street does not have adequate signage, crossing times, nor bike/pedestrian crossings.

## **D. Public Amenities: Parks and Open Space**

### ***1. South Downtown Plaza***

As identified in the South Downtown Concept Plan, this project would construct a public plaza at the intersection of Adams Street and Main Street that connects the new light rail station with Main Street and creates a focal point at the south end of downtown.

**Existing Conditions:** This does not exist, but is identified in the South Downtown Concept Plan. A small amount of seed money for assistance with this project has been included in the 2017-2018 budget. However, there are more needs than this budget can finance.

## **2. Riverfront Park**

This project would fund implementation of Phases 3 and 4 of the Riverfront Park master plan, which include a plaza, an amphitheater, a fountain, large restroom facilities, and additional landscaping.

**Existing Conditions:** Phases 1 and 2 have been completed to date. Phases 3 and 4 require additional funding for completion of the plaza, amphitheater, fountain, large restroom facilities, and additional landscaping. These facilities and improvements do not presently exist in the Riverfront Park.

## **3. Dogwood Park**

This project would fund improvements to Dogwood Park as outlined in the South Downtown Concept Plan. An expanded Dogwood Park would be integrated to the north and east with the South Downtown Plaza and Main Street streetscape improvements, and to the south and west with the Kellogg Natural Area. A refined design for the South Downtown Plaza will include integration with Dogwood Park and will identify key improvements for the area.

**Existing Conditions:** Dogwood is underdeveloped and requires improvements specified in the South Downtown Concept Plan. It is not presently integrated with the South Downtown Plaza and Main Street, nor with the Kellogg Natural Area.

## **4. Scott Park**

This project would fund completion of remaining phases of improvements to Scott Park per the 1990 Scott Park Master Plan. Specific projects to be determined.

**Existing Conditions:** A Scott Park Master Plan was adopted in 1990, portions of which have been completed, but additional funding is required for full implementation of the plan. The master plan had three phases. In Phase I the Parking Area Improvements have not been fully implemented, the Walk Steps and Viewing Platform have not been constructed. In Phase II, the South Viewing Area on Harrison Street was not constructed. In Phase III, the Picnic Area Improvements, new sidewalk adjacent to east curb of library parking lot, and the viewing terrace along the pond edge north of the amphitheater were not constructed.

## **5. New Parks and Open Spaces in Central Milwaukie**

There are currently no designated parks in Central Milwaukie. There is one City-owned, triangular-shaped parcel at 37<sup>th</sup> Ave and Monroe St that has benches and functions as a small park. The property is being held for potential improvement of the 37<sup>th</sup> Ave and Monroe St intersection.

This urban renewal project would fund the development of new parks and open spaces to serve Central Milwaukie as underdeveloped sites are preparing to develop. The project could also include exploring a partnership with Union Pacific Railroad to turn the small area at Railroad Avenue and Oak Street into a public park and encourage the development of public/open space in Milwaukie Marketplace.

**Existing Conditions:** There are currently no designated public parks or open space areas in Central Milwaukie. A small City-owned parcel at 37<sup>th</sup> Ave and Monroe St currently functions as a small park but the land is being held for potential intersection improvements.

## **6. Gateway/Entryway Improvements on McLoughlin Boulevard**

This project would install gateway and entryway signage at the north and south entrances to downtown along McLoughlin Boulevard. It would use elements such as gateway features, plantings, lighting, and related improvements to draw more traffic off of McLoughlin Boulevard and into downtown.

**Existing Conditions:** There are no gateway or entryway improvements along McLoughlin Boulevard.

## **7. Wayfinding Signage and Heritage Plaques**

This project would fund the implementation of the 2016 downtown Wayfinding Systems Plan, including the installation of wayfinding signage and kiosks to aid residents and visitors in exploring Milwaukie by providing easy access to cultural and recreational opportunities within an area that can be easily accessed by foot, bicycle, and transit. This project would also fund the installation of heritage plaques to celebrate the architectural history of the city and describe Milwaukie's heritage and culture.

**Existing Conditions:** There is inadequate wayfinding signage and there are no heritage plaques in Milwaukie.

## **8. Kronberg Park**

This project would fund the implementation of the adopted 2015 Kronberg Park Master Plan, which includes the construction of a pathway in Kronberg Park to connect Kellogg Lake to south downtown.

**Existing Conditions:** There is an adopted Kronberg Park Master Plan and funding does not exist for implementation of the plan. There is no pathway in the park that makes the connection from Kellogg Lake to south downtown. There are no experiential nodes, viewing areas, other multi-use pathways and needed fencing.

## **9. Kellogg Dam Removal**

The Kellogg Dam currently blocks fish passage through Kellogg Creek. This project would replace the McLoughlin Boulevard Bridge over Kellogg Creek, remove the dam, and restore habitat, as well as construct a bike/pedestrian undercrossing between downtown and Riverfront Park

**Existing Conditions:** There is a dam in Kellogg Lake that inhibits passage of salmon. The habitat is degraded and needs to be reestablished as natural habitat. There is no bike/pedestrian undercrossing between downtown and Riverfront Park through Kellogg Park.

## **E. Debt Service and Administration**

This project will allow for the repayment of costs associated with the implementation of the Milwaukie Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long and short term debt, relocation costs and other administrative costs.

**Existing Conditions:** As there is currently no urban renewal program, these activities do not exist.

## **V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS**

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The costs of the projects are shown in Table 10. The sources of funds in the urban renewal column are tax increment revenues. There will be other funding sources sought to leverage urban renewal funds. These sources include City of Milwaukie general funds, system development funds, state funding, or other sources of funding the City may identify, including private developer contributions.

The allocations are the best estimates of expenditures at the time of preparation of the urban renewal plan. The Redevelopment Commission will be able to review the allocations on an annual basis when they prepare the budget. The numbers are in constant dollars, or dollars that do not include future inflation. The inflation adjustment was 3% annually. The table shows \$77 million of project costs and \$57.8 million of those costs funded through tax increment revenues. The \$57.8 million equates to \$92.5 million in nominal (inflated) dollars, the maximum indebtedness amount.

Table 10 – Projects to be Completed Using Urban Renewal Area Funds

| Projects  | Costs (Millions) |               |               |                  |
|---|------------------|---------------|---------------|------------------|
|   | Total            | URA           | Other         | % of URA Funding |
| <b>Economic Development:</b>                                  |                  |               |               |                  |
| <b>New Places to Live, Work, Eat and Shop</b>                 |                  |               |               |                  |
| Pre-development assistance for development opportunities      | \$2.5            | \$2.5         | \$0.0         | 4.33%            |
| Tenant improvements   | \$2.2            | \$2.2         | \$0.0         | 3.81%            |
| Small business development fund                               | \$2.0            | \$2.0         | \$0.0         | 3.46%            |
| Developer Assistance  | \$9.9            | \$9.9         | \$0.0         | 17.13%           |
| Downtown Main Street Enhancements                             | \$0.5            | \$0.5         | \$0.0         | 0.87%            |
| <b>Subtotal</b>   | <b>\$17.1</b>    | <b>\$17.1</b> | <b>\$0.0</b>  | <b>29.58%</b>    |
| <b>Infrastructure:</b>  |                  |               |               |                  |
| <b>Getting to, and through Downtown and Central Milwaukie</b> |                  |               |               |                  |
| <i>Downtown</i>   |                  |               |               |                  |
| McLoughlin Blvd improvements                                  | \$0.5            | \$0.5         | \$0.0         | 0.87%            |
| McLoughlin intersection upgrades                              | \$2.0            | \$1.5         | \$0.5         | 2.60%            |
| Pedestrian bridge across McLoughlin                           | \$2.2            | \$1.2         | \$1.0         | 2.08%            |
| Parking Solutions   | \$11.5           | \$10.5        | \$1.0         | 18.17%           |
| Streetscape Improvements                                      | \$13.3           | \$10.3        | \$3.0         | 17.82%           |
| <b>Subtotal</b>   | <b>\$29.5</b>    | <b>\$24.0</b> | <b>\$5.5</b>  | <b>41.52%</b>    |
| <i>Central Milwaukie</i>                                      |                  |               |               |                  |
| Bike/ped path connections                                     | \$3.4            | \$3.0         | \$0.4         | 5.19%            |
| Improved access to opportunity sites                          | \$0.5            | \$0.5         | \$0.0         | 0.87%            |
| Hwy 224 intersection upgrades                                 | \$2.3            | \$1.8         | \$0.5         | 3.11%            |
| Improve transit stops   | \$0.5            | \$0.5         | \$0.0         | 0.87%            |
| Monroe Street Greenway includes Monroe/224                    | \$2.3            | \$1.8         | \$0.5         | 3.11%            |
| <b>Subtotal</b>   | <b>\$9.0</b>     | <b>\$7.6</b>  | <b>\$1.4</b>  | <b>13.15%</b>    |
| <b>Public Amenities:</b>                                      |                  |               |               |                  |
| <b>Parks and Open Space</b>                                   |                  |               |               |                  |
| South Downtown Plaza  | \$1.0            | \$1.0         | \$0.0         | 1.73%            |
| Riverfront Park   | \$3.0            | \$1.5         | \$1.5         | 2.60%            |
| Dogwood Park  | \$0.5            | \$0.5         | \$0.0         | 0.87%            |
| Scott Park  | \$0.5            | \$0.5         | \$0.0         | 0.87%            |
| New parks and open spaces in Central Milwaukie                | \$1.0            | \$1.0         | \$0.0         | 1.73%            |
| Gateway/Entryway improvements on McLoughlin                   | \$0.3            | \$0.3         | \$0.0         | 0.52%            |
| Wayfinding signage, heritage plaques                          | \$0.2            | \$0.2         | \$0.0         | 0.35%            |
| Kronberg Park and path  | \$2.9            | \$1.0         | \$1.9         | 1.73%            |
| Kellogg dam removal   | \$9.9            | \$1.0         | \$8.9         | 1.73%            |
| <b>Subtotal</b>   | <b>\$19.3</b>    | <b>\$7.0</b>  | <b>\$12.3</b> | <b>12.11%</b>    |
| <b>Administration</b>   | <b>\$2.1</b>     | <b>\$2.1</b>  | <b>\$0.0</b>  | <b>3.63%</b>     |
| <b>Total</b>  | <b>\$77.0</b>    | <b>\$57.8</b> | <b>\$19.2</b> | <b>100.00%</b>   |

Source: City of Milwaukie /Milwaukie

## VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The timing of individual projects will vary based on the specific opportunities and priorities that change over time. The projects will be ongoing and will be completed as directed by the Redevelopment Commission. The projections in the financial model are all based on assumptions reviewed with the City of Milwaukie Finance Director and Planning Director.

The estimated schedule of expenditures for four broad categories of projects are shown in Table 11. The Redevelopment Commission may change the completion dates in their annual budgeting process or as project decisions are made in administering the urban renewal plan.

**Table 11 – Project Dates**

| Project Categories              | Years 1-5           | Years 6-10         | Years 11-15         | Years 16-20         | Years 21-25         | Total               |
|---------------------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| Economic Development            | \$5,000,000         | \$5,000,000        | \$3,000,000         | \$2,500,000         | \$1,600,000         | <b>\$17,100,000</b> |
| Infrastructure                  | \$5,000,000         | \$2,500,000        | \$11,000,000        | \$4,000,000         | \$9,100,000         | <b>\$31,600,000</b> |
| Public Amenities                | \$0                 | \$1,000,000        | \$1,000,000         | \$4,500,000         | \$500,000           | <b>\$7,000,000</b>  |
| Administration and Finance Fees | \$400,000           | \$400,000          | \$400,000           | \$400,000           | \$500,000           | <b>\$2,100,000</b>  |
| <b>Total</b>                    | <b>\$10,400,000</b> | <b>\$8,900,000</b> | <b>\$15,400,000</b> | <b>\$11,400,000</b> | <b>\$11,700,000</b> | <b>\$57,800,000</b> |
| Project Categories              | Years 1-5           | Years 6-10         | Years 11-15         | Years 16-20         | Years 21-25         | Total               |
| Economic Development            | 48%                 | 56%                | 19%                 | 22%                 | 14%                 | 30%                 |
| Infrastructure                  | 48%                 | 28%                | 71%                 | 35%                 | 78%                 | 55%                 |
| Public Amenities                | 0%                  | 11%                | 6%                  | 39%                 | 4%                  | 12%                 |
| Administration and Finance Fees | 4%                  | 4%                 | 3%                  | 4%                  | 4%                  | 4%                  |
| <b>Total</b>                    | <b>100%</b>         | <b>100%</b>        | <b>100%</b>         | <b>100%</b>         | <b>100%</b>         | <b>100%</b>         |

Source: ECONorthwest

## **VII. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED**

Table 12 shows the tax increment revenues and their allocation to loan repayments, reimbursements, debt service, and debt service reserve funds.

It is anticipated that all debt will be retired by FY 2045-46 (any outstanding bonds will be defeased). The maximum indebtedness is \$92,500,000 (ninety two million five hundred thousand dollars).

The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$92,500,000 is \$120,080,243.

The interest rate for the bonds are estimated at 5% with varying terms. The time frame of urban renewal is not absolute; it may vary depending on the actual ability to meet the maximum indebtedness. If the economy is slower, it may take longer; if the economy is more robust than the projections, it may take a shorter time period. The Redevelopment Commission may decide to issue bonds on a different schedule, and that will alter the financing assumptions. These assumptions show one scenario for financing and this scenario is financially feasible.

The remaining amount for debt service in FY 2045-46 will come from the debt service reserve fund.

**Table 12 – Tax Increment Revenues and Allocations to Debt Service**

|  | 2017-18           | 2018-19           | 2019-20             | 2020-21             | 2021-22             | 2022-23             | 2023-24             | 2024-25              | 2025-26             |
|--|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| <b>DEBT SERVICE FUND</b>               |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| <b>Resources</b>                       |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| Beginning Fund Balance                 | \$0               | \$0               | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                  | \$0                 |
| Interest Earnings                      | \$0               | \$0               | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                  | \$0                 |
| TIF for URA                            | \$135,342         | \$258,598         | \$477,890           | \$1,035,595         | \$1,277,060         | \$1,663,100         | \$1,937,671         | \$2,418,748          | \$2,725,833         |
| <b>Total Resources</b>                 | <b>\$135,342</b>  | <b>\$258,598</b>  | <b>\$477,890</b>    | <b>\$1,035,595</b>  | <b>\$1,277,060</b>  | <b>\$1,663,100</b>  | <b>\$1,937,671</b>  | <b>\$2,418,748</b>   | <b>\$2,725,833</b>  |
| <b>Expenditures</b>                    |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| <i>Debt Service</i>                    |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| New Loan 2020                          |                   |                   | -\$320,970          | -\$320,970          | -\$320,970          | -\$320,970          | -\$320,970          | -\$320,970           | -\$320,970          |
| New Loan 2022                          |                   |                   |                     |                     | -\$521,577          | -\$521,577          | -\$521,577          | -\$521,577           | -\$521,577          |
| New Loan 2025                          |                   |                   |                     |                     |                     |                     |                     | -\$722,183           | -\$722,183          |
| New Loan 2028                          |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| New Loan 2032                          |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| New Loan 2037                          |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| New Loan 2040                          |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| New Loan 2042                          |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| Early Payment of Outstanding Principal |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| <b>Total Debt Service</b>              | <b>\$0</b>        | <b>\$0</b>        | <b>-\$320,970</b>   | <b>-\$320,970</b>   | <b>-\$842,547</b>   | <b>-\$842,547</b>   | <b>-\$842,547</b>   | <b>-\$1,564,730</b>  | <b>-\$1,564,730</b> |
| <i>Coverage Ratio</i>                  | <i>0.00</i>       | <i>0.00</i>       | <i>1.49</i>         | <i>3.23</i>         | <i>1.52</i>         | <i>1.97</i>         | <i>2.30</i>         | <i>1.55</i>          | <i>1.74</i>         |
| Transfer to Project Fund               | -\$135,342        | -\$258,598        | -\$156,920          | -\$714,625          | -\$434,513          | -\$820,553          | -\$1,095,124        | -\$854,018           | -\$1,161,103        |
| <b>Total Expenditures</b>              | <b>-\$135,342</b> | <b>-\$258,598</b> | <b>-\$477,890</b>   | <b>-\$1,035,595</b> | <b>-\$1,277,060</b> | <b>-\$1,663,100</b> | <b>-\$1,937,671</b> | <b>-\$2,418,748</b>  | <b>-\$2,725,833</b> |
| <b>Ending Fund Balance</b>             | <b>\$0</b>        | <b>\$0</b>        | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>           | <b>\$0</b>          |
| <b>PROJECT FUND</b>                    |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| <b>Resources</b>                       |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| Beginning Fund Balance                 | \$0               | \$82,342          | \$286,752           | \$369,506           | \$1,027,979         | \$16,232            | \$775,366           | \$1,811,067          | \$272,940           |
| Pay-as-you-go (Transfer from D/S Fund) | \$135,342         | \$258,598         | \$156,920           | \$714,625           | \$434,513           | \$820,553           | \$1,095,124         | \$854,018            | \$1,161,103         |
| Bond/Loan Proceeds                     | \$0               | \$0               | \$4,000,000         | \$0                 | \$6,500,000         | \$0                 | \$0                 | \$9,000,000          | \$0                 |
| Interest Earnings                      | \$0               | \$412             | \$1,434             | \$1,848             | \$5,140             | \$81                | \$3,877             | \$9,055              | \$1,365             |
| <b>Total Resources</b>                 | <b>\$135,342</b>  | <b>\$341,352</b>  | <b>\$4,445,106</b>  | <b>\$1,085,979</b>  | <b>\$7,967,632</b>  | <b>\$836,866</b>    | <b>\$1,874,367</b>  | <b>\$11,674,140</b>  | <b>\$1,435,408</b>  |
| <b>Expenditures</b>                    |                   |                   |                     |                     |                     |                     |                     |                      |                     |
| Projects                               |                   |                   | -\$3,939,300        |                     | -\$7,761,700        |                     |                     | -\$11,156,000        |                     |
| Admin                                  | -\$53,000         | -\$54,600         | -\$56,300           | -\$58,000           | -\$59,700           | -\$61,500           | -\$63,300           | -\$65,200            | -\$67,200           |
| Finance Fees                           | \$0               | \$0               | -\$80,000           | \$0                 | -\$130,000          | \$0                 | \$0                 | -\$180,000           | \$0                 |
| <b>Total Expenditures</b>              | <b>-\$53,000</b>  | <b>-\$54,600</b>  | <b>-\$4,075,600</b> | <b>-\$58,000</b>    | <b>-\$7,951,400</b> | <b>-\$61,500</b>    | <b>-\$63,300</b>    | <b>-\$11,401,200</b> | <b>-\$67,200</b>    |
| <b>Ending Fund Balance</b>             | <b>\$82,342</b>   | <b>\$286,752</b>  | <b>\$369,506</b>    | <b>\$1,027,979</b>  | <b>\$16,232</b>     | <b>\$775,366</b>    | <b>\$1,811,067</b>  | <b>\$272,940</b>     | <b>\$1,368,208</b>  |

Source: ECONorthwest

**Table 12 – Tax Increment Revenues and Allocations to Debt Service, continued**

|  | 2026-27             | 2027-28             | 2028-29             | 2029-30             | 2030-31             | 2031-32              | 2032-33             | 2033-34             | 2034-35             |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|---------------------|
| <b>DEBT SERVICE FUND</b>               |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| <b>Resources</b>                       |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| Beginning Fund Balance                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                  | \$0                 | \$0                 | \$0                 |
| Interest Earnings                      | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                  | \$0                 | \$0                 | \$0                 |
| TIF for URA                            | \$2,942,868         | \$3,144,507         | \$3,354,210         | \$3,572,302         | \$3,799,117         | \$4,035,005          | \$4,280,329         | \$4,535,465         | \$4,800,807         |
| <b>Total Resources</b>                 | <b>\$2,942,868</b>  | <b>\$3,144,507</b>  | <b>\$3,354,210</b>  | <b>\$3,572,302</b>  | <b>\$3,799,117</b>  | <b>\$4,035,005</b>   | <b>\$4,280,329</b>  | <b>\$4,535,465</b>  | <b>\$4,800,807</b>  |
| <b>Expenditures</b>                    |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| <i>Debt Service</i>                    |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| New Loan 2020                          | -\$320,970          | -\$320,970          | -\$320,970          | -\$320,970          | -\$320,970          | -\$320,970           | -\$320,970          | -\$320,970          | -\$320,970          |
| New Loan 2022                          | -\$521,577          | -\$521,577          | -\$521,577          | -\$521,577          | -\$521,577          | -\$521,577           | -\$521,577          | -\$521,577          | -\$521,577          |
| New Loan 2025                          | -\$722,183          | -\$722,183          | -\$722,183          | -\$722,183          | -\$722,183          | -\$722,183           | -\$722,183          | -\$722,183          | -\$722,183          |
| New Loan 2028                          |                     | -\$481,456          | -\$481,456          | -\$481,456          | -\$481,456          | -\$481,456           | -\$481,456          | -\$481,456          | -\$481,456          |
| New Loan 2032                          |                     |                     |                     |                     |                     | -\$621,880           | -\$621,880          | -\$621,880          | -\$621,880          |
| New Loan 2037                          |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| New Loan 2040                          |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| New Loan 2042                          |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| Early Payment of Outstanding Principal |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| <b>Total Debt Service</b>              | <b>-\$1,564,730</b> | <b>-\$2,046,186</b> | <b>-\$2,046,186</b> | <b>-\$2,046,186</b> | <b>-\$2,046,186</b> | <b>-\$2,668,066</b>  | <b>-\$2,668,066</b> | <b>-\$2,668,066</b> | <b>-\$2,668,066</b> |
| <i>Coverage Ratio</i>                  | 1.88                | 1.54                | 1.64                | 1.75                | 1.86                | 1.51                 | 1.60                | 1.70                | 1.80                |
| Transfer to Project Fund               | -\$1,378,138        | -\$1,098,321        | -\$1,308,024        | -\$1,526,116        | -\$1,752,931        | -\$1,366,939         | -\$1,612,263        | -\$1,867,399        | -\$2,132,741        |
| <b>Total Expenditures</b>              | <b>-\$2,942,868</b> | <b>-\$3,144,507</b> | <b>-\$3,354,210</b> | <b>-\$3,572,302</b> | <b>-\$3,799,117</b> | <b>-\$4,035,005</b>  | <b>-\$4,280,329</b> | <b>-\$4,535,465</b> | <b>-\$4,800,807</b> |
| <b>Ending Fund Balance</b>             | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>           | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          |
| <b>PROJECT FUND</b>                    |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| <b>Resources</b>                       |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| Beginning Fund Balance                 | \$1,368,208         | \$2,683,987         | \$337,328           | \$1,573,639         | \$3,032,023         | \$4,722,214          | \$27,764            | \$1,557,566         | \$3,347,653         |
| Pay-as-you-go (Transfer from D/S Fund) | \$1,378,138         | \$1,098,321         | \$1,308,024         | \$1,526,116         | \$1,752,931         | \$1,366,939          | \$1,612,263         | \$1,867,399         | \$2,132,741         |
| Bond/Loan Proceeds                     | \$0                 | \$6,000,000         | \$0                 | \$0                 | \$0                 | \$7,750,000          | \$0                 | \$0                 | \$0                 |
| Interest Earnings                      | \$6,841             | \$13,420            | \$1,687             | \$7,868             | \$15,160            | \$23,611             | \$139               | \$7,788             | \$16,738            |
| <b>Total Resources</b>                 | <b>\$2,753,187</b>  | <b>\$9,795,728</b>  | <b>\$1,647,039</b>  | <b>\$3,107,623</b>  | <b>\$4,800,114</b>  | <b>\$13,862,764</b>  | <b>\$1,640,166</b>  | <b>\$3,432,753</b>  | <b>\$5,497,132</b>  |
| <b>Expenditures</b>                    |                     |                     |                     |                     |                     |                      |                     |                     |                     |
| Projects                               |                     | -\$9,267,100        |                     |                     |                     | -\$13,599,800        |                     |                     | -\$5,260,500        |
| Admin                                  | -\$69,200           | -\$71,300           | -\$73,400           | -\$75,600           | -\$77,900           | -\$80,200            | -\$82,600           | -\$85,100           | -\$87,700           |
| Finance Fees                           | \$0                 | -\$120,000          | \$0                 | \$0                 | \$0                 | -\$155,000           | \$0                 | \$0                 | \$0                 |
| <b>Total Expenditures</b>              | <b>-\$69,200</b>    | <b>-\$9,458,400</b> | <b>-\$73,400</b>    | <b>-\$75,600</b>    | <b>-\$77,900</b>    | <b>-\$13,835,000</b> | <b>-\$82,600</b>    | <b>-\$85,100</b>    | <b>-\$5,348,200</b> |
| <b>Ending Fund Balance</b>             | <b>\$2,683,987</b>  | <b>\$337,328</b>    | <b>\$1,573,639</b>  | <b>\$3,032,023</b>  | <b>\$4,722,214</b>  | <b>\$27,764</b>      | <b>\$1,557,566</b>  | <b>\$3,347,653</b>  | <b>\$148,932</b>    |

Source: ECONorthwest

**Table 12 – Tax Increment Revenues and Allocations to Debt Service, continued**

|  | 2035-36             | 2036-37              | 2037-38             | 2038-39             | 2039-40              | 2040-41             | 2041-42             | 2042-43             | 2043-44             | 2044-45             | 2045-46              |
|--|---------------------|----------------------|---------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| <b>DEBT SERVICE FUND</b>               |                     |                      |                     |                     |                      |                     |                     |                     |                     |                     |                      |
| <b>Resources</b>                       |                     |                      |                     |                     |                      |                     |                     |                     |                     |                     |                      |
| Beginning Fund Balance                 | \$0                 | \$0                  | \$0                 | \$0                 | \$0                  | \$0                 | \$0                 | \$2,115,757         | \$5,242,124         | \$8,742,696         | \$13,374,023         |
| Interest Earnings                      | \$0                 | \$0                  | \$0                 | \$0                 | \$0                  | \$0                 | \$0                 | \$10,579            | \$26,211            | \$43,713            | \$66,870             |
| TIF for URA                            | \$5,076,763         | \$5,363,756          | \$5,662,230         | \$5,972,642         | \$6,295,471          | \$6,631,214         | \$6,980,385         | \$7,343,525         | \$7,721,189         | \$8,113,959         | \$8,522,441          |
| <b>Total Resources</b>                 | <b>\$5,076,763</b>  | <b>\$5,363,756</b>   | <b>\$5,662,230</b>  | <b>\$5,972,642</b>  | <b>\$6,295,471</b>   | <b>\$6,631,214</b>  | <b>\$6,980,385</b>  | <b>\$9,469,861</b>  | <b>\$12,989,524</b> | <b>\$16,900,368</b> | <b>\$21,963,334</b>  |
| <b>Expenditures</b>                    |                     |                      |                     |                     |                      |                     |                     |                     |                     |                     |                      |
| <i>Debt Service</i>                    |                     |                      |                     |                     |                      |                     |                     |                     |                     |                     |                      |
| New Loan 2020                          | -\$320,970          | -\$320,970           | -\$320,970          | -\$320,970          |                      |                     |                     |                     |                     |                     |                      |
| New Loan 2022                          | -\$521,577          | -\$521,577           | -\$521,577          | -\$521,577          | -\$521,577           | -\$521,577          |                     |                     |                     |                     |                      |
| New Loan 2025                          | -\$722,183          | -\$722,183           | -\$722,183          | -\$722,183          | -\$722,183           | -\$722,183          | -\$722,183          | -\$722,183          | -\$722,183          |                     |                      |
| New Loan 2028                          | -\$481,456          | -\$481,456           | -\$481,456          | -\$481,456          | -\$481,456           | -\$481,456          | -\$481,456          | -\$481,456          | -\$481,456          | -\$481,456          | -\$481,456           |
| New Loan 2032                          | -\$621,880          | -\$621,880           | -\$621,880          | -\$621,880          | -\$621,880           | -\$621,880          | -\$621,880          | -\$621,880          | -\$621,880          | -\$621,880          | -\$621,880           |
| New Loan 2037                          |                     | -\$882,668           | -\$882,668          | -\$882,668          | -\$882,668           | -\$882,668          | -\$882,668          | -\$882,668          | -\$882,668          | -\$882,668          | -\$882,668           |
| New Loan 2040                          |                     |                      |                     |                     | -\$963,423           | -\$963,423          | -\$963,423          | -\$963,423          | -\$963,423          | -\$963,423          | -\$963,423           |
| New Loan 2042                          |                     |                      |                     |                     |                      |                     | -\$518,018          | -\$518,018          | -\$518,018          | -\$518,018          | -\$518,018           |
| Early Payment of Outstanding Principal |                     |                      |                     |                     |                      |                     |                     |                     |                     |                     | -\$18,436,224        |
| <b>Total Debt Service</b>              | <b>-\$2,668,066</b> | <b>-\$3,550,734</b>  | <b>-\$3,550,734</b> | <b>-\$3,550,734</b> | <b>-\$4,193,187</b>  | <b>-\$4,193,187</b> | <b>-\$4,189,628</b> | <b>-\$4,189,628</b> | <b>-\$4,189,628</b> | <b>-\$3,467,445</b> | <b>-\$21,903,669</b> |
| <i>Coverage Ratio</i>                  | 1.90                | 1.51                 | 1.59                | 1.68                | 1.50                 | 1.58                | 1.67                | 1.75                | 1.84                | 2.34                | 2.46                 |
| Transfer to Project Fund               | -\$2,408,697        | -\$1,813,022         | -\$2,111,496        | -\$2,421,908        | -\$2,102,284         | -\$2,438,027        | -\$675,000          | -\$38,109           | -\$57,200           | -\$58,900           | -\$59,600            |
| <b>Total Expenditures</b>              | <b>-\$5,076,763</b> | <b>-\$5,363,756</b>  | <b>-\$5,662,230</b> | <b>-\$5,972,642</b> | <b>-\$6,295,471</b>  | <b>-\$6,631,214</b> | <b>-\$4,864,628</b> | <b>-\$4,227,737</b> | <b>-\$4,246,828</b> | <b>-\$3,526,345</b> | <b>-\$21,963,269</b> |
| <b>Ending Fund Balance</b>             | <b>\$0</b>          | <b>\$0</b>           | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>           | <b>\$0</b>          | <b>\$2,115,757</b>  | <b>\$5,242,124</b>  | <b>\$8,742,696</b>  | <b>\$13,374,023</b> | <b>\$65</b>          |
| <b>PROJECT FUND</b>                    |                     |                      |                     |                     |                      |                     |                     |                     |                     |                     |                      |
| <b>Resources</b>                       |                     |                      |                     |                     |                      |                     |                     |                     |                     |                     |                      |
| Beginning Fund Balance                 | \$148,932           | \$2,468,074          | \$98,036            | \$2,114,222         | \$4,448,001          | \$8,525             | \$2,341,895         | \$17,304            | \$0                 | \$0                 | \$0                  |
| Pay-as-you-go (Transfer from D/S Fund) | \$2,408,697         | \$1,813,022          | \$2,111,496         | \$2,421,908         | \$2,102,284          | \$2,438,027         | \$675,000           | \$38,109            | \$57,200            | \$58,900            | \$59,600             |
| Bond/Loan Proceeds                     | \$0                 | \$11,000,000         | \$0                 | \$0                 | \$10,000,000         | \$0                 | \$4,000,000         | \$0                 | \$0                 | \$0                 | \$0                  |
| Interest Earnings                      | \$745               | \$12,340             | \$490               | \$10,571            | \$22,240             | \$43                | \$11,709            | \$87                | \$0                 | \$0                 | \$0                  |
| <b>Total Resources</b>                 | <b>\$2,558,374</b>  | <b>\$15,293,436</b>  | <b>\$2,210,022</b>  | <b>\$4,546,701</b>  | <b>\$16,572,525</b>  | <b>\$2,446,595</b>  | <b>\$7,028,604</b>  | <b>\$55,500</b>     | <b>\$57,200</b>     | <b>\$58,900</b>     | <b>\$59,600</b>      |
| <b>Expenditures</b>                    |                     |                      |                     |                     |                      |                     |                     |                     |                     |                     |                      |
| Projects                               |                     | -\$14,882,400        |                     |                     | -\$16,262,400        |                     | -\$6,823,500        |                     |                     |                     |                      |
| Admin                                  | -\$90,300           | -\$93,000            | -\$95,800           | -\$98,700           | -\$101,600           | -\$104,700          | -\$107,800          | -\$55,500           | -\$57,200           | -\$58,900           | -\$59,600            |
| Finance Fees                           | \$0                 | -\$220,000           | \$0                 | \$0                 | -\$200,000           | \$0                 | -\$80,000           | \$0                 | \$0                 | \$0                 | \$0                  |
| <b>Total Expenditures</b>              | <b>-\$90,300</b>    | <b>-\$15,195,400</b> | <b>-\$95,800</b>    | <b>-\$98,700</b>    | <b>-\$16,564,000</b> | <b>-\$104,700</b>   | <b>-\$7,011,300</b> | <b>-\$55,500</b>    | <b>-\$57,200</b>    | <b>-\$58,900</b>    | <b>-\$59,600</b>     |
| <b>Ending Fund Balance</b>             | <b>\$2,468,074</b>  | <b>\$98,036</b>      | <b>\$2,114,222</b>  | <b>\$4,448,001</b>  | <b>\$8,525</b>       | <b>\$2,341,895</b>  | <b>\$17,304</b>     | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>           |

Source: ECONorthwest.

## VIII. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FY 2045/46, as shown above, are based on projections of the growth in assessed value within the Area and the total tax rate that will apply to the Area. Assessed value growth comes from appreciation as well as new development. Due to Oregon’s property tax system, most properties experience appreciation in *assessed value* of 3.0% per year, regardless of market trends that affect *real market values*. Thus, new development is typically needed to experience growth in assessed value above 3.0% per year.

Long-term, beginning in FY 2027-28, we forecast the Area to experience annual growth in assessed value of 4.0% per year, which implies some ongoing new construction activity. This growth rate is similar to citywide and countywide trends in assessed value growth. In the short-term, we provide a more specific forecast of assessed value growth, based on 3.0% appreciation, and hypothetical new development on seven key “opportunity sites” located in the Area. These development assumptions are based on previous analysis conducted by the City for the Moving Forward Milwaukie project in 2014. These assumptions are speculative, and the exact timing, amount, and value of development on these sites is uncertain.

Table 13 shows the assumptions for annual exception value from new development in the Area from FYE 2016 to FYE 2027. Exception Value is new value that is above the frozen base and is usually created by new development or substantial redevelopment within the Area.

**Table 13 – Projected Exception Value from New Development**

| FYE  | Exception AV |
|------|--------------|
| 2016 | \$0          |
| 2017 | \$0          |
| 2018 | \$0          |
| 2019 | \$4,061,606  |
| 2020 | \$9,173,491  |
| 2021 | \$32,539,498 |
| 2022 | \$9,732,622  |
| 2023 | \$18,797,147 |
| 2024 | \$10,675,258 |
| 2025 | \$23,761,880 |
| 2026 | \$11,324,975 |
| 2027 | \$4,773,325  |

Source: ECONorthwest with input from the City of Milwaukie

Table 14 shows a more detailed forecast of future development within the Area, as provided by ECONorthwest and based on projections done for the Moving Forward Milwaukie project in 2014. The projections are based on the economy being strong and supporting these levels of development.

**Table 14 – Development Projections**

|                         | Site 1       | Site 2       | Site 3      | Site 4       | Site 5      |
|-------------------------|--------------|--------------|-------------|--------------|-------------|
| <b>Square Feet</b>      | 95,963       | 50,297       | 18,763      | 33,087       | 23,794      |
| <b>Land Use Type</b>    | Apartment    | Apartment    | Office      | Office       | Apartment   |
| <b>Total RMV</b>        | \$27,856,836 | \$10,526,781 | \$5,170,169 | \$12,322,645 | \$4,822,988 |
| <b>CPR</b>              | 0.715        | 0.715        | 0.794       | 0.794        | 0.715       |
| <b>Total AV</b>         | \$19,917,637 | \$7,526,648  | \$4,105,114 | \$9,784,180  | \$3,448,436 |
| <b>Less Existing AV</b> | \$0          | \$393,764    | \$388,077   | \$0          | \$0         |
| <b>Exception AV</b>     | \$19,917,637 | \$7,132,884  | \$3,717,037 | \$9,784,180  | \$3,448,436 |
| <b>Year on Tax Roll</b> | 2021         | 2023         | 2019        | 2025         | 2027        |

|                         | Murphy Site  |              |              |              |
|-------------------------|--------------|--------------|--------------|--------------|
| Name                    | Year 1       | Year 2       | Year 3       | Year 4       |
| <b>Address</b>          |              |              |              |              |
| <b>Square Feet</b>      | 44,141       | 44,141       | 44,141       | 44,141       |
| <b>Land Use Type</b>    | Mixed-Use    | Mixed-Use    | Mixed-Use    | Mixed-Use    |
| <b>Total RMV</b>        | \$11,432,029 | \$11,432,029 | \$11,432,029 | \$11,432,029 |
| <b>CPR</b>              | 0.781        | 0.781        | 0.781        | 0.781        |
| <b>Total AV</b>         | \$8,928,415  | \$8,928,415  | \$8,928,415  | \$8,928,415  |
| <b>Less Existing AV</b> | \$777,823    | \$777,823    | \$777,823    | \$777,823    |
| <b>Exception AV</b>     | \$8,150,592  | \$8,150,592  | \$8,150,592  | \$8,150,592  |
| <b>Year on Tax Roll</b> | 2020         | 2021         | 2022         | 2023         |

|                         | McFarland Site |                |                |
|-------------------------|----------------|----------------|----------------|
| Name                    | Year 1         | Year 2         | Year 3         |
| <b>Address</b>          |                |                |                |
| <b>Square Feet</b>      | 52,115         | 52,115         | 52,115         |
| <b>Land Use Type</b>    | Senior Housing | Senior Housing | Senior Housing |
| <b>Total RMV</b>        | \$12,230,206   | \$12,230,206   | \$12,230,206   |
| <b>CPR</b>              | 0.715          | 0.715          | 0.715          |
| <b>Total AV</b>         | \$8,744,597    | \$8,744,597    | \$8,744,597    |
| <b>Less Existing AV</b> | \$317,649      | \$317,649      | \$317,649      |
| <b>Exception AV</b>     | \$8,426,948    | \$8,426,948    | \$8,426,948    |
| <b>Year on Tax Roll</b> | 2024           | 2025           | 2026           |

Source: ECONorthwest with input from the City of Milwaukie AV is assessed value

Table 15 shows the projected incremental assessed value, projected tax rates, and the annual tax increment revenues (not adjusted for under-collection, penalties, and interest). These projections of increment are the basis for the projections in Table 12.

Revenue Sharing is not projected to commence before the termination of the Plan, as the Area is not projected to meet revenue sharing targets at 10% of initial maximum indebtedness in the life of the Plan.

**Table 15 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues**

| FYE  | Assessed Value | Frozen Base   | Excess Value  | Tax Rate | Tax Increment Finance Revenue |              |           |                |
|------|----------------|---------------|---------------|----------|-------------------------------|--------------|-----------|----------------|
|      |                |               |               |          | Gross TIF                     | Adjust-ments | Net TIF   | Cumulative TIF |
| 2016 | \$138,482,705  | \$138,482,705 | \$0           | 16.9409  | 0                             | 0            | 0         | 0              |
| 2017 | \$142,637,186  | \$138,482,705 | \$0           | 16.9105  | 0                             | 0            | 0         | 0              |
| 2018 | \$146,916,301  | \$138,482,705 | \$8,433,596   | 16.8926  | 142,465                       | (7,123)      | 135,342   | 135,342        |
| 2019 | \$155,385,396  | \$138,482,705 | \$16,902,691  | 16.1044  | 272,208                       | (13,610)     | 258,598   | 393,940        |
| 2020 | \$169,220,449  | \$138,482,705 | \$30,737,744  | 16.3656  | 503,042                       | (25,152)     | 477,890   | 871,830        |
| 2021 | \$206,836,561  | \$138,482,705 | \$68,353,856  | 15.9479  | 1,090,100                     | (54,505)     | 1,035,595 | 1,907,425      |
| 2022 | \$222,774,280  | \$138,482,705 | \$84,291,575  | 15.9479  | 1,344,274                     | (67,214)     | 1,277,060 | 3,184,485      |
| 2023 | \$248,254,655  | \$138,482,705 | \$109,771,950 | 15.9479  | 1,750,632                     | (87,532)     | 1,663,100 | 4,847,585      |
| 2024 | \$266,377,553  | \$138,482,705 | \$127,894,848 | 15.9479  | 2,039,654                     | (101,983)    | 1,937,671 | 6,785,256      |
| 2025 | \$298,130,760  | \$138,482,705 | \$159,648,055 | 15.9479  | 2,546,051                     | (127,303)    | 2,418,748 | 9,204,004      |
| 2026 | \$318,399,658  | \$138,482,705 | \$179,916,953 | 15.9479  | 2,869,298                     | (143,465)    | 2,725,833 | 11,929,837     |
| 2027 | \$332,724,972  | \$138,482,705 | \$194,242,267 | 15.9479  | 3,097,756                     | (154,888)    | 2,942,868 | 14,872,705     |
| 2028 | \$346,033,970  | \$138,482,705 | \$207,551,265 | 15.9479  | 3,310,007                     | (165,500)    | 3,144,507 | 18,017,212     |
| 2029 | \$359,875,329  | \$138,482,705 | \$221,392,624 | 15.9479  | 3,530,747                     | (176,537)    | 3,354,210 | 21,371,422     |
| 2030 | \$374,270,342  | \$138,482,705 | \$235,787,637 | 15.9479  | 3,760,318                     | (188,016)    | 3,572,302 | 24,943,724     |
| 2031 | \$389,241,155  | \$138,482,705 | \$250,758,450 | 15.9479  | 3,999,071                     | (199,954)    | 3,799,117 | 28,742,841     |
| 2032 | \$404,810,802  | \$138,482,705 | \$266,328,097 | 15.9479  | 4,247,374                     | (212,369)    | 4,035,005 | 32,777,846     |
| 2033 | \$421,003,234  | \$138,482,705 | \$282,520,529 | 15.9479  | 4,505,609                     | (225,280)    | 4,280,329 | 37,058,175     |
| 2034 | \$437,843,363  | \$138,482,705 | \$299,360,658 | 15.9479  | 4,774,174                     | (238,709)    | 4,535,465 | 41,593,640     |
| 2035 | \$455,357,098  | \$138,482,705 | \$316,874,393 | 15.9479  | 5,053,481                     | (252,674)    | 4,800,807 | 46,394,447     |
| 2036 | \$473,571,382  | \$138,482,705 | \$335,088,677 | 15.9479  | 5,343,961                     | (267,198)    | 5,076,763 | 51,471,210     |
| 2037 | \$492,514,238  | \$138,482,705 | \$354,031,533 | 15.9479  | 5,646,059                     | (282,303)    | 5,363,756 | 56,834,966     |
| 2038 | \$512,214,807  | \$138,482,705 | \$373,732,102 | 15.9479  | 5,960,242                     | (298,012)    | 5,662,230 | 62,497,196     |
| 2039 | \$532,703,399  | \$138,482,705 | \$394,220,694 | 15.9479  | 6,286,992                     | (314,350)    | 5,972,642 | 68,469,838     |
| 2040 | \$554,011,536  | \$138,482,705 | \$415,528,831 | 15.9479  | 6,626,812                     | (331,341)    | 6,295,471 | 74,765,309     |
| 2041 | \$576,171,998  | \$138,482,705 | \$437,689,293 | 15.9479  | 6,980,225                     | (349,011)    | 6,631,214 | 81,396,523     |
| 2042 | \$599,218,879  | \$138,482,705 | \$460,736,174 | 15.9479  | 7,347,774                     | (367,389)    | 6,980,385 | 88,376,908     |
| 2043 | \$623,187,634  | \$138,482,705 | \$484,704,929 | 15.9479  | 7,730,026                     | (386,501)    | 7,343,525 | 95,720,433     |
| 2044 | \$648,115,139  | \$138,482,705 | \$509,632,434 | 15.9479  | 8,127,567                     | (406,378)    | 7,721,189 | 103,441,622    |
| 2045 | \$674,039,745  | \$138,482,705 | \$535,557,040 | 15.9479  | 8,541,010                     | (427,051)    | 8,113,959 | 111,555,581    |
| 2046 | \$701,001,335  | \$138,482,705 | \$562,518,630 | 15.9479  | 8,970,991                     | (448,550)    | 8,522,441 | 120,078,022    |

Source: ECONorthwest

## IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area and on property owners.

Two jurisdictions, Clackamas Community College and the North Clackamas School District, have outstanding general obligation (GO) bonds approved by voters prior to 2001. In accordance with ORS 457, these bonds will be included in the tax rate used to calculate tax increment revenues for a new urban renewal area. Both of these bonds are scheduled to be repaid in full by FYE 2020. As shown in Table 16, the Milwaukie Urban Renewal Area will cause a very small increase in the amount of these tax rates through FYE 2020, when the bonds expire. The combined increase in tax rates will be no more than \$0.0007 per \$1,000 of assessed value in any year. For a property with \$100,000 in assessed value, the annual impact on property tax bills would be no more than \$0.07, with a cumulative impact of only \$0.14 over the life of the Urban Renewal Plan. Any bonds issued after October, 2001 would not be impacted by the creation of a new urban renewal area.

