

**CITY OF MILWAUKIE
PLANNING COMMISSION and
DESIGN AND LANDMARKS COMMITTEE
JOINT SESSION
MINUTES
Milwaukie City Hall
10722 SE Main Street
THURSDAY, November 13, 2014
6:30 PM**

COMMISSIONERS PRESENT

Sine Bone, Chair
Wilda Parks, Vice Chair
Shannah Anderson
Greg Hemer
Shaun Lowcock
Gabe Storm

COMMISSIONERS ABSENT

Scott Barbur

STAFF PRESENT

Denny Egner, Planning Director
Li Alligood, Senior Planner
Peter Watts, City Attorney

DLC MEMBERS PRESENT

Sherry Grau, Chair
Val Ballestrem, Vice Chair
Adam Argo
James Fossen
Scott Jones

1.0 Call to Order – Procedural Matters*

Chair Bone called the meeting to order at 6:30 p.m. and read the conduct of meeting format into the record.

DLC Chair Grau called the meeting of the Design and Landmarks Committee (DLC) to order.

***Note:** The information presented constitutes summarized minutes only. The meeting video is available by clicking the Video link at <http://www.ci.milwaukie.or.us/meetings>.*

2.0 Planning Commission Minutes

2.1 August 26, 2014

It was moved by Commissioner Hemer and seconded by Commissioner Storm to approve the August 26, 2014 Planning Commission minutes as presented. The motion passed unanimously.

3.0 Information Items

There were no information items.

4.0 Audience Participation –This is an opportunity for the public to comment on any item not on the agenda. There was none.

5.0 Public Hearings

6.0 Worksession Items

6.1 Summary: Moving Forward Milwaukie Downtown Plan and Code Amendments –
Downtown Design Review
Staff: Li Alligood and Denny Egner

Li Alligood, Senior Planner, presented the staff report via PowerPoint. The focus of this meeting was to follow up on the feedback given to staff by the Planning Commission from the past worksession on the Downtown Design Standards, and to discuss downtown design review and the proposed revisions to that process. She reviewed the project's goals with regard to the Downtown Vision. Implementation of the goals involved providing more clarity and flexibility for development, ensuring attractive and pedestrian-friendly development, and to streamline the review process.

Regarding follow-up on the Downtown Design Standards, one request from the Commission was to provide more information about incentivizing green building and open space.

Open Space:

The Commission had asked staff for information on what incentives could be used for the provision to provide publicly-accessible open space. She noted that although open space promotes vitality of the streetscape, it also reduced the developable area of a property. Options for regulatory incentives could include density bonuses; if more open space was provided, there could be additional floor area ratio (FAR) allowed, etc. She added that this additional proposal should be a discussion question.

- Staff discussed the steps and implications involved with historic buildings. The current proposals did not include incentives toward historic buildings.
- Reducing Public Area Requirements (PARs), should they remain, