

DATE: September 23, 2013

ECO Project #: 21485

TO: Stephen Butler and Li Alligood – City of Milwaukie

FROM: Nick Popenuk

SUBJECT: MOVING FORWARD MILWAUKIE – PROJECT ADVISORY COMMITTEE MEETING #1 – MEETING NOTES

1. Project Overview & Introductions

Steve Butler provided a project overview

- Project is focused on how the City can build upon our strengths and enhance commercial areas to make them better than they are today. Looking at three areas: downtown, central Milwaukie, and neighborhood commercial main street areas.
- Lots of past projects and studies. Don't want to redo them. Make some revisions. What do we need to have good development occur?
- Opportunity sites. Want it to be action oriented, and not pie in the sky. Focus on implementation. Aspirational yes, but implementable. Something we can see in the next five years.

Group introductions

Advisory Committee Members present:

- Lars Campbell – Hector-Campbell NDA
- Paul Lisac - Business/Property Owner, 32nd Ave.
- Alicia Hamilton – Island Station NDA
- Sine Bone – Planning Commission
- DJ Heffernon – Business/Property Owner, Central Milwaukie (Murphy Site)
- David Aschenbrenner - South Downtown Steering Committee
- Neil Hankerson – Downtown Business/Property Owner (Dark Horse Comics)
- Dion Shepard – Historic Milwaukie NDA
- David Hedges – City Council
- Betty Fulmore – Ardenwald NDA
- Debby Patton – Lake Road NDA
- Kim Keehner – Downtown Business/Property Owner (Enchante)
- Sherry Grau – Design and Landmarks Committee
- Larry Cole – Downtown Business/Property Owner (ACME-DVD)

- Brian Sims –Business/Property Owner, 42nd Ave (Healthsource of Milwaukie)
- Paul Klein – Lewelling NDA

Other attendees present:

- Ray Bryan – Alternate, Historic Milwaukie NDA
- Bill (came with Kim Keehner)
- Sue Leslie – Alternate, Downtown Business/Property Owner (Artistik Edge Salon)
- Kacey Teel – Alternate, Ardenwald NDA (Owner of Milwaukie Grind)
- Mark Gamba – Alternate, City Council
- Jeremy Ferguson - Mayor

City staff:

- Steve Butler, Community Development Director – City of Milwaukie
- Li Alligood , Associate Planner/Project Manager– City of Milwaukie

Consultant team:

- Nick Popenuk , Project Manager - ECONorthwest
- Abe Farkas - ECONorthwest
- John Fregonese – Fregonese Associates
- Leila Aman – Fregonese Associates

2. Project Schedule & Scope of Work

Li Alligood described the scope of work and project schedule.

- This is a big project. Started in August. 18 to 24 month timeline. Lots to happen. Advisory Committee involved all along the way.
- Might be policy changes: amendments to comprehensive plan and code.
- Really wide-ranging project, incorporates different parts of the City. Areas that each of you have interest in.

3. Role/Purpose of the Project Advisory Committee

John Fregonese described the role of the Project Advisory Committee.

- If we want a debate, lets have it here first. You're the brain trust. Tell us how the community feels.

- We're going to be doing building prototyping. We're going to pretend to build it. See if it can pencil. Not just showing you the pretty picture, but see how we can get it done. Requires a lot of attention to those details. And dealing with hard tradeoffs.
- We'll bring you stuff that's not fully baked. We'll bring you the ingredients. You'll see them in a raw format. We want you to review the key deliverables. We want to come back to you and share them with you, and have you guys tell us what you think it means. It's a two-way conversation. Not just for us to give you presentations. Want to understand what you're thinking.
- With policy choices. You tell us what should be done, so that when we go out to the public and council we have the highest chance of success.
- Basic rules for conduct, like when your in-laws come for Thanksgiving.
- Raise your name tag vertically if you want to speak, and that way we can call on you. Helps to make sure that facilitators don't forget about you.
- Seven meetings. Staggered throughout the year.