**Table 16 – Projected Impact on Property Owners due to General Obligation Bonds**

| FYE          | Impact of Milwaukie UR on Tax Rates<br>(per \$1,000 AV) |                 |        | GO Bond Tax Rates<br>(per \$1,000 AV) |         | Annual GO Bond Property Tax Paid<br>per \$100,000 AV |                 |                 |
|--------------|---|-----------------|--------|---------------------------------------|---------|--|-----------------|-----------------|
|              | Clackamas<br>CC   | N. Clack.<br>SD | Total  | Without UR                            | With UR | Without UR   | With UR         | Impact of<br>UR |
| 2016         | 0.0000  | 0.0000          | 0.0000 | 0.9779                                | 0.9779  | \$97.79  | \$97.79         | \$0.00          |
| 2017         | 0.0000  | 0.0000          | 0.0000 | 0.9477                                | 0.9477  | \$94.77  | \$94.77         | \$0.00          |
| 2018         | 0.0000  | 0.0006          | 0.0006 | 0.9441                                | 0.9447  | \$94.41  | \$94.47         | \$0.06          |
| 2019         | 0.0001  | 0.0000          | 0.0001 | 0.1564                                | 0.1565  | \$15.64  | \$15.65         | \$0.01          |
| 2020         | 0.0001  | 0.0006          | 0.0007 | 0.4170                                | 0.4177  | \$41.70  | \$41.77         | \$0.07          |
| <b>Total</b> |   |                 |        |                                       |         | <b>\$344.31</b>                                      | <b>\$344.45</b> | <b>\$0.14</b>   |

Source: ECONorthwest

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2046, and are shown in Tables 17a and 17b.

Revenue sharing is part of the 2009 legislative changes to urban renewal and means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the area. The share is a percentage basis dependent upon the tax rates of the taxing jurisdictions. The first threshold is 10% of the original maximum indebtedness. At the 10% threshold, the Redevelopment Commission will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The second threshold is set at 12.5% of the maximum indebtedness. Revenue sharing is not projected to occur for this urban renewal area, as the Area is expected to cease collecting TIF prior to achieving the revenue sharing thresholds.

The North Clackamas School District and the Clackamas Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the State level.

Tables 17a and 17b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 17a shows the general government levies and Table 17b shows the education levies. These tables assume the growth as projected in the other tables in this Report.

**Table 17a – Projected Impact on Taxing District Permanent Rate Levies General Government**

| FYE          | Clackamas County Perm | County Extension & 4H Perm | County Library Perm | County Soil and Water Perm | Fire District #1 Perm | North Clackamas Park Perm | City of Milwaukie Perm | Port of Portland Perm | Metro Perm        | Vector Control Perm | Subtotal             |
|--------------|-----------------------|----------------------------|---------------------|----------------------------|-----------------------|---------------------------|------------------------|-----------------------|-------------------|---------------------|----------------------|
| 2018         | -\$19,262             | -\$401                     | -\$3,184            | -\$401                     | -\$19,238             | -\$4,312                  | -\$33,143              | -\$562                | -\$774            | -\$52               | -\$81,329            |
| 2019         | -\$38,606             | -\$803                     | -\$6,381            | -\$803                     | -\$38,557             | -\$8,642                  | -\$66,425              | -\$1,126              | -\$1,551          | -\$104              | -\$162,998           |
| 2020         | -\$70,205             | -\$1,460                   | -\$11,604           | -\$1,460                   | -\$70,117             | -\$15,716                 | -\$120,795             | -\$2,047              | -\$2,821          | -\$190              | -\$296,415           |
| 2021         | -\$156,119            | -\$3,247                   | -\$25,806           | -\$3,247                   | -\$155,925            | -\$34,949                 | -\$268,621             | -\$4,552              | -\$6,273          | -\$422              | -\$659,161           |
| 2022         | -\$192,521            | -\$4,004                   | -\$31,823           | -\$4,004                   | -\$192,281            | -\$43,097                 | -\$331,255             | -\$5,613              | -\$7,735          | -\$521              | -\$812,854           |
| 2023         | -\$250,718            | -\$5,214                   | -\$41,442           | -\$5,214                   | -\$250,405            | -\$56,125                 | -\$431,389             | -\$7,310              | -\$10,074         | -\$678              | -\$1,058,569         |
| 2024         | -\$292,110            | -\$6,075                   | -\$48,284           | -\$6,075                   | -\$291,746            | -\$65,391                 | -\$502,609             | -\$8,517              | -\$11,737         | -\$790              | -\$1,233,334         |
| 2025         | -\$364,634            | -\$7,583                   | -\$60,272           | -\$7,583                   | -\$364,179            | -\$81,626                 | -\$627,395             | -\$10,632             | -\$14,651         | -\$986              | -\$1,539,541         |
| 2026         | -\$410,929            | -\$8,546                   | -\$67,924           | -\$8,546                   | -\$410,416            | -\$91,990                 | -\$707,049             | -\$11,982             | -\$16,511         | -\$1,111            | -\$1,735,004         |
| 2027         | -\$443,647            | -\$9,227                   | -\$73,332           | -\$9,227                   | -\$443,094            | -\$99,314                 | -\$763,346             | -\$12,936             | -\$17,826         | -\$1,199            | -\$1,873,148         |
| 2028         | -\$474,045            | -\$9,859                   | -\$78,357           | -\$9,859                   | -\$473,454            | -\$106,119                | -\$815,649             | -\$13,822             | -\$19,047         | -\$1,282            | -\$2,001,493         |
| 2029         | -\$505,659            | -\$10,516                  | -\$83,582           | -\$10,516                  | -\$505,028            | -\$113,196                | -\$870,043             | -\$14,744             | -\$20,317         | -\$1,367            | -\$2,134,968         |
| 2030         | -\$538,537            | -\$11,200                  | -\$89,017           | -\$11,200                  | -\$537,865            | -\$120,556                | -\$926,614             | -\$15,702             | -\$21,638         | -\$1,456            | -\$2,273,785         |
| 2031         | -\$572,730            | -\$11,911                  | -\$94,669           | -\$11,911                  | -\$572,015            | -\$128,210                | -\$985,447             | -\$16,699             | -\$23,012         | -\$1,548            | -\$2,418,152         |
| 2032         | -\$608,291            | -\$12,651                  | -\$100,547          | -\$12,651                  | -\$607,532            | -\$136,171                | -\$1,046,633           | -\$17,736             | -\$24,441         | -\$1,645            | -\$2,568,298         |
| 2033         | -\$645,274            | -\$13,420                  | -\$106,660          | -\$13,420                  | -\$644,469            | -\$144,450                | -\$1,110,268           | -\$18,814             | -\$25,927         | -\$1,745            | -\$2,724,447         |
| 2034         | -\$683,737            | -\$14,220                  | -\$113,018          | -\$14,220                  | -\$682,884            | -\$153,060                | -\$1,176,447           | -\$19,936             | -\$27,472         | -\$1,849            | -\$2,886,843         |
| 2035         | -\$723,738            | -\$15,052                  | -\$119,630          | -\$15,052                  | -\$722,835            | -\$162,015                | -\$1,245,274           | -\$21,102             | -\$29,080         | -\$1,957            | -\$3,055,735         |
| 2036         | -\$765,339            | -\$15,917                  | -\$126,506          | -\$15,917                  | -\$764,384            | -\$171,328                | -\$1,316,853           | -\$22,315             | -\$30,751         | -\$2,069            | -\$3,231,379         |
| 2037         | -\$808,604            | -\$16,816                  | -\$133,658          | -\$16,816                  | -\$807,595            | -\$181,013                | -\$1,391,296           | -\$23,577             | -\$32,489         | -\$2,186            | -\$3,414,050         |
| 2038         | -\$853,600            | -\$17,752                  | -\$141,095          | -\$17,752                  | -\$852,535            | -\$191,085                | -\$1,468,717           | -\$24,889             | -\$34,297         | -\$2,308            | -\$3,604,030         |
| 2039         | -\$900,396            | -\$18,725                  | -\$148,830          | -\$18,725                  | -\$899,273            | -\$201,561                | -\$1,549,234           | -\$26,253             | -\$36,178         | -\$2,434            | -\$3,801,609         |
| 2040         | -\$949,064            | -\$19,738                  | -\$156,875          | -\$19,738                  | -\$947,879            | -\$212,456                | -\$1,632,972           | -\$27,672             | -\$38,133         | -\$2,566            | -\$4,007,093         |
| 2041         | -\$999,678            | -\$20,790                  | -\$165,241          | -\$20,790                  | -\$998,431            | -\$223,786                | -\$1,720,060           | -\$29,148             | -\$40,167         | -\$2,703            | -\$4,220,794         |
| 2042         | -\$1,052,317          | -\$21,885                  | -\$173,942          | -\$21,885                  | -\$1,051,004          | -\$235,570                | -\$1,810,631           | -\$30,683             | -\$42,282         | -\$2,845            | -\$4,443,044         |
| 2043         | -\$1,107,061          | -\$23,023                  | -\$182,991          | -\$23,023                  | -\$1,105,680          | -\$247,825                | -\$1,904,825           | -\$32,279             | -\$44,481         | -\$2,993            | -\$4,674,181         |
| 2044         | -\$1,163,995          | -\$24,208                  | -\$192,402          | -\$24,208                  | -\$1,162,543          | -\$260,570                | -\$2,002,787           | -\$33,939             | -\$46,769         | -\$3,147            | -\$4,914,568         |
| 2045         | -\$1,223,207          | -\$25,439                  | -\$202,189          | -\$25,439                  | -\$1,221,680          | -\$273,825                | -\$2,104,667           | -\$35,665             | -\$49,148         | -\$3,307            | -\$5,164,566         |
| 2046         | -\$1,284,787          | -\$26,720                  | -\$212,368          | -\$26,720                  | -\$1,283,184          | -\$287,610                | -\$2,210,622           | -\$37,461             | -\$51,622         | -\$3,474            | -\$5,424,568         |
| <b>Total</b> | <b>-\$18,098,810</b>  | <b>-\$376,402</b>          | <b>-\$2,991,629</b> | <b>-\$376,402</b>          | <b>-\$18,076,228</b>  | <b>-\$4,051,568</b>       | <b>-\$31,141,066</b>   | <b>-\$527,713</b>     | <b>-\$727,204</b> | <b>-\$48,934</b>    | <b>-\$76,415,956</b> |

Source: ECONorthwest

**Table 17b – Projected Impact on Taxing District Permanent Rate Levies Education**

| FYE          | Clackamas<br>CC     | Clackamas<br>ESD    | North<br>Clackamas<br>SD | Subtotal             | Total                 |
|--------------|---------------------|---------------------|--------------------------|----------------------|-----------------------|
|              | Perm                | Perm                | Perm                     |                      |                       |
| 2018         | -\$4,472            | -\$2,954            | -\$39,019                | -\$46,445            | -\$127,774            |
| 2019         | -\$8,963            | -\$5,920            | -\$78,202                | -\$93,085            | -\$256,083            |
| 2020         | -\$16,300           | -\$10,766           | -\$142,211               | -\$169,277           | -\$465,692            |
| 2021         | -\$36,247           | -\$23,942           | -\$316,245               | -\$376,434           | -\$1,035,595          |
| 2022         | -\$44,699           | -\$29,524           | -\$389,983               | -\$464,206           | -\$1,277,060          |
| 2023         | -\$58,211           | -\$38,449           | -\$507,870               | -\$604,530           | -\$1,663,099          |
| 2024         | -\$67,821           | -\$44,797           | -\$591,718               | -\$704,336           | -\$1,937,670          |
| 2025         | -\$84,660           | -\$55,919           | -\$738,627               | -\$879,206           | -\$2,418,747          |
| 2026         | -\$95,408           | -\$63,019           | -\$832,403               | -\$990,830           | -\$2,725,834          |
| 2027         | -\$103,005          | -\$68,036           | -\$898,680               | -\$1,069,721         | -\$2,942,869          |
| 2028         | -\$110,062          | -\$72,698           | -\$960,256               | -\$1,143,016         | -\$3,144,509          |
| 2029         | -\$117,402          | -\$77,546           | -\$1,024,294             | -\$1,219,242         | -\$3,354,210          |
| 2030         | -\$125,036          | -\$82,588           | -\$1,090,894             | -\$1,298,518         | -\$3,572,303          |
| 2031         | -\$132,975          | -\$87,832           | -\$1,160,158             | -\$1,380,965         | -\$3,799,117          |
| 2032         | -\$141,231          | -\$93,285           | -\$1,232,192             | -\$1,466,708         | -\$4,035,006          |
| 2033         | -\$149,818          | -\$98,957           | -\$1,307,108             | -\$1,555,883         | -\$4,280,330          |
| 2034         | -\$158,748          | -\$104,856          | -\$1,385,020             | -\$1,648,624         | -\$4,535,467          |
| 2035         | -\$168,035          | -\$110,990          | -\$1,466,049             | -\$1,745,074         | -\$4,800,809          |
| 2036         | -\$177,694          | -\$117,370          | -\$1,550,320             | -\$1,845,384         | -\$5,076,763          |
| 2037         | -\$187,739          | -\$124,005          | -\$1,637,960             | -\$1,949,704         | -\$5,363,754          |
| 2038         | -\$198,186          | -\$130,905          | -\$1,729,107             | -\$2,058,198         | -\$5,662,228          |
| 2039         | -\$209,051          | -\$138,082          | -\$1,823,899             | -\$2,171,032         | -\$5,972,641          |
| 2040         | -\$220,351          | -\$145,545          | -\$1,922,483             | -\$2,288,379         | -\$6,295,472          |
| 2041         | -\$232,102          | -\$153,307          | -\$2,025,011             | -\$2,410,420         | -\$6,631,214          |
| 2042         | -\$244,324          | -\$161,380          | -\$2,131,639             | -\$2,537,343         | -\$6,980,387          |
| 2043         | -\$257,034          | -\$169,775          | -\$2,242,534             | -\$2,669,343         | -\$7,343,524          |
| 2044         | -\$270,253          | -\$178,506          | -\$2,357,863             | -\$2,806,622         | -\$7,721,190          |
| 2045         | -\$284,001          | -\$187,587          | -\$2,477,805             | -\$2,949,393         | -\$8,113,959          |
| 2046         | -\$298,298          | -\$197,031          | -\$2,602,546             | -\$3,097,875         | -\$8,522,443          |
| <b>Total</b> | <b>-\$4,202,126</b> | <b>-\$2,775,571</b> | <b>-\$36,662,096</b>     | <b>-\$43,639,793</b> | <b>-\$120,055,749</b> |

Source: ECONorthwest. Please refer to the explanation of the schools funding in the preceding section

Table 18 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2047.

