



# CITY OF MILWAUKIE

**To:** Equity Steering Committee

**Through:** Laura Weigel, Planning Manager

**From:** Vera Koliias, Senior Planner  
Adam Heroux, Associate Planner

**Date:** November 22, 2023

**Subject:** Neighborhood Hubs Update

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## **ACTION REQUESTED**

Staff requests feedback on the results of our community engagement efforts and the future direction(s) of the Neighborhood Hubs project.

## **BACKGROUND INFORMATION**

On March 23, 2023, planning staff engaged in a dialogue with the Equity Steering Committee about the Neighborhood Hubs project, particularly focusing on community engagement. The ESC provided valuable insights about effectively engaging underrepresented communities in this project. In the 8 months since, staff conducted extensive community engagement with property owners, business owners, community organizations, and residents living near the original 13 identified Neighborhood Hubs. The city worked with a consultant team to identify priority Hubs based on existing conditions and community feedback from our outreach process. Staff are in the process of finalizing an action plan that includes a refined list of priority Hubs, zoning code changes, economic development programming, and recommendations for future efforts that can help Hubs grow to better meet community needs.

## **COMMUNITY ENGAGEMENT UPDATE**

During our outreach this year, project staff engaged businesses, property owners, and community organizations in the city's original 13 identified hubs. The city grounded our community engagement approach in the existing conditions of each Hub, ultimately identifying potential zoning changes and economic development programs that will help achieve the community's vision for Hubs. We re-evaluated Hub boundaries and Hub types, ultimately identifying short-term priority Hubs based on this analysis and outreach.

- ***Neighborhood District Associations*** - In May and June, the city presented to all 7 Neighborhood District Associations (NDAs) about Phase 2 of the Hubs project. The city also conducted three in-person workshops on proposed code changes and economic development programs to Island Station, Lewelling, and Linwood in October. Staff provided frequent updates throughout the year through a weekly Friday NDA email coordinated by the Strategic Engagement Team.
- ***Property and Business Owners*** - The city conducted a survey and series of interviews which engaged property owners, business owners, and community organizations in Hub areas. The survey had 22 respondents and staff conducted 18 interviews with 23 people about their property and/or business. These interviews helped the city identify willing partners who can contribute to the growth of Hubs. Property and business owners will be major drivers of Hub growth, especially given that the city does not intend to acquire land or develop property as a part of the project. Several property owners have remained active throughout project engagement, including attending or hosting site-specific workshops.
- ***Underrepresented Communities*** – City staff discussed plans to engage underrepresented communities with the ESC in March. The ESC suggested several avenues for engagement, emphasizing the principle of meeting people where they are, reducing barriers to engagement, and making engagement fun and relevant to families. City staff recognize that engagement must be based on trusting relationships and that building relationships intentionally takes time. Staff had the pleasure of interviewing several BIPOC business owners during summer outreach

Staff followed up on several leads from the ESC to identify new avenues for relationship building with underrepresented communities. While not all leads materialized in the last 8 months, staff conducted interviews with several potential outreach partners. This included Casey Layton of Clackamas Community College and both Cindy Detchon and Khaliyah Williams-Rodriguez of North Clackamas School District (NCSD).

Staff are meeting with NCSD's Engagement Specialists team on December 13 to identify potential avenues for collaboration on the Neighborhood Hubs project and other upcoming projects like the Transportation System Plan. The Engagement Specialist team does specialized engagement to connect families from underrepresented communities with their schools and available resources. Each Engagement Specialist engages a particular community, with multiple specialists serving Hispanic/Latino/a/x families and many others focused on other underrepresented communities such as African American families, people with disabilities, and Russian-speaking families, among others.

- ***General Community Engagement*** – City staff promoted the Hubs project aggressively through the Milwaukie Pilot which is mailed to all addresses in the city eleven months of the year. Staff published 5 articles in 2023 in April, May, October, November, and December. Staff updated and maintained a project page on the city's Engage Milwaukie platform and promoted surveys, workshops, and project updates there and through social media. Overall, more than 1,200 people visited the site, leading to 35 new

registrations, 205 informed visitors, and 99 engagements.

City staff hosted six in-person workshops—one in each neighborhood except Historic Milwaukie—and an online workshop to inform community on project progress and test levels of support for zoning changes and economic development programming. In-person workshops engaged 71 participants, while the online workshops had 49 participants for a total of 120. Workshop results are being analyzed now, but early reports from staff and Engage Milwaukie suggest greater than 85% support for the proposed changes with very low levels of opposition. Compared to past Milwaukie engagement efforts, early results suggest that outreach disproportionately engaged homeowners and White residents while renters and BIPOC residents were underrepresented. Staff have made some significant progress building intentional relationships to better engage and serve these communities in future work.

## EQUITY CONSIDERATIONS FOR FUTURE WORK

At the March ESC meeting, staff discussed early equity considerations for the project. With these in mind, staff have identified some potential directions for Phase III of the project. Below is a brief summary of these equity considerations and how they could be addressed in future work.

- 1. Existing Neighborhood Hubs are distributed inequitably.** This is due in part to historical zoning patterns which prioritized single family zoning to the exclusion of multi-family, mixed use, and commercial zoning in many areas. As a result, there are areas of the city without any commercial zoning that could support a new Neighborhood Hub. Lewelling, for instance, has no commercial Hubs within its boundary. Linwood has two commercial Hubs, one of which isn't particularly safe to access by foot or bike, but community members are interested in creating some small community Hubs.

Phase II of the project is creating zoning changes that will help existing Hubs grow, but none of those proposed zoning changes will make it possible for new Hubs to emerge in other areas. They are primarily designed to help existing Hubs overcome barriers to growth by allowing more activity on site. City staff could work to identify potential ways for Hubs to emerge within predominantly residential areas.

- a. Accessory Commercial Units (ACUs) and Home Occupations**

Several American cities have begun to allow ACUs to spur small, desirable commercial activities within traditionally single-family neighborhoods. Since the beginning of the COVID-19 pandemic, people have spent more time at home and in their neighborhoods. Small businesses often struggle to grow due to the high cost of retail space in commercial zones. By allowing accessory commercial units (ACUs) on residential properties, a resident can create their own limited commercial space to reduce business expansion costs while building wealth. Examples include a front porch coffee shop, a small restaurant, garage convenience store, street-side

barbershops, a pizza window, boutiques, cafes, bakeries, or even co-working office spaces. Since the ACU model creates opportunities for small businesses to expand with less up-front capital than traditional commercial space, ACUs are considered a “missing middle” for commercial uses. Given that the existing home occupations code prohibits home-based businesses from having the outward appearance of a business, ACUs are significantly limited under current code to things like basement salons, backyard craft studios, and business services like accounting or graphic design, among others. Staff could work to allow the development of ACUs.

**b. Community Service Uses**

These uses are generally allowed in zones that allow residential uses and require extensive Type III land use review for new uses or major modifications to existing uses. Some examples of CSUs include schools, parks, religious institutions, corrections facilities, transitional facilities, residential care facilities, some types of recreational facilities, and hospitals. Through this project, staff engaged with several CSU property owners who are interested in expanding the use of their properties to include activities consistent with Neighborhood Hubs, but not currently allowed by our code. Some examples include a commissary kitchen, café, office spaces, and multifamily or mixed-used housing development. Many of the city’s existing CSUs are located in predominantly residential areas which makes them a promising opportunity for new Hubs to emerge. One example is Milwaukie Lutheran Church on Lake Rd where the congregation is working through a community process with the goal of better utilizing their property to serve the wider community. The site has more parking and space than it currently needs for their current levels of operation and many of their ideas may not be possible without zoning changes and/or variances. Staff will be analyzing its CSU code in 2024-2025.

- 2. Who benefits from economic development programs?** Given that the intention of the Neighborhood Hubs project is to improve livability and access to desirable amenities, Hubs may have a gentrifying effect on neighborhoods. Gentrification often results in increased costs for housing and commercial rents which may displace existing residents and businesses. To reduce the likelihood that gentrification leads to displacement, the city can design its economic development strategies in a way that directly benefits those residents and small businesses who are at risk of displacement. To ensure this, the city will need to continue its relationship building work with underrepresented communities to ensure equal access and awareness of potential grant programs and other forms of assistance. Those most at risk of displacement include BIPOC communities, low-income renters and homeowners, people with disabilities, and seniors, among others.

## **QUESTIONS FOR THE ESC**

1. What equity considerations should we highlight for Planning Commission and City Council as we work on implementing code changes and economic development programming?
2. Do you have additional recommendations to ensure equal access to and awareness of potential economic development programs like grants for small businesses and community events?
3. Based on our early results, how can we build more momentum in our engagement with underrepresented communities in Milwaukie for this project?
4. Do ESC members support the direction of a potential Phase 3 of the Neighborhood Hubs project? Do you have suggestions for achieving more equitable outcomes?

## **ATTACHMENTS**

1. **Powerpoint presentation with visuals**

Attachment 1

# NEIGHBORHOOD HUBS

Equity Steering Committee  
November 30, 2023

Adam Heroux, Associate Planner



# WHAT ARE NEIGHBORHOOD HUBS?

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**Neighborhood Hubs are gathering places where residents have easy access to goods and services close to their homes. They are places where neighbors create meaningful relationships with each other.**



# PROJECT HISTORY

2017



2018-19

## COMMUNITY ENGAGEMENT

- 15 + NDA meetings
- 13 Hubs identified
- 396 survey respondents
- 85% support Hubs concept

2020





# HUBS PHASE 2

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- **Refine Hub locations and types identified in 2018 and 2019**
- **Explore Economic Development programs**
- **Review and refine the Development Code**



# PHASE 2 OUTREACH ACTIVITIES OVERVIEW

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- **Engage Milwaukie** – 19 survey responses  
*321 page visits, 15 new EM registrations*
- **Interviews** – 17 meetings, 22 participants  
*(13 new, 9 who took survey)*
- **7 Neighborhood District Association Presentations** *(79 participants, some overlap)*
- **Approx. Unique Engagements: ~100 to 111**  
*total engagements = 120*
- **6 Workshops** (3 NDAs and 3 Hub-specific workshops)
  - 120 participants, 71 in-person and 49 online.
  - Early results suggest greater than 85% support for proposed changes



# WHO DID WE INTERVIEW?

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- Milwaukie Floral
- Milwaukie Lutheran
- The Vital Element
- Milwaukie Café +Bottle Shop
- Valerie Hunter (9391 SE 32<sup>nd</sup>)
- Paul Lisac (9250 SE 32<sup>nd</sup>)
- North Clack. School District
- Peter Perrin (9616 SE Stanley)
- Lisa Dorn Design
- Eric's Market
- K. Marie
- Naphtali's
- Northwest Family Services
- Sunny Corner Market
- Chapel Theatre
- 2 Sisters Play Café
- River Roadhouse Grill
- Central Planning & Rentals
- Clackamas Community College



# TOP TAKEAWAYS

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- **Broad support for Hubs** and virtually no opposition
  - Incl. temp use of parking areas, etc.
- **Allow other uses and increase development flexibility** (food, retail, activities, events, home occs, design standards)
- **Grant/loan support useful** for many people & purposes
- **City-wide small business alliance**
- **Process for new Hubs to emerge in areas without them**
- **Reconsider/expand existing Hub boundaries**
- **Connect the Hubs** (Transportation, Programming/cross-marketing)
- **Broad interest in site improvements**, limited re-development opportunities



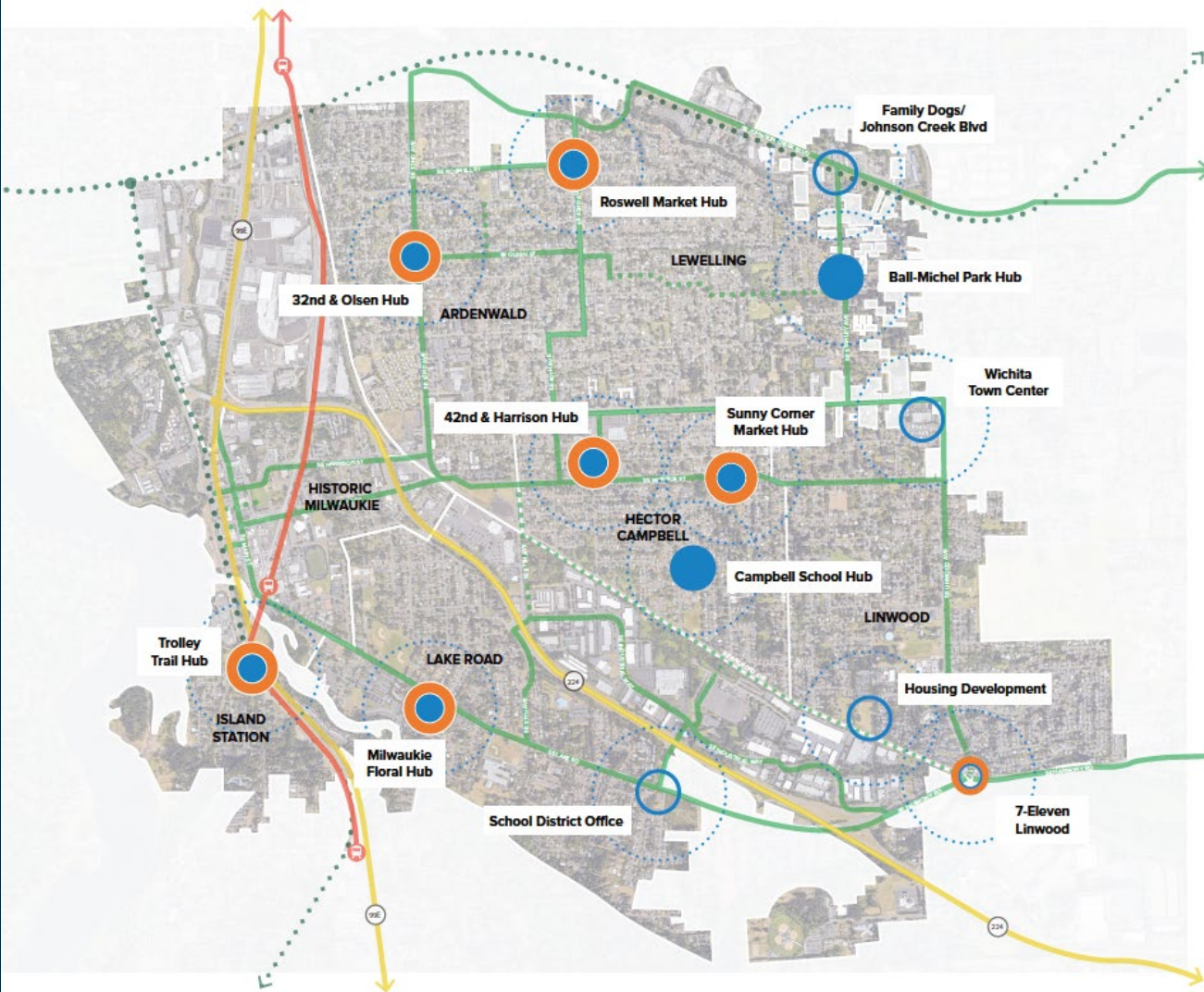
# OUTREACH CHALLENGES AND SUCCESSES

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- **Under-represented communities**
- **Property & Business Owners**
- **General public outreach** (including NDAs)
- **Planning Commission & City Council**
- **Transportation System Plan**



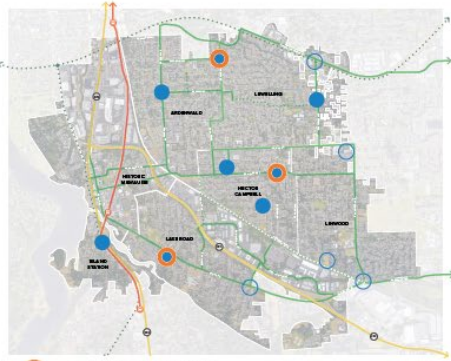
# Milwaukie Neighborhood Hubs Map



- SHORT TERM PRIORITY HUB
- OTHER HUBS / FUTURE HUBS
- HUBS IMPACTED BY PROPOSED CODE CHANGES
- 5 MINUTE WALK RADIUS
- ARTERIALS
- TRIMET MAX STOP
- >->-> BIKE TRAILS
- DEDICATED BIKE LANES
- >->-> BIKE-FRIENDLY ROADS







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**CODE CONCEPT APPLIES TO:**

- MILWAUKIE FLORAL
- ROSWELL MARKET
- SUNNY CORNER MARKET
- LITTLE BLUE STORE

## CONCEPT: Allow more types of uses in the C-N Zone

The existing Neighborhood Commercial Zone does not allow very many uses, and these uses are not allowed outright - all permitted uses (store, restaurant, laundry) require a Conditional Use review process which adds time and cost any time the type of business changes.

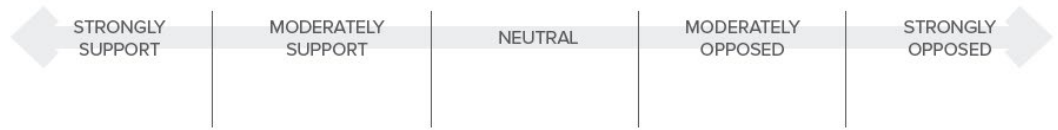
How much do you support allowing residential uses above, beside, or behind businesses to create vibrant neighborhood hubs?