There was a discussion about the upcoming October and November PAC meetings, and the conflict that they had with the City's light rail meetings, and whether that was an issue for anyone, and whether another day of the month might work better.

- David A: City has their own light rail meetings, and CAC for TriMet meets on a different day. Not a conflict.
- Dion S: It is a problem for our neighborhood. I know we have alternates that go, but we all want to be at all the meetings.
- John: We can get back to everyone with a poll for other dates that might work.

4. Public Involvement Plan and Opportunities for Engagement.

John Fregonese walked through the public involvement plan.

- Paul L: Question on what are these sites that we're calling Murphy and McFarland?
 - The Murphy site is the large vacant site located at 32nd and Harrison; the McFarland site is the large vacant site behind the Milwaukie Marketplace on Oak St and Railroad Ave
- David A: Need to have small maps of these areas that we can refer to.
 - City will supply additional maps for next meeting.
- Alicia H: How does the developer roundtable feedback fit with the market study?
 - Developer roundtable input, as well as the input from the Advisory Committee meeting will be direct inputs into the market study.

5. Review of Format/Materials for Public Events

John Fregonese provided an overview of public event format and materials via PowerPoint presentation.

6. Report on Preliminary Market Analysis

Nick Popenuk presented key findings from the preliminary market analysis.

The committee requested a comparison of Milwaukie's retail rents with:

- Sellwood
- Oak Grove
- Woodstock
- Mississippi Ave
- Oregon City
- Clackamas Town Center

Office absorption and vacancy:

- Paul K: not a lot of space to lease
- Neil H: are conflicts between zoning and office uses considered?
 - Nick P: CoStar looks at how it is advertised, not how it is zoned
- Alicia H: What is office absorption?
 - Nick P: When a new tenant comes in and fills a vacant space, the new tenant absorbs that space

Population growth:

- David A: Outer residential areas want to stay residential – development should focus on Murphy & McFarland sites and downtown
- Debby P: Where do the 2011/2012 numbers come from?
 - Nick P: PSU Population Research Center
- Betty F: Does the income level make a difference in business/population growth?
- Nick P: There is a stark difference in median household income between Milwaukie and the rest of the region. What is the PAC response to that information?
- Larry C: Do you have age information?
 - Nick P: Reviewed the presentation slide.
- Paul K: Do you have historic information – the last 20 years or so?
 - Nick P: We can provide at the next PAC meeting.

How do you feel about new families/residents?

- Betty F: Milwaukie is the best-kept secret in the region
- Alicia H: I moved here for more home for less money. The numbers don't scare me - Milwaukie is unique, it has river access and a Main Street quality
- Kacey T: Owns Milwaukie Grind – seeing a lot of young families that bike downtown, buy large lots so they can eat healthy and farm
- Betty F: Really is a secret – people don't realize that we are so close to everything
- Sue L: People look at the bigger picture – I am a real estate broker and buyers ask questions about the school district, crime rate, etc.
- David H: Figures are misleading – Milwaukie is part of the Portland metro area. It is incumbent upon businesses in the city to bring people in from outside – if there were a Trader Joe's in downtown it wouldn't only be Milwaukie residents shopping there.
 - Nick P: Good point – people who live here don't work here and vice versa
- Paul L: If the Murphy & McFarland sites had a Trader Joe's, traffic on Hwy 224 would support it – lots of people driving by every day

7. Development Roundtable Summary

Abe Farkas described the results of the first development roundtable.