**Table 18** – Additional Revenues Obtained after Termination of Tax Increment Financing

| Taxing District           | Tax Rate       | Tax Revenue in FYE 2047 (year after expiration) |                    |                     |
|---------------------------|----------------|---|--------------------|---------------------|
|                           |                | From Frozen Base                                | From Excess Value  | Total               |
| <b>General Government</b> |                |   |                    |                     |
| Clackamas County          | 2.4042         | \$332,940                                       | \$1,419,821        | \$1,752,761         |
| County Extension & 4H     | 0.0500         | \$6,924   | \$29,528           | \$36,452            |
| County Library            | 0.3974         | \$55,033  | \$234,688          | \$289,721           |
| County Soil and Water     | 0.0500         | \$6,924   | \$29,528           | \$36,452            |
| Fire District #1          | 2.4012         | \$332,525                                       | \$1,418,050        | \$1,750,575         |
| North Clackamas Park      | 0.5382         | \$74,531  | \$317,839          | \$392,370           |
| City of Milwaukie         | 4.1367         | \$572,861                                       | \$2,442,964        | \$3,015,825         |
| Port of Portland          | 0.0701         | \$9,708   | \$41,398           | \$51,106            |
| Metro                     | 0.0966         | \$13,377  | \$57,048           | \$70,425            |
| Vector Control            | 0.0065         | \$900   | \$3,839            | \$4,739             |
| <i>Subtotal</i>           | 10.1509        | \$1,405,724                                     | \$5,994,702        | \$7,395,687         |
| <b>Education</b>          |                |   |                    |                     |
| Clackamas CC              | 0.5582         | \$77,301  | \$329,650          | \$406,951           |
| Clackamas ESD             | 0.3687         | \$51,059  | \$217,739          | \$268,798           |
| North Clackamas SD        | 4.8701         | \$674,425                                       | \$2,876,080        | \$3,550,505         |
| <i>Subtotal</i>           | 5.7970         | \$802,784                                       | \$3,423,469        | \$4,226,254         |
| <b>Total</b>              | <b>15.9414</b> | <b>\$2,207,608</b>                              | <b>\$9,414,333</b> | <b>\$11,621,941</b> |

Source: ECONorthwest

## X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, manufactured, and utility properties in the Area, is projected to be \$138,482,705, 7.3% of the city's assessed value. The total assessed value of the City of Milwaukie is \$1,897,526,766. The Urban Renewal Area has 260.62 acres, including right-of-way, and the City of Milwaukie has 3,239.5 acres according to the City of Milwaukie GIS; therefore 8.05% of the City's acreage is in an urban renewal area, below the 25% state limit.

**Table 19** – Urban Renewal Area Conformance with Assessed Value and Acreage Limits

| Urban Renewal Area | Frozen Base/Assessed Value | Acres    |
|--------------------|----------------------------|----------|
| Milwaukie URA      | \$138,482,705              | 260.62   |
| City of Milwaukie  | \$1,897,526,766            | 3,239.50 |
| Percent of Total   | 7.30%                      | 8.05%    |

Source: City of Milwaukie, Clackamas County Assessor

## XI. RELOCATION REPORT

There is no relocation report required for the Plan. No relocation activities are anticipated.

## Exhibit C

### **Milwaukie Planning Commission Recommendation from July 12, 2016 Meeting**

The Milwaukie Planning Commission held a regularly scheduled meeting on July 12, 2016 and reviewed the proposed Milwaukie Urban Renewal Plan. The following Commissioners were present, participated in the discussion, and voted on the recommendation: Chair Sine Bone, Greg Hemer, Scott Barber, Shannah Anderson, and Shane Abma.

Following a presentation by Planning Director Denny Egnor and Urban Renewal Consultant Elaine Howard, Chair Bone opened the meeting to allow comments and testimony from the audience. Two individuals testified (Dave Prideaux and Eugene Monaco) and both were opposed to establishing an urban renewal district in Milwaukie. Mr. Egnor and Ms. Howard then answered questions and clarified key points regarding the plan and the use of tax increment financing.

The Planning Commission then discussed the proposed plan in detail. A key issue raised by the Commission related to how projects would be prioritized in the future. Commissioners emphasized the importance of funding projects that supported economic development in both the downtown and central Milwaukie.

The Planning Commission then voted unanimously in support of the following two motions:

Motion 1: The Planning Commission recommends to the Milwaukie City Council, based on the information provided in the staff report, that the Milwaukie Urban Renewal Plan conforms with the Milwaukie Comprehensive Plan.

Motion 2: The Planning Commission recommends to the Milwaukie City Council that it follow the expenditure priorities outlined on page 24 in the Urban Renewal Report.



**Regular Session  
Agenda Item No.**

**6**

# **Other Business**



MILWAUKIE CITY COUNCIL  
**STAFF REPORT**

Agenda Item: **RS 6. A.**  
Meeting Date: **August 16, 2016**

To: Mayor and City Council

Through: Bill Monahan, City Manager

Subject: **Clackamas County Motor Vehicle Fuel Tax Measure**

From: Alma Flores, Community Development Director

Date: August 3, 2016

### **ACTION REQUESTED**

Adoption of a resolution authorizing the Mayor to execute an Intergovernmental Agreement (IGA) with Clackamas County supporting the Clackamas County Motor Vehicle Fuel Tax Measure.

### **HISTORY OF PRIOR ACTIONS AND DISCUSSIONS**

At the July 12, 2016 Clackamas County Board of Commissioners Policy Session, the Board discussed the fuel tax measure proposed for the November ballot. Previously, city and county officials were invited to attend a summit on this issue.

The County made a presentation to the City Council at the work session on August 2, 2016. The County staff briefed the Council on the changes that would be included in the final IGA and that they would provide that prior to City Council adoption. Council directed staff to prepare a resolution supporting the measure and authorizing execution of an IGA between the City and the County.

### **BACKGROUND**

During the July 12, 2016 Clackamas County Board of Commissioners Policy Session, the Board discussed the fuel tax measure proposed for the November ballot. The measure is proposed in an effort to solve the county-wide road maintenance funding problem. The Board agreed that signed intergovernmental agreements (IGAs) and city resolutions supporting the fuel tax measure must be completed no later than September 1, 2016. The board noted that this is necessary in order to show a united commitment amongst cities to the public and in the voter's pamphlet.

The IGA requires a city resolution supporting the measure and a statement of cooperation with the overall goals of the joint effort. The Board hopes, however, that cities will engage their communities about the importance of the funding that will result from the fuel tax.

The 40 percent allocation to cities from the fuel tax revenue will be divided amongst cities that have completed IGAs and city resolutions by September 1. If a city does not support the measure, they may opt out. Should some cities decide to opt out; the 40 percent allocation will be divided amongst participating cities in accordance to population.

**CONCURRENCE**

Not Applicable.

**FISCAL IMPACTS**

Passage of the fuel tax measure will provide increased revenue to benefit the road system throughout Clackamas County, including in the City of Milwaukie. If the measure is passed by the Clackamas county voters, the estimated funds for the City of Milwaukie would be \$360,368 per year. These funds would need to be allocated through a supplemental budget process.

**WORK LOAD IMPACTS**

Work load impacts will include staff time to prepare a supplemental budget and allocation of the funds in accordance with the approved measure. In addition, staff time would be required to design and construct the resulting transportation infrastructure improvements.

**ALTERNATIVES**

The alternative includes opting out of supporting the fuel tax ballot measure and foregoing revenue, should it pass.

**ATTACHMENTS**

1. Intergovernmental Agreement With Clackamas County—Gas Tax
2. Resolution
3. List of Potential Projects

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
CLACKAMAS COUNTY  
AND  
THE SUPPORTING CITIES OF CLACKAMAS COUNTY**

**I. PARTIES**

This intergovernmental agreement is entered into between Clackamas County (COUNTY) and the Cities of Barlow, Canby, Estacada, Gladstone, Happy Valley, Johnson City, Lake Oswego, Milwaukie, Molalla, Oregon City, Portland, Rivergrove, Sandy, Tualatin, West Linn, and Wilsonville (CITIES). This Agreement is authorized pursuant to ORS 190.110.

**II. PURPOSE**

The purpose of this agreement is to memorialize a revenue sharing plan between the COUNTY and supporting CITIES for the net receipt of motor vehicle fuel tax revenues collected in Clackamas County pursuant to ORS 319.950.

**III. SCOPE OF WORK AND COOPERATION**

A. CITIES agree to:

1. Support COUNTY'S effort to obtain voter approval of a \$0.06 per gallon, seven-year, county-wide motor vehicle fuel tax at the November 2016 general election by on or before September 1, 2016, adopting a resolution or proclamation supporting the imposition of a voter approved \$0.06 per gallon, seven-year, county-wide motor vehicle fuel tax; and
2. To devote its share of all net revenues derived from the motor vehicle fuel tax for the purposes of construction, reconstruction, improvement, repair, maintenance, operation and use of city highways, roadways and streets within the jurisdictional boundaries of the city as set forth under Art. IX, Section 3a of the Oregon Constitution.

B. COUNTY agrees to:

1. Submit to the voters of Clackamas County a measure seeking voter approval of a temporary \$0.06 per gallon motor vehicle fuel tax. The tax would sunset after a period of seven years after the tax implementation date;
2. Place the measure on the ballot for the November 2016 general election;

3. Receive net revenues from the state and distribute 40% of those net revenues of the motor vehicle fuel tax revenues to all supporting CITIES within the COUNTY; and
4. To devote the COUNTY'S share of all net revenues derived from the motor vehicle fuel tax for the purposes of construction, reconstruction, improvement, repair, maintenance, operation and use of public highways within the jurisdictional boundaries of the COUNTY and as more specifically set forth in the County's ballot measure and Art. IX, Section 3a of the Oregon Constitution.

#### **IV. DISTRIBUTION**

- A. COUNTY shall receive motor vehicle fuel tax net revenues from the Oregon Department of Transportation (ODOT);
- B. As used herein, net revenues mean the total revenues generated from collection of the fuel tax, less any collection and administration fee paid to ODOT on all revenues collected and less ODOT start-up costs for staff and equipment. ODOT currently estimates that the start-up costs will be a one-time charge of approximately \$40,000. There will be no cost associated with the County's collection and distribution of fuel tax
- C. revenues;
- D. COUNTY will distribute 40% of the net revenues received to the supporting CITIES;
- E. Distributions to the supporting CITIES will be every six months;
- F. Distributions to the supporting CITIES shall be pro-rated based on the population of that City located within the jurisdictional boundaries of the County; and
- G. CITIES population shall be determined from the most current figures provided annually by Portland State University Population Research Center.

#### **V. SPECIAL REQUIREMENTS**

- A. COUNTY and CITIES agree that in order for an individual city to be eligible to receive any motor vehicle fuel tax revenues under this Agreement, the City must first comply with the terms of this Agreement by September 1, 2016; and
- B. COUNTY and CITIES agree to comply with all applicable local, state, and federal ordinances, statutes, laws and regulations.

#### **VI. AMENDMENT**

This agreement may be amended at any time with the concurrence of all parties. Amendments become a part of this agreement only after the written amendment has been signed by all parties.

VII. **TERM OF AGREEMENT**

This Agreement shall become effective upon signing by the jurisdictional representative. The terms of this Agreement become operative and enforceable only after the successful passage of the scope of work and cooperation provisions in Section III of this Agreement. Unless earlier terminated or extended, this Agreement shall expire seven years after the tax is first implemented.

IN WITNESS WHEREOF, the parties hereto have caused this Intergovernmental Agreement to be executed by their duly authorized officers. This Agreement may be signed in any number of counterparts, each of which is an original and all of which taken together form this Agreement.

**CITIES**

**CLACKAMAS COUNTY  
BOARD OF COUNTY COMMISSIONERS**

Signing on Behalf of the Board:

\_\_\_\_\_  
CITY OF BARLOW

\_\_\_\_\_  
John Ludlow, Chair

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

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

\_\_\_\_\_  
CITY OF CANBY

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

\_\_\_\_\_  
CITY OF ESTACADA

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

\_\_\_\_\_  
CITY OF GLADSTONE

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

\_\_\_\_\_

CITY OF HAPPY VALLEY

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

---

CITY OF JOHNSON CITY

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

---

CITY OF LAKE OSWEGO

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

---

CITY OF MILWAUKIE

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

---

CITY OF MOLALLA

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

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CITY OF OREGON CITY **Date:**\_\_\_\_\_

-

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CITY OF PORTLAND **Date:**\_\_\_\_\_

-

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CITY OF RIVERGROVE

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

4 | INTERGOVERNMENTAL AGREEMENT BETWEEN CLACKAMAS COUNTY AND THE

SUPPORTING CITIES OF CLACKAMAS COUNTY

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CITY OF SANDY

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

---

CITY OF TUALATIN

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

---

CITY OF WEST LINN

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

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CITY OF WILSONVILLE

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

In the Matter Referring  
A Ballot Measure Authorizing  
A Motor Vehicle Fuel Tax for  
County Road Maintenance

RESOLUTION NO. 2016-

WHEREAS, ORS 319.950 authorizes a County to enact an ordinance taxing fuel for motor vehicles after submitting the proposed tax to the electors of the County for their approval; and

WHEREAS, Clackamas County will submit a ballot measure in November 2016 for a countywide, seven-year \$0.06 motor vehicle fuel tax; and

WHEREAS, Clackamas County held a summit on June 9, 2016 seeking feedback from the cities about means to address county road maintenance funding needs that could also support city transportation funding needs; and

WHEREAS, feedback from the cities at the summit on June 9 included support for a "gas" tax contingent upon the County's commitment to split the revenues with the cities- 60% to the County and 40% to the cities- and contingent upon the cities signing a resolution in support of the ballot measure; and

WHEREAS, a Clackamas County policy session on June 28, 2016, the Clackamas County Board of Commissioners (BCC) agreed to pursue a \$0.06 cent per gallon fuel tax and confirmed the intent for cities to sign an Inter-Governmental Agreement (IGA) to memorialize the 60/40 percentage split should the measure succeed; and

WHEREAS, at a Clackamas County policy session on July 12, 2016, the BCC agreed the terms of an IGA should include the County's commitment to only use 60% of the revenue from a fuel tax, while 40% of the fuel tax revenue would be shared only among cities that sign the IGA by September 1, 2016; and

WHEREAS, the County has agreed to spend its 60% share of revenue to address road maintenance needs for 7 paving packages and safety projects in unincorporated Clackamas County; and

WHEREAS, cities within Clackamas County are encouraged to create similar project lists and are required to spend their share of the 40% of revenue on transportation projects; and

WHEREAS, the motor vehicle fuel tax is scheduled to sunset 7 years after it begins; and

WHEREAS, cities and the County have the opportunity, with a

successful vote, to work together to improve the transportation through the cities and county;

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:

1. A measure is hereby referred to the voters of Clackamas County regarding road funding substantially in the form attached hereto as Exhibit A and related explanatory statement, subject only to ministerial correction by staff.
2. The measure election hereby called shall be held in Clackamas County on Tuesday, November 8, 2016.
3. The County hereby authorizes the Chair, the County Administrator, the County Counsel or their designees to submit, sign and otherwise take all necessary action to effectuate the foregoing and to file the ballot title with the County Clerk for publication.

DATED this 11<sup>th</sup> day of August, 2016.

BOARD OF COUNTY COMMISSIONERS

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Chair

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Recording Secretary

## **EXHIBIT A**

### BALLOT TITLE

#### **CAPTION (10 words):**

Temporary 6-Cent Per Gallon Vehicle Fuel Tax

#### **QUESTION (20 words):**

Shall Clackamas County adopt a seven-year, 6-cent-per-gallon motor vehicle fuel tax dedicated to road maintenance projects?