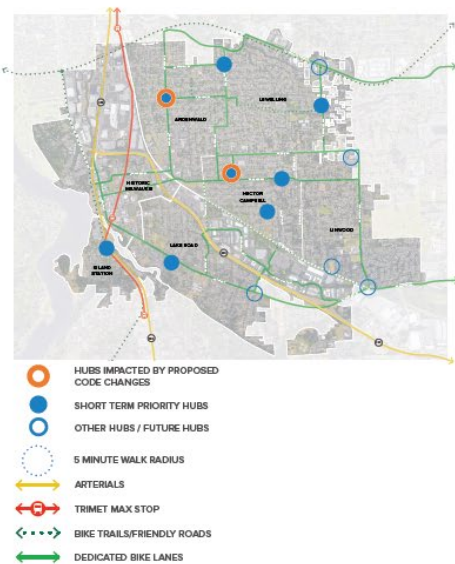


How much do you support allowing restaurants and other uses with evening activity to create vibrant neighborhood hubs?



How much do you support allowing buildings, food carts, and outdoor seating to come up to the sidewalk to create vibrant neighborhood hubs?





**CODE CONCEPT APPLIES TO:**

- 42ND AND HARRISON
- 32ND AND OLSEN

## CONCEPT: Allow more types of entertainment in NMU Zone

The Neighborhood Mixed Use Zone (NMU) allows a wide variety of uses, but it does not specifically allow theaters and performance spaces. And the city code is not specific about allowing a variety of temporary uses, like food carts, for example.

Currently the Chapel Theatre property is zoned residential, so the theater is operating as a Community Service Use, which has many restrictions on how the property can be used. By re-zoning it to NMU, the property will be permitted to add activities and services that better reflect the desires of the neighborhood.

How much do you support allowing uses like theaters, play houses, and private events to create vibrant neighborhood hubs?



How much do you support allowing bars and cocktail lounges to create vibrant neighborhood hubs?









- HUBS IMPACTED BY PROPOSED CODE CHANGES
- SHORT TERM PRIORITY HUBS
- OTHER HUBS / FUTURE HUBS
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- DEDICATED BIKE LANES

**CODE CONCEPT APPLIES TO:**

- TROLLEY TRAIL
- 7-ELEVEN / LINWOOD
- ALL AREAS CURRENTLY ZONED LIMITED COMMERCIAL (C-L)

## CONCEPT: Allow more types of uses in Limited Commercial (CONTINUED)

How much do you support allowing food processing such as catering, breweries, distilleries, wineries to create vibrant neighborhood hubs?



How much do you support allowing indoor recreation such as a theater or playhouse to create vibrant neighborhood hubs?



How much do you support allowing non-automotive repair shops such as bicycle repair to create vibrant neighborhood hubs?



# ECONOMIC DEVELOPMENT & PLACEMAKING

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- **Grant/loan program**
  - Tenant improvements, building or on site (seating, landscaping, facade, etc)
- **Promotion of Hubs activities**
  - Pop-up events, temporary uses, flexible signage, community posting board
- **Marketing assistance & education**
  - Timely promotion of small businesses & events on city social media
  - Hubs “passport program” to encourage visits to multiple Hubs
  - City-wide small business entity/alliance & connect Hubs to downtown
  - Proactive education about allowed uses, food carts, temporary uses, etc.
- **Support grassroots creation of new Hubs in areas without significant Hub activities** (examples: Lewelling to east Ardenwald, middle of Linwood, Milwaukie Lutheran)





## CONCEPT: Support economic development of Hubs

New and existing businesses need support to start-up, grown, and remain stable. The City of Milwaukie interviewed and surveyed business owners, property owners, and residents around the Hubs about the types of tools that would be most useful and helpful. Tools could include direct support (such as grants or technical assistance or funding for upgrades to business operations and physical location). Existing and new Citywide tools could be applied to Hubs to support their growth. These tools could include things like promotion, small business alliances, streetscape upgrades, or placemaking.

How important is it for **economic development tools to be available to property and business owners** to create vibrant neighborhood hubs?



Do you have any **questions or comments you would like to share with the City** about economic development tools?





# POTENTIAL FUTURE WORK (PHASE III)

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- *Given the inequitable distribution of existing Hubs, how can the city help new Hubs emerge in areas where residents lack access to the benefits of Hubs?*
- **Temporary Uses & Events** (ex: food carts, adaptive re-use)
- **Accessory Commercial Uses/Expansion of Home Occupation**
- **Community Service Uses**
  - How to allow more activities/uses at schools/churches/hospitals/parks
- **Grant/loan program(s)**
  - How can they support economic development and placemaking opportunities?



# KEY QUESTIONS

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1. What equity considerations should we highlight for Planning Commission and City Council as we work on implementing code changes and economic development programming?
2. Do you have additional recommendations to ensure equal access to and awareness of potential economic development programs like grants for small businesses and community events?
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