- There was a conversation on the presence of the sewage treatment plant, as a potential deterrent for development.
 - Abe: Didn't come up as a major obstacle.
 - DJ H: Hood River has same issue, and they've had great redevelopment. It has not been a detriment. They can be pretty much invisible.
 - Paul L: 40 years ago it used to be a lot worse, and it's certainly changed.
- David A: Developers are not as concerned about retail space?
 - Abe: Different types of developers. The ones that do residential above ground floor retail. They look at it as a loss leader. "The grocery store is still open but it's not making any money."
- Paul L: "Access to the water"? There's no reasonable access to the water. No access other than the view.
 - Steve B: When we use the term access, we mean the visual access.
 - Mayor Ferguson: Described the current and planned future access to the Willamette. 17th Ave is funded and will happen. Next phase of Rivefront Park is partially funded and moving forward. We have a proposal for removing the dam on Kellogg Lake.

- Kim K: I was under the impression that Cash Spot site was going to be a parking structure?
 - David A: as part of South Downtown group we thought that you might have two or three floors of parking, and above that you'd have some businesses.
- Betty F: Weren't you also going to build a pedestrian bridge across McLoughlin at the Cash Spot site?
 - David A: Yes, that was part of our vision, but a lot of planners thought that the expense would be prohibitive.
- Betty F: Question on whether certain sites are developable from an environmental perspective.
- (Unknown): Question on whether the Cash Spot site, or other sites were planned for structured parking garages?
 - Li A: We will be looking into the feasibility of a structured parking garage through the opportunity site analysis. What would it cost? What would it mean? How much public investment would be required?

Adjourned for a 10-minute break.

8. Opportunity Sites SWOT Discussion

John Fregonese facilitated a discussion on SWOT analysis for each of the six identified Opportunity Sites.

- People like to talk about Strengths and Weaknesses, and this makes you think about negatives too.
- Strengths and Weaknesses are internal. Opportunities and Threats are external.

Texaco Site (McLoughlin and Harrison)

Strengths

- Location
- Large size
- Flat topography
- Easy access (car, bus, pedestrian)
- Not in the flood plain
- Close to the River
- It's in the Downtown

- Access to McLoughlin Boulevard
- Proximity to transit
- Great visibility on McLoughlin
- Good bikeway connections (Trolley Trail and 17th Ave connection)
- Publicly-owned
- Close to the library
- Close proximity to North Main Village

Weaknesses

- Current location for an existing farmers market
- Current location of a much-needed parking lot
- Community loves the trees on the site.
- Fronts right on McLoughlin (busy, noisy).
- Potential weakness: unknown environmental issues - any tanks, environmental contamination?

Opportunities

- Can transform McLoughlin into a beautiful inviting area for Milwaukie.
- Can make it a gateway to Milwaukie
- Could do cool architecture.
- If it's developed well, it can change people's impression of Milwaukie.
- Could be a signature piece, can see it from River and McLoughlin.
- Lack of vacant space (office and retail) in downtown Milwaukie.

Threats

- Multi-story building would block the view of City Hall from McLoughlin.
- Unsettled community opinions about desirable building height.
- Unknown community acceptance for new development.
- If done poorly, could have a big eyesore that would hurt the perception of Milwaukie from McLoughlin Boulevard traffic
- How can the existing uses be moved/accommodated?

Cash Spot Site (McLouglin & Washington)

Strengths

- Topography allows for a two-level site.
- Topography makes relatively easy to provide structured parking.
- Location
- Riverfront views
- Kellogg Lake views
- Close to MAX station
- City-owned

Weaknesses

- No access directly to McLoughlin Boulevard.
- Flooding concerns.
- Environmental restrictions: waterway, natural areas, and required setbacks.

Opportunities

- Opportunity for multiple levels of structured parking
- Riverfront Park improvements would make the site more attractive.
- Good location for water-related businesses
- Storefront side opens right up to the proposed Plaza
- Good restaurant and fabulous view potential for the “ground” floor above the parking garage. Would have phenomenal views.
- Summertime could use an outdoor area looking out on the Willamette.
- Lack of vacant space (office and retail) in downtown Milwaukie.