#### **BALLOT SUMMARY (175 words):**

The measure imposes a temporary 6-cent-per-gallon tax on motor vehicle fuel sales within Clackamas County. The tax revenues must be used as required by the Oregon Constitution for construction, reconstruction, improvement, repair, maintenance, operation and use of public roads and streets within the county. The tax is estimated to raise approximately \$9 million per year. The County will use 60 percent of the net revenue for specific County road paving and safety projects, and will distribute the remaining 40 percent of the net revenue to supporting cities in Clackamas County to use for their own transportation projects. To be eligible to receive fuel tax revenues, a city must have entered into an Inter- Governmental Agreement with the County prior to September 1, 2016. A list of county projects and their estimated costs can be found at <http://theroadahead.us/>.

The tax is implemented in March 2017 and will expire seven years after the implementation date. The County will adopt an ordinance for the administration of the motor vehicle fuel tax and establish and implement licensing requirements.

## EXPLANATORY STATEMENT

Road funds primarily come from motor vehicle fuel taxes and vehicle registration fees. Oregon law prohibits using ad valorem (property) taxes for roads. The county uses road funds efficiently, but is unable to keep pace with maintenance needs. There is a \$17 million annual gap between funds needed to maintain roads and revenue.

Over 50% of Clackamas County's 1,400 road miles are in fair or poor condition. Every year, a larger percentage of county roads slip into disrepair, and the county doesn't have the necessary revenue to keep up. Waiting also comes at a price, as the cost to reconstruct a road in the future is more than 10 times greater than the cost of providing preventive maintenance today.

Ongoing preventive maintenance is critical to safe roads. Smooth roadways, clear lane markings, unobstructed sightlines, drainage and well-marked intersections help reduce crashes and keep travelers safe.

Oregon law allows the voters of a county to vote to impose a motor vehicle fuel tax. The measure would impose a 6-cent per gallon tax on motor vehicle fuel sold in Clackamas County. Annual revenues generated by the vehicle fuel tax are estimated to be \$9 million. The tax would be collected by the Oregon Department of Transportation. The County will distribute 40% of the tax net revenues collected to supporting cities in Clackamas County. The County and Cities will enter into an Inter-governmental Agreement to memorialize this arrangement. To be eligible to receive fuel tax revenues, each City must enter into the Inter-governmental Agreement before September 1, 2016. The tax must be used as required by the Oregon Constitution for construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and roadside rest areas in the county. The tax would expire after seven years.

Explanatory Statement Furnished by Clackamas County Board of Commissioners

\_\_\_\_\_  
Authorized Signature

Date: \_\_\_\_\_, 2017



**CITY OF MILWAUKIE**

*"Dogwood City of the West"*

**Resolution No.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, SUPPORTING THE CLACKAMAS COUNTY MOTOR FUEL TAX.**

**WHEREAS**, Clackamas County held a summit on June 9, 2016 seeking feedback from the cities about means to address county road maintenance funding needs that could also support city transportation funding needs; and

**WHEREAS**, feedback from the cities at the summit on June 9 included support for a "gas" tax contingent upon the County's commitment to split the revenues with the cities (60% to the County and 40% to the cities) and contingent upon the cities signing a resolution in support of the ballot measure; and

**WHEREAS**, the Clackamas County Board of Commissioners (CCBC) agreed to pursue a \$0.06 cent per gallon fuel tax and confirmed the intent for cities to sign an Inter-Governmental Agreement (IGA) to memorialize the 60/40 percentage split should the measure succeed; and

**WHEREAS**, the CCBC agreed the terms of an IGA should include the County's commitment to only use 60% of the revenue from a fuel tax, while 40% of the fuel tax revenue would be shared among cities that sign an IGA by September 1, 2016; and

**Now, Therefore, be it Resolved** that the City of Milwaukie City Council supports the motor vehicle fuel tax measure proposed by Clackamas County together with the following:

Section 1 The City of Milwaukie City Council supports the proposed Clackamas County ballot measure, substantially in the form attached as Exhibit A, asking voter approval for a county-wide \$0.06 per gallon motor vehicle fuel tax for a period of 7 years and the distribution of 40% of the revenue to cities within Clackamas County to address their identified transportation needs.

Section 2 The City of Milwaukie City Council commits to use its share of received revenue to address transportation needs within the city.

Section 3 The City of Milwaukie City Council authorizes the Mayor to execute an IGA with Clackamas County for the receipt of the Clackamas County Motor Vehicle Fuel Tax, substantially in the form attached as Exhibit B.

Introduced and adopted by the City Council on \_\_\_\_\_.

This resolution is effective upon adoption.

\_\_\_\_\_  
Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:  
Jordan Ramis PC

## **EXHIBIT A**

### BALLOT TITLE

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Explanatory Statement Furnished by Clackamas County Board of Commissioners

\_\_\_\_\_  
Authorized Signature

Date: \_\_\_\_\_, 2017

### Attachment 3

| POTENTIAL PROJECT LIST FOR THE ADDITIONAL GAS TAX FUNDS 2017-2022    |              |              |              |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| PROJECT NAME   | FY 2017      | FY 2018      | FY 2019      | FY 2020      | FY 2021      | FY 2022      | UNFUNDED     | TOTALS       |
| Public Works Property Acquisition                                    | \$ 130,000   | -            | -            | -            | -            | -            | -            | \$ 130,000   |
| 21st & Washington Signal Reconfiguration                             | \$ 131,000   | -            | -            | -            | -            | -            | -            | \$ 131,000   |
| Street Surface Maintenance Program Paving                            | \$ 1,400,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,600,000 | \$ 1,000,000 | \$ 1,000,000 | -            | \$ 7,000,000 |
| Street Surface Maintenance Program Slurry Seal                       |              | \$ 100,000   | -            | \$ 100,000   | -            | \$ 100,000   | -            | \$ 300,000   |
| Street Surface Maintenance Program Crack Seal                        | \$ 15,000    | \$ 15,000    | \$ 15,000    | \$ 15,000    | \$ 15,000    | \$ 15,000    | -            | \$ 90,000    |
| 17th Avenue Multi-Use Trail  | \$ 3,810,000 | -            | -            | -            | -            | -            | -            | \$ 3,810,000 |
| Transportation Vehicle Purchases                                     | \$ 45,000    | \$ 60,000    | \$ 125,000   | \$ 170,000   | \$ 100,000   | \$ 100,000   | -            | \$ 600,000   |
| ADA Ramp Enhancements  | \$ 200,000   | -            | -            | -            | -            | -            | -            | \$ 200,000   |
| Monroe Street Greenway Section E                                     | \$ 15,000    | \$ 125,000   | -            | -            | -            | -            | \$ 3,100,000 | \$ 3,240,000 |
| Kellogg Creek Bridge #22142  | \$ 818,000   | \$ 427,000   | -            | -            | -            | -            | -            | \$ 1,245,000 |
| Bicycle and Pedestrian Improvements                                  | \$ 50,000    | -            | -            | -            | -            | -            | -            | \$ 50,000    |
| Accessible Pedestrian Signal Upgrades - Location Specific            | -            | -            | -            | -            | -            | -            | \$ 737,900   | \$ 737,900   |
| Request for Service Program - Location Specific                      | -            | -            | -            | -            | -            | -            | \$ 1,000,000 | \$ 1,000,000 |
| ADA Ramp Upgrades City Wide  | -            | -            | -            | -            | -            | -            | \$ 150,636   | \$ 150,636   |
| Remove Barriers Program - City Wide                                  | -            | -            | -            | -            | -            | -            | \$ 1,379,601 | \$ 1,379,601 |
| Railroad Ave Path - 37th Ave to Linwood Ave                          | -            | -            | -            | -            | -            | -            | \$ 492,960   | \$ 492,960   |
| Kronberg Park Trail - Kellogg Creek Bike/Ped Bridge to River Rd      | -            | -            | -            | -            | -            | -            | \$ 540,000   | \$ 540,000   |
| Stanley Neighborhood Greenway (North) - Johnson Creek Blvd - King Rd | -            | -            | -            | -            | -            | -            | \$ 195,130   | \$ 195,130   |
| Linwood Ave - Harmony Rd to Monroe St                                | -            | -            | -            | -            | -            | -            | \$ 708,235   | \$ 708,235   |
| 43rd Ave/Howe/Covell - 42nd Ave to King Rd                           | -            | -            | -            | -            | -            | -            | \$ 594,012   | \$ 594,012   |
| Monroe St Neighborhood Greenway - Oak St to Linwood Ave              | -            | -            | -            | -            | -            | -            | \$ 694,603   | \$ 694,603   |
| Sellwood St - Madison St - 35th Ave to Milwaukie Elementary School   | -            | -            | -            | -            | -            | -            | \$ 369,766   | \$ 369,766   |
| Edison St - HWY 224 to 35th Ave                                      | -            | -            | -            | -            | -            | -            | \$ 59,998    | \$ 59,998    |
| Main St - Ochoco St - Harrison St to McLoughlin Blvd                 | -            | -            | -            | -            | -            | -            | \$ 595,870   | \$ 595,870   |
| International Way - Freeman Way to Lake Rd                           | -            | -            | -            | -            | -            | -            | \$ 416,113   | \$ 416,113   |
| Oatfield Rd - Lake Rd to City Limits                                 | -            | -            | -            | -            | -            | -            | \$ 154,130   | \$ 154,130   |
| 26th Ave - Lake Rd to Lake Village Apartments                        | -            | -            | -            | -            | -            | -            | \$ 62,224    | \$ 62,224    |
| 22nd Ave - McLoughlin Blvd to Sparrow St                             | -            | -            | -            | -            | -            | -            | \$ 228,051   | \$ 228,051   |
| Harvey St - 32nd Ave to 42nd Ave                                     | -            | -            | -            | -            | -            | -            | \$ 422,653   | \$ 422,653   |
| Home Ave - King Rd to Railroad Ave                                   | -            | -            | -            | -            | -            | -            | \$ 608,227   | \$ 608,227   |
| Rusk Rd - Kellogg Creek Dr - Lake Rd to North Clackamas Park         | -            | -            | -            | -            | -            | -            | \$ 306,242   | \$ 306,242   |
| 49th Ave - King Rd to Logus Rd                                       | -            | -            | -            | -            | -            | -            | \$ 142,711   | \$ 142,711   |
| Washington St/35th Ave - McLoughlin Blvd to Edison St                | -            | -            | -            | -            | -            | -            | \$ 452,829   | \$ 452,829   |
| Sparrow St - 22nd Ave to Trolley Trail                               | -            | -            | -            | -            | -            | -            | \$ 96,442    | \$ 96,442    |
| Brookside Dr - Winsor Dr - Johnson Creek Blvd to Willow St           | -            | -            | -            | -            | -            | -            | \$ 706,907   | \$ 706,907   |
| Ochoco St - McLoughlin Blvd to 17th Ave                              | -            | -            | -            | -            | -            | -            | \$ 212,546   | \$ 212,546   |
| Lake Road - 21st Ave to Guilford Dr                                  | -            | -            | -            | -            | -            | -            | \$ 831,870   | \$ 831,870   |
| Stanley Neighborhood Greenway (South) - King Rd to Railroad Ave      | -            | -            | -            | -            | -            | -            | \$ 287,560   | \$ 287,560   |
| Aspen - Furnberg St - Linwood Ave to Furnberg Park                   | -            | -            | -            | -            | -            | -            | \$ 553,938   | \$ 553,938   |
| Ardenwald Elementary School Routes - Roswell St to Olsen St          | -            | -            | -            | -            | -            | -            | \$ 271,510   | \$ 271,510   |
| Balfour St - 32nd Ave to Balfour Park                                | -            | -            | -            | -            | -            | -            | \$ 34,992    | \$ 34,992    |
| Logus Rd - 43rd Ave to 49th Ave                                      | -            | -            | -            | -            | -            | -            | \$ 142,295   | \$ 142,295   |
| Park St - Lloyd St - Home Ave to Stanley Ave                         | -            | -            | -            | -            | -            | -            | \$ 546,915   | \$ 546,915   |
| Where Else Ln - Lake Rd to Bowman and Brae Park                      | -            | -            | -            | -            | -            | -            | \$ 218,373   | \$ 218,373   |
| Frontage Rd - Springwater Corridor to End of OLCC Building           | -            | -            | -            | -            | -            | -            | \$ 80,402    | \$ 80,402    |
| 28th Ave - Van Water St - Springwater Corridor to 32nd Ave           | -            | -            | -            | -            | -            | -            | \$ 209,980   | \$ 209,980   |
| Rockwood St - Willow St - 43rd Ave to Stanley Ave                    | -            | -            | -            | -            | -            | -            | \$ 406,311   | \$ 406,311   |

| PROJECT NAME  | FY 2017             | FY 2018             | FY 2019             | FY 2020             | FY 2021             | FY 2022             | UNFUNDED             | TOTALS               |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| Mason Ln - 42nd Ave to Regents Dr                                   | -                   | -                   | -                   | -                   | -                   | -                   | \$ 455,125           | \$ 455,125           |
| Harmony Rd - International Way to Linwood Ave                       | -                   | -                   | -                   | -                   | -                   | -                   | \$ 106,459           | \$ 106,459           |
| Harmony Rd - Linwood Ave to City Limits                             | -                   | -                   | -                   | -                   | -                   | -                   | \$ 173,279           | \$ 173,279           |
| Lava Dr - Waverly Ct - 17th Ave to Highlands Apartments Entrance    | -                   | -                   | -                   | -                   | -                   | -                   | \$ 119,737           | \$ 119,737           |
| Mallard Way - International Way to Mallard Bridge                   | -                   | -                   | -                   | -                   | -                   | -                   | \$ 124,029           | \$ 124,029           |
| Bowman St - Brae St - Bowman and Brae Park to North Clackamas Park  | -                   | -                   | -                   | -                   | -                   | -                   | \$ 196,499           | \$ 196,499           |
| River Rd - Where Else Ln to City Limits                             | -                   | -                   | -                   | -                   | -                   | -                   | \$ 370,403           | \$ 370,403           |
| Johnson Creek Blvd - Public Works Property to City Limits (East)    | -                   | -                   | -                   | -                   | -                   | -                   | \$ 33,280            | \$ 33,280            |
| Lake Rd - Where Else Ln to International Way                        | -                   | -                   | -                   | -                   | -                   | -                   | \$ 59,111            | \$ 59,111            |
| 51st Ave - Logus Rd to Winworth Ct                                  | -                   | -                   | -                   | -                   | -                   | -                   | \$ 106,011           | \$ 106,011           |
| Mallard Bridge - Mallard Way to Railroad Ave                        | -                   | -                   | -                   | -                   | -                   | -                   | \$ 225,940           | \$ 225,940           |
| 32nd Ave & Railroad Ave - Van Water St to Oak St                    | -                   | -                   | -                   | -                   | -                   | -                   | \$ 828,705           | \$ 828,705           |
| 19th/Sparrow Neighborhood Greenway - Eagle St to 22nd Ave           | -                   | -                   | -                   | -                   | -                   | -                   | \$ 218,648           | \$ 218,648           |
| 47th Ave - Franklin St to Railroad Ave                              | -                   | -                   | -                   | -                   | -                   | -                   | \$ 63,192            | \$ 63,192            |
| 23rd & Willard - Lake Rd to 27th Ave                                | -                   | -                   | -                   | -                   | -                   | -                   | \$ 90,495            | \$ 90,495            |
| 27th Ave - Lake Rd to Washington St                                 | -                   | -                   | -                   | -                   | -                   | -                   | \$ 218,079           | \$ 218,079           |
| Olsen St - 42ns Ave to 32nd Ave                                     | -                   | -                   | -                   | -                   | -                   | -                   | \$ 305,948           | \$ 305,948           |
| Olsen St - 32nd Ave to End of West Olsen St                         | -                   | -                   | -                   | -                   | -                   | -                   | \$ 229,596           | \$ 229,596           |
| Roswell St - 32nd Ave to Rockworst St                               | -                   | -                   | -                   | -                   | -                   | -                   | \$ 225,489           | \$ 225,489           |
| 42nd Ave - Johnson Creek Blvd to Harvey St                          | -                   | -                   | -                   | -                   | -                   | -                   | \$ 164,003           | \$ 164,003           |
| 37th Ave - Harrison St to International Way                         | -                   | -                   | -                   | -                   | -                   | -                   | \$ 211,993           | \$ 211,993           |
| King Rd - 40th Ave to Linwood Ave                                   | -                   | -                   | -                   | -                   | -                   | -                   | \$ 816,433           | \$ 816,433           |
| 35th Ave - Washington St to Edison St                               | -                   | -                   | -                   | -                   | -                   | -                   | \$ 110,950           | \$ 110,950           |
| 28th Ave - Washington St to Harrison St                             | -                   | -                   | -                   | -                   | -                   | -                   | \$ 209,521           | \$ 209,521           |
| Oak St - Washington St to Monroe St                                 | -                   | -                   | -                   | -                   | -                   | -                   | \$ 89,281            | \$ 89,281            |
| 51st Ave - Casa Del Rey St - Lake Rd to North Clackamas Park        | -                   | -                   | -                   | -                   | -                   | -                   | \$ 186,711           | \$ 186,711           |
| Monroe St - 25th Ave to 28th Ave                                    | -                   | -                   | -                   | -                   | -                   | -                   | \$ 71,295            | \$ 71,295            |
| Harrison - McLoughlin Blvd to 42nd Ave                              | -                   | -                   | -                   | -                   | -                   | -                   | \$ 310,000           | \$ 310,000           |
| International Way - 37th Ave to Lake Rd                             | -                   | -                   | -                   | -                   | -                   | -                   | \$ 400,000           | \$ 400,000           |
| Oatfield Rd - Lake Rd to City Limits                                | -                   | -                   | -                   | -                   | -                   | -                   | \$ 39,026            | \$ 39,026            |
| Linwood Ave - Aspen St Harmony Rd                                   | -                   | -                   | -                   | -                   | -                   | -                   | \$ 32,000            | \$ 32,000            |
| Main St. Crossing Improvements                                      | \$ 50,000           | -                   | -                   | -                   | -                   | -                   | -                    | \$ 50,000            |
| Public Area Requirements (PARs)                                     | -                   | -                   | -                   | -                   | -                   | -                   | \$ 13,300,000        | \$ 13,300,000        |
| Linwood Pedestrian Improvements                                     | -                   | -                   | -                   | -                   | -                   | -                   | \$ 131,000           | \$ 131,000           |
| McLoughlin Blvd Improvements  | -                   | -                   | -                   | -                   | -                   | -                   | \$ 270,000           | \$ 270,000           |
| Harrison St/32nd Ave Intersection                                   | -                   | -                   | -                   | -                   | -                   | -                   | \$ 270,000           | \$ 270,000           |
| Connection through Union Pacific Railroad Property & McFarland Site | -                   | -                   | -                   | -                   | -                   | -                   | \$ 85,000            | \$ 85,000            |
| Oak St/34th Ave Connection  | -                   | -                   | -                   | -                   | -                   | -                   | \$ 100,000           | \$ 100,000           |
| Campbell St and Railroad Ave Upgrades                               | -                   | -                   | -                   | -                   | -                   | -                   | \$ 250,000           | \$ 250,000           |
| Home Ave and King Rd Pedestrian Crossing Improvements               | -                   | -                   | -                   | -                   | -                   | -                   | \$ 63,000            | \$ 63,000            |
| Northern Bike Connection  | -                   | -                   | -                   | -                   | -                   | -                   | \$ 85,000            | \$ 85,000            |
| Crossing at Harrison St/31st Ave                                    | -                   | -                   | -                   | -                   | -                   | -                   | \$ 250,000           | \$ 250,000           |
| Hwy 224 Intersection Upgrades                                       | -                   | -                   | -                   | -                   | -                   | -                   | \$ 2,300,000         | \$ 2,300,000         |
| McLoughlin Intersection Upgrades                                    | -                   | -                   | -                   | -                   | -                   | -                   | \$ 2,000,000         | \$ 2,000,000         |
| Downtown Parking Improvements                                       | -                   | -                   | -                   | -                   | -                   | -                   | 11,500,000           | 11,500,000           |
| <b>TOTAL</b>  | <b>\$ 6,664,000</b> | <b>\$ 1,727,000</b> | <b>\$ 1,140,000</b> | <b>\$ 1,885,000</b> | <b>\$ 1,115,000</b> | <b>\$ 1,215,000</b> | <b>\$ 55,407,170</b> | <b>\$ 69,153,170</b> |



MILWAUKIE CITY COUNCIL  
STAFF REPORT

Agenda Item: **RS 6. B.**  
Meeting Date: **August 16, 2016**

To: Mayor and City Council

Through: Bill Monahan, City Manager  
Alma Flores, Community Development Director

Subject: **Community Vision Status Update**

From: David Levitan, Senior Planner  
Denny Egner, Planning Director

Date: August 8, for August 16, 2016, Regular Session

### **ACTION REQUESTED**

Listen to an update from staff and consultants on upcoming events for the Community Vision, and provide input on topic areas, the proposed process, and the use of the quadruple bottom line.

### **HISTORY OF PRIOR ACTIONS AND DISCUSSIONS**

**July 19, 2016:** The Council appointed 15 members to the Visioning Advisory Committee (VAC).

**July 5, 2016:** The Council heard the Steering Committee's recommendation for 14 members for the VAC and provided input on a potential 15<sup>th</sup> member.

**June 23, 2016:** Staff provided an update on the status of the Visioning Advisory Committee recruitment process.

**May 3, 2016:** The Council heard an update on the status of the Community Vision and Action Plan, including staff's proposal for a Visioning Advisory Committee.

**February 18, 2016:** Visioning consultant Steven Ames gave a presentation on community visioning, including recent visioning projects that he had worked on and the basic tenets of the "Oregon Model" for visioning. Council provided feedback on the potential scope of the visioning process, which Mr. Ames summarized in a March 11 memo.

**January 19, 2016:** Council asked staff to explore a visioning process that would include an action plan component to address issues that may not fit into the Comprehensive Plan and to include a more robust outreach element.

**December 15, 2015:** Council directed staff to initiate a 2 ½ to 3-year effort to update the City's Comprehensive Plan, including a 6-month long community visioning process.

### **BACKGROUND**

The City of Milwaukie is in the early stages of developing a Community Vision. Staff has met with the Council several times over the past eight months to provide information and seek Council direction on the process for creating the Vision, including the scope, breadth, topic

areas and timeline. Incorporating Council input, staff issued a Request for Proposal (RFP) in May 2016 for consultant assistance to help develop the Vision. A team of City staff from several departments reviewed the five proposals that were submitted, and selected Cogan Owens Greene (COG) of Portland, who were brought under contract in July 2016.

July also saw the creation of the Visioning Steering Committee and Visioning Advisory Committee (VAC). The Steering Committee is comprised of Councilor Parks and staff from Planning, Community Development, the City Manager's Office, North Clackamas School District, and North Clackamas Parks and Recreation District. The VAC was widely advertised in May and June, and the City received 52 applications. Based on recommendations from the Steering Committee, the City Council appointed 15 members to the VAC at their July 19 regular session; Mayor Gamba will serve as the Council liaison to the VAC. At Council's direction, staff has also continued recruitment efforts to add one or two more members to the VAC. The Steering Committee is proposing that the Council adopt a resolution at their August 15 meeting that appoints Alejandra Torres as the 16<sup>th</sup> VAC member.

On July 11, Mayor Gamba and City staff met with COG and their subconsultants for a Vision Kick-Off Meeting. The meeting helped define roles and responsibilities and refine the project scope, resulting in several additional community outreach events, including a Town Hall meeting in October. The project is now ready to enter the next stage of community outreach and public input.

## **DISCUSSION**

Staff and its consultants are currently working on a variety of tasks related to launching the community outreach stage of the Community Vision. These include:

- Interviews with 20-25 community stakeholders: These interviews will be used to frame the topics and issues that are featured in future public involvement and engagement events, which include a series of "Community Conversations", an October Town Hall meeting, intercept surveys, and online engagement opportunities. Interviews began on August 2, and should be completed by August 12. Stakeholders include NDA chairs, business associations, community groups, environmental advocates, and representatives from a number of City boards and committees. The list of stakeholders and interview questions is included as Attachment 2.
- Outreach at Summer Concert Series and Other Community Events: Staff and its consultants have created a postcard (included as Attachment 3) that will be distributed starting the week of August 15 at a number of NDA summer concerts, the Farmer's Market, and other events. The postcard includes information about the Community Vision and a first question about people's vision of Milwaukie in 2040, which they will be able to respond to via text or by visiting the project website.
- August 18 Community Conversation: Staff has invited the 37 applicants that were not appointed to the Visioning Advisory Committee to attend a special "Community Conversation", which are a listening-based exercise that allow attendees to weigh in on their vision for Milwaukie. Part of the stakeholder interview process described above includes asking individuals if their groups and organizations would be interested in hosting a Community Conversation. The project scope includes up to 18 Community Conversations, which will occur in September and October.
- August 19 Steering Committee Meeting: The Steering Committee will meet to discuss outreach efforts, metrics for the vision and action plan, and a number of other topics.

- August 23 Visioning Advisory Committee Meeting: Mayor Gamba and the 16 VAC members will meet with City staff and its consultants to define their role and engage them in the community outreach process.
- Creation of a Youth Vision Action Team: A team of local high school students will be trained to conduct business and stakeholder intercept surveys for the Community Vision. These intercept surveys will occur in September and October.

### Questions for Council

In advance of the intensive public outreach campaign that is set to begin, staff and its consultants are seeking input and direction from Council at its August 16 meeting on a number of topics. Staff and its consultants will give a short presentation, leaving the majority of time for discussion. Staff would appreciate Council input on the following questions:

1. What specifically should the vision process be sure to address?
2. What is going well in the City that we should build upon?
3. The City is proposing to incorporate sustainability and equity in the vision and action plan through a quadruple bottom line analysis of economy, social, environment and culture. These could also be thought of as a concurrent focus on people, place, planet and prosperity. The action plan process will identify metrics to track Milwaukie's progress in those areas. What metrics would you be interested in seeing developed for Milwaukie's vision and action plan "dashboard" going forward?
4. Do you have any other input on topics or outreach opportunities that we should be incorporating?

### **CONCURRENCE**

No other departments have reviewed this report.

### **FISCAL IMPACTS**

N/A

### **WORK LOAD IMPACTS**

N/A

### **ATTACHMENTS**

1. Project Schedule
2. List of Identified Stakeholders and Stakeholder Interview Questions
3. Draft Postcard for Summer Outreach Events

PROJECT SCHEDULE

| Milwaukie Community Vision and Action Plan                  | 2016 |     |      |     |     |     | 2017 |     |       |       |     |      |      |
|---|------|-----|------|-----|-----|-----|------|-----|-------|-------|-----|------|------|
|   | July | Aug | Sept | Oct | Nov | Dec | Jan  | Feb | March | April | May | June | July |
| <b>Task 1: Inquiry</b>                                      |      |     |      |     |     |     |      |     |       |       |     |      |      |
| 1.1 Chartering  | ●    |     |      |     |     |     |      |     |       |       |     |      |      |
| 1.2 Stakeholder Interviews                                  | ■    | ■   |      |     |     |     |      |     |       |       |     |      |      |
| 1.3 Youth Leadership  | ■    | ■   | ■    | ■   | ■   | ■   | ■    | ■   | ■     | ■     | ■   | ■    | ■    |
| 1.4 Council Worksession #1                                  |      | ●   |      |     |     |     |      |     |       |       |     |      |      |
| 1.5 Vision Advisory Committee Meetings #1                   |      | ●   |      |     |     |     |      |     |       |       |     |      |      |
| 1.6 Quadrouple Bottom Line Lens/ Metrics                    |      | ■   | ■    |     |     |     |      |     |       |       |     |      |      |
| 1.7 Community Engagement Plan and Key Messages              |      | ■   | ■    |     |     |     |      |     |       |       |     |      |      |
| 1.8 Community Profile Draft/Final                           |      |     | ●    | ●   |     |     |      |     |       |       |     |      |      |
| 1.9 Steering Committee Worksession #1                       |      |     | ●    |     |     |     |      |     |       |       |     |      |      |
| 1.10 Vision Advisory Committee Meetings #2                  |      |     | ●    |     |     |     |      |     |       |       |     |      |      |
| 1.11 Community Conversations/ Fairs and Events (18)         |      | ■   | ■    | ■   | ■   |     |      |     |       |       |     |      |      |
| 1.12 Intercept/Business Surveys                             |      |     | ■    | ■   | ■   |     |      |     |       |       |     |      |      |
| 1.13 Online Survey  |      |     | ■    | ■   | ■   |     |      |     |       |       |     |      |      |
| 1.14 Social Media   |      |     | ■    | ■   | ■   |     |      |     |       |       |     |      |      |
| 1.15 Textizen Engagement                                    |      |     | ■    | ■   | ■   |     |      |     |       |       |     |      |      |
| 1.16 Town Hall  |      |     |      |     | ●   |     |      |     |       |       |     |      |      |
| 1.17 Outreach Summary and Vision Themes                     |      |     |      |     | ●   |     |      |     |       |       |     |      |      |
| 1.18 Vision Advisory Committee Meeting #3                   |      |     |      |     | ●   |     |      |     |       |       |     |      |      |
| 1.19 Project management calls                               | ■    | ■   | ■    | ■   | ■   | ■   | ■    | ■   | ■     | ■     | ■   | ■    | ■    |
| 1.20 Project Administration/ Coordination/ Progress Reports | ●    | ●   | ●    | ●   | ●   | ●   | ●    | ●   | ●     | ●     | ●   | ●    | ●    |
| <b>Task 2: Vision</b>                                       |      |     |      |     |     |     |      |     |       |       |     |      |      |
| 2.1 Vision Advisory Committee Meeting #4                    |      |     |      |     |     |     | ●    |     |       |       |     |      |      |
| 2.2 Online Survey   |      |     |      |     |     |     | ■    | ■   |       |       |     |      |      |
| 2.3 Social Media  |      |     |      |     |     |     | ■    | ■   |       |       |     |      |      |
| 2.4 Textizen Engagement                                     |      |     |      |     |     |     | ■    | ■   |       |       |     |      |      |
| 2.5 Town Hall/ James Rojas/ Community Fair                  |      |     |      |     |     |     |      | ●   |       |       |     |      |      |
| 2.6 Draft / Final Town Hall Summary                         |      |     |      |     |     |     |      | ■   | ■     |       |     |      |      |
| 2.7 Draft Vision  |      |     |      |     |     |     |      |     | ●     |       |     |      |      |
| 2.8 Vision Advisory Group Meeting #5                        |      |     |      |     |     |     |      |     | ●     |       |     |      |      |
| <b>Task 3: Action Plan</b>                                  |      |     |      |     |     |     |      |     |       |       |     |      |      |
| 3.1 Community Conversations/ Fairs and Events (10)          |      |     |      |     |     |     |      |     | ■     | ■     |     |      |      |
| 3.2 Vision Advisory Committee Meeting #6                    |      |     |      |     |     |     |      |     | ●     |       |     |      |      |
| 3.3 Online Survey   |      |     |      |     |     |     |      |     | ■     | ■     |     |      |      |
| 3.4 Social Media  |      |     |      |     |     |     |      |     | ■     | ■     |     |      |      |
| 3.5 Textizen Engagement                                     |      |     |      |     |     |     |      |     | ■     | ■     |     |      |      |
| 3.6 Draft Vision, Action Plan                               |      |     |      |     |     |     |      |     |       |       |     | ●    |      |
| 3.7 Vision Advisory Committee Meeting #7                    |      |     |      |     |     |     |      |     |       |       |     | ●    |      |
| 3.8 Steering Committee Worksession #2                       |      |     |      |     |     |     |      |     |       |       |     | ●    |      |
| 3.9 Council Worksession (Final Presentation/Open House) #3  |      |     |      |     |     |     |      |     |       |       |     | ●    | ●    |
| 3.10 Final Vision, Action Plan                              |      |     |      |     |     |     |      |     |       |       |     |      | ●    |