Threats

- Could have “rogue parkers,” people looking to take MAX that will park in this area, resulting in a lack of parking for residents, employees, and customers.
 - We need to look at less of a “parking” approach and more of an “access” approach.
- Could have the back of a multi-story parking garage as the face of this building on McLoughlin, providing an unattractive gateway for Milwaukie.

Triangle Site (21st & Lake Rd)

Strengths

- Transit access
- Right at light rail station

- In Downtown
- Publicly-owned
- Beautiful view of Kellogg Lake
- Close to the high school

Weaknesses

- Really small
- Odd shaped
- No parking
- South of Downtown (as opposed to the middle of downtown)

Opportunities

- Food cart court
- Coffee place
- Burrito place
- Bicycle shop
- A bike concierge
- Police department facility (storing their bikes)
- Museum space
- "Public comfort station" (bathrooms)
- Art
- Opportunity for real 24-hours eyes-on-the-street active space
- Lack of vacant space (office and retail) in downtown Milwaukie.
- Proposed pedestrian bridge
- Proposed public plaza

Threats

- County makes it problematic to get food cart licenses
- Food carts can cannibalize demand for existing restaurants and delis.
- Transit users might loiter, bring an undesirable element, (for example, going to the bathroom outdoors)

Dark Horse Property (21st between Monroe & Jefferson)

Strengths

- Location
- Single property owner
- Fairly quiet location.
- Milwaukie Lumber is a good neighbor
 - Commercial tenant at this site says it is “not an issue at all”
 - Two residential apartments on the corner of 21st and Jefferson, and the lumberyard is not an issue, and it’s easy to keep them rented.
- Appeal of “small town” Milwaukie.
- Transit on both sides of you: bus mall and light rail.
- Close to the schools

Weaknesses

- Narrow site.
- Hard to provide parking.

Opportunities

- For office tenants: Chase and Key Bank right across the street.
- Different from the other sites.
- Rail line quiet zone
- Transit-oriented development (residential with lower parking ratios)
- Lack of vacant space (office and retail) in downtown Milwaukie.

Threats

- Noise from the rail line
- Parking could be a problem
- Lots of undesirable activity at night with transit riders, especially with few eyes on the street

Murphy Site (32nd & Harrison)

Strengths

- Close to the hospital

- Flat
- Big
- Access to heavy rail (strength for industrial)
- Close to Hwy 224
- Close to police and fire (safe)

Weaknesses

- Check the environmental contamination
- Next to heavy rail (for residential, commercial)
- Limited access to the site (close to 224, but hard to access it)
- Existing businesses near Murphy site block access to it
 - Most of these businesses are also owned by the Murphys
- Close to residential (conflicts for industrial development)
- Close to police and fire (sirens)
- Right next to low income housing

Opportunities

- Entertainment uses (water park, or oaks parks)
- Expansion of public housing (if done right)
- Could build a pedestrian overpass over the rail line.

Threats

- Could generate a lot of traffic, and the area might not be able to handle it.
- Expansion of public housing (if not done right). Ardenwald NDA has fought against additional low-income housing in this area.

McFarland Site (37th and Monroe)

Strengths

- Big
- Easy access from everywhere
- Same train issues
- Good neighborhood
- Quietest neighborhood in Milwaukie (except for the train)

Weaknesses

- Same train issues
- Drainage issues
- Environmental contamination
- Weight limit on 37th, accessing the site from 224, so you wouldn't be able to bring in heavy trucks
- Uninviting backend of the Albertson's

Opportunities

- Going to have a quiet zone
- Could park along the railroad track
- Make yourself part of the community

Threats

- None identified.

9. Next Steps:

- Kickoff event on October 3 – if each PAC member brings 5 people, we'll have a great turnout
- PAC Meeting #2 tentative scheduled for October 21, City staff will send out a poll to see if there is a better date
- Downtown opportunity site workshop is October 28
- Central Milwaukie opportunity site workshop is October 29
- PAC Meeting #1 notes and materials would be posted in the next week or so

10. Adjourn

The meeting adjourned at 8:20pm.