- Meeting/ Product
- Task
- Vision Advisory Committee Meeting
- Steering Committee Meeting
- Town Hall/ Public Event

|  |   |
|--|---|
|  <p><b>MILWAUKIE<br/>ALL ABOARD</b></p> | <p><b>Community Vision and Action Plan<br/>Stakeholder Interview Questionnaire<br/>August 3, 2016</b></p> |
|--|---|

Interviewee \_\_\_\_\_ Title \_\_\_\_\_

Organization \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

Interview Date and Time \_\_\_\_\_ Interviewer \_\_\_\_\_

**Introduction**

Milwaukie All Aboard is a community vision and action planning project that was launched in May 2016. Over the course of the next 12 months, the City will be gathering guidance from the community and developing a Community Vision Statement that describes what Milwaukie community members want the community to be like in the year 2040. The focus is on City services in collaboration with partner service providers such as North Milwaukie Parks and Recreation District and North Clackamas School District. The results of the process will help inform the update of the Comprehensive Plan, the City’s primary long-range physical planning and community engagement document.

Thank you for talking with us. The interviews are confidential. Answers will be reported in the aggregate, so please be as candid as you can, e.g., say the first thing that comes to mind.

Any questions before we begin?

1. For you, what are Milwaukie’s most cherished attributes?
  
  
  
  
  
  
  
  
  
  
2. As the community develops a future 2040 vision and action plan, what is on the horizon that we should be sure to consider?
  
  
  
  
  
  
  
  
  
  
3. What is going well?

4. What, if anything, causes you concern about the future of Milwaukie?
  
5. What else should the vision process address?
  
6. How would you like to be involved in the vision and action plan process?
  - Participate online
  - Participate in a community Town Hall
  - Help host a community conversation with your community group or organization
  - Other \_\_\_\_\_
  
7. A) As we develop the communications and engagement strategy, it would be helpful to know how to engage with you and your constituents best. How would you recommend reaching Milwaukie residents, employees and business owners?
 

B) Would you be willing to help us spread the word, e.g., online surveys/ town hall meetings? Yes \_\_\_\_ No \_\_\_\_\_.

If yes, how? [newsletter, etc.]
  
8. We are setting up Community Conversations on site this fall to meet with community groups and organizations when convenient with them. Would you / your organization be available to host 30 minute to one hour conversation this fall?
  
9. Finally, we will be hosting two town halls in the process – this October and next February. Would you be willing or interested in having a table display at the open house prior to the event to help spread and receive information? If so, we will get back to you with more information next month in September.
 

Yes \_\_\_\_

No \_\_\_\_

I'll think about it/ maybe \_\_\_\_\_
  
10. Thank you so much. Is there anything else we should know?

That's all of our questions. We will send you a summary of all the interviews and the updated Website link [www.milwaukievision.org](http://www.milwaukievision.org) next month. Thanks very much for your time!

### Stakeholders to Interview

| Name                | Organization                        |
|---------------------|-------------------------------------|
| Ray Bryan           | Historic Milwaukie NDA              |
| Cindy Miguel        | Island Station NDA                  |
| Vince Alvarez       | Lake Road NDA                       |
| Jeff Davis          | Ardenwald NDA                       |
| Bryan Trotter       | Lewelling NDA                       |
| David Aschenbrenner | Hector Campbell NDA                 |
| Zac Perry           | Linwood NDA                         |
| Roberto Aguilar     | Milwaukie HS                        |
| Cindy Quintanilla   | North Clackamas School District     |
| Greg Baartz-Bowman  | Bike Milwaukie                      |
| Laura Edmonds       | North Clackamas Chamber of Commerce |
| Kelli Keehner       | Downtown Business Association       |
| Martha McLennan     | Northwest Housing Alternatives      |
| Daniel Newberry     | Johnson Creek Watershed Council     |
| Joel Bergman        | Rotary Club of Milwaukie            |
| Jerry Craig         | American Legion Post 180            |
| Chris Davis         | ArtMOB                              |
| Adam Argo           | Planning Commission                 |
| Angel Falconer      | Public Safety Advisory Committee    |
| Sherry Grau         | DLC, Northwest Housing Alternatives |
| Lisa Gunion-Rinker  | Park and Recreation Board           |
| Ryan Healy          | Library Board                       |
| Clare Fuchs         | Sustainability Director, City       |
| Mark Gamba          | Mayor, City                         |

NDA Chairs

Board/Committee Members

City Employees



**MILWAUKIE**  
ALL ABOARD

Please plan to join us at a Town Hall in October!  
Visit [milwaukievision.org](http://milwaukievision.org) to sign up for updates.

# Milwaukie 2040: What Do You Want To See?

*Quando usted piensa en el Milwaukie del futuro, ¿que es lo que usted desea ver?*

Draw on the back of this card, or text your answer to xxx-xxx-xxxx.

*Dibuje su idea al costado de esta carta o mande un texto a xxx-xxx-xxxx.*

For more information visit [www.Milwaukievision.org](http://www.Milwaukievision.org)

Contact David Levitan at [LevitanD@milwaukieoregon.gov](mailto:LevitanD@milwaukieoregon.gov)

*Para información en español mande un email a [espanol@milwaukievision.org](mailto:espanol@milwaukievision.org)*



**MILWAUKIE**  
ALL ABOARD

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Contact David Levitan at [LevitanD@milwaukieoregon.gov](mailto:LevitanD@milwaukieoregon.gov)

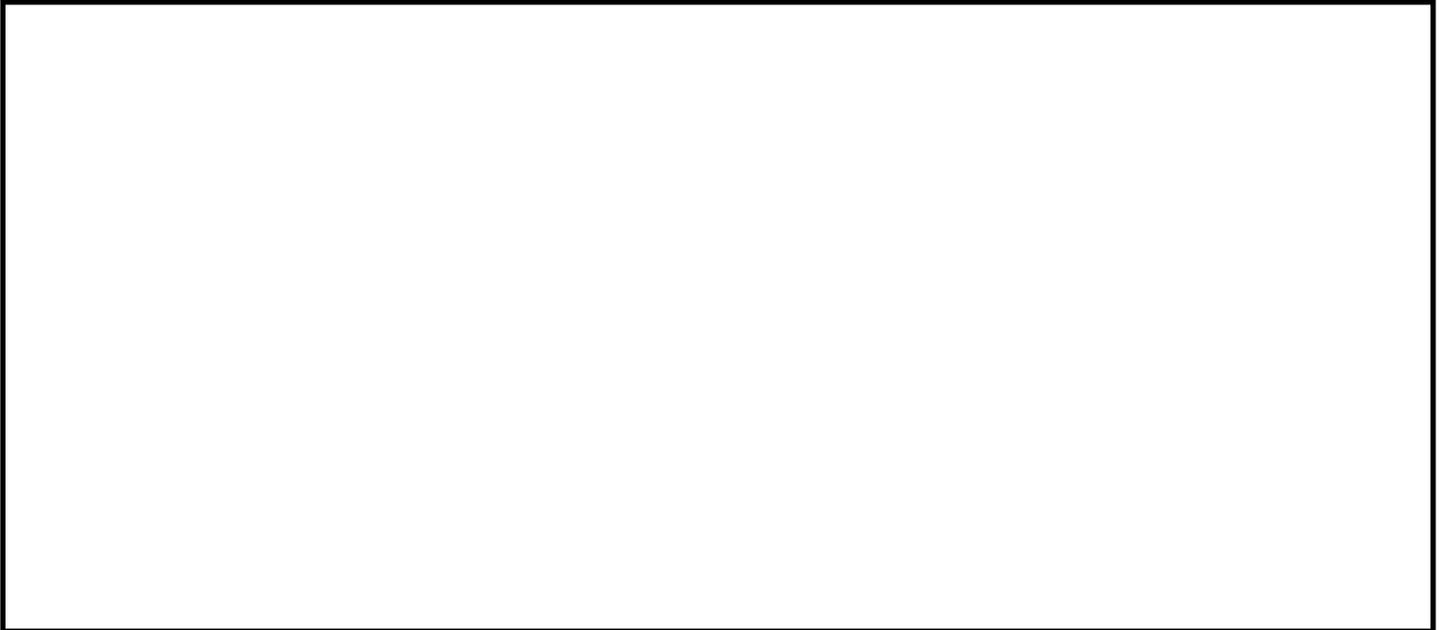
*Para información en español mande un email a [espanol@milwaukievision.org](mailto:espanol@milwaukievision.org)*

When I think about the Milwaukie of the future, I want to see...

*Cuando yo pienso en el Milwaukie del futuro, lo que yo quiero ver es...*

Draw or describe below!

*¡Dibujelo en el cuadro!*



Return today or text your answer to xxx-xxx-xxxx.

*Regrese hoy o mande un texto a xxx-xxx-xxxx.*

When I think about the Milwaukie of the future, I want to see...

*Cuando yo pienso en el Milwaukie del futuro, lo que yo quiero ver es...*

Draw or describe below!

*¡Dibujelo en el cuadro!*



Return today or text your answer to xxx-xxx-xxxx.

*Regrese hoy o mande un texto a xxx-xxx-xxxx.*

**RS190**



MILWAUKIE CITY COUNCIL  
**STAFF REPORT**

Agenda Item: **RS 6. C.**  
Meeting Date: **August 16, 2016**

To: Mayor and City Council

Through: Bill Monahan, City Manager  
Alma Flores, Community Development Director

Subject: **Regional Flexible Fund Allocation Program  
Monroe Street Neighborhood Greenway**

From: Denny Egner, Planning Director  
Charles Eaton, Engineering Director

Date: August 5, 2016

### **ACTION REQUESTED**

Adopt a resolution approving the application for 2019-2021 Regional Flexible Funds Allocation program to initiate preliminary engineering for the Monroe Street Greenway Concept Plan.

### **HISTORY OF PRIOR ACTIONS AND DISCUSSIONS**

December 1, 2015: City Council adopted Resolution 107-215 which included directing staff to take steps to implement the Concept Plan, including pursuing grants to fund further design and construction of the Monroe Street Neighborhood Greenway.

November 3, 2015: Public hearing opened to take public testimony on the draft Concept Plan and to allow for Council discussion.

August 18, 2015: Worksession update to begin preparing for the public hearing on the draft Concept Plan, proposed for November 3, 2015.

June 16, 2015: Worksession update to present the final draft of the Concept Plan and outline next steps in moving toward adoption of the plan.

August 2014 to May 2015: Three staff updates on project status (August 2014, February and May 2015). Formal adoption of new Council goals for 2015-16, including a focus on bicycle and pedestrian safety.

February 2013 to June 2014: Formal adoption of Council goals for 2013 and 2014, including goals related to making Monroe Street a neighborhood greenway. Two staff updates on project status (January and April 2014). Council adoption of Resolutions 47-2013 and 55-2014, endorsing the City's grant application for the project and authorizing an Intergovernmental Agreement (IGA) with the Oregon Department of Transportation (ODOT) to do the project.

### **BACKGROUND**

Currently the project solicitation period is open for the 2019-2021 Regional Flexible Fund Allocation (RFFA) program. This program includes two areas: Active Transportation and Freight Investments. There is \$25.81 million available for Active Transportation projects and \$7.3 million available for Freight Investments.

City staff evaluated the projects included in the current Capital Improvement Program (CIP) to determine which projects best met the guidelines of the RFFA program. Three projects appeared to be the best fit for Active Transportation funding:

1. Monroe Street Neighborhood Greenway
2. Lake Road Improvements
3. Railroad Ave. Multi-use path

All of the projects were reviewed in relation to the following factors:

1. Project readiness
2. Availability of matching funds
3. County-wide impact

The Monroe Street Neighborhood Greenway was selected for the following reasons:

1. Continues the implementation of the Greenway Plan in accordance with City Council direction
2. Plan is a High City priority within the City of Milwaukie Transportation System Plan.
3. The project ranked the highest of the Milwaukie Projects by Clackamas County Coordinating Committee (C4)
4. Complements the adjacent County Greenway project being submitted by Clackamas County for the RFFA program..

Given the limited availability of funding, staff is proposing to request funds for preliminary engineering and right-of-way acquisition only at this time. This corresponds with the recommendation of County staff for the portion of the greenway outside the City of Milwaukie and would create a complete shovel ready project. The estimated cost for preliminary engineering and ROW acquisition is \$2.45 million with a minimum match requirement of \$252,000.

#### **CONCURRENCE**

NA

#### **FISCAL IMPACTS**

If the project is funded the City would be obligated for the agreed to match requirement. The Bike and Pedestrian Accessibility program could provide the matching funds for the project. The program identified would provide funds by FY 2019-21 for a match at the recommended funding level. The City would need to allocate a minimum of 10.27% and could potentially allocate up to 28% utilizing the proposed matching fund source.

#### **WORK LOAD IMPACTS**

This project would be administered through ODOT with City administrative oversight.

#### **ALTERNATIVES**

1. Approve an application for an alternative project other than the Monroe Street Greenway.
2. Do not move forward with any application for the RFFA funding at this time.

#### **ATTACHMENTS**

1. Resolution



**CITY OF MILWAUKIE**  
*"Dogwood City of the West"*

**Resolution No.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING THE NOMINATION OF THE MONROE STREET NEIGHBORHOOD GREENWAY PROJECT FOR THE METRO REGIONAL FLEXIBLE FUND ALLOCATION PROGRAM.**

**WHEREAS**, Metro is soliciting projects for the 2019-2021 Regional flexible Fund Allocation program; and

**WHEREAS**, The City of Milwaukie City Council directed staff to pursue grants for the Monroe Street Neighborhood Greenway; and

**WHEREAS**, Monroe Street Neighborhood Greenway project is eligible for the Regional Flexible Funds Allocation program; and

**WHEREAS**, The City of Milwaukie desires to participate in the program and will commit to provide the indicated match should the grant funds be awarded; and

**Now, Therefore, be it Resolved** that the City Council approves the Monroe Street Neighborhood Greenway project for nomination to the 2019-2021 Metro Regional Flexible Funds Allocation program and authorizes the Engineering Director to submit the application.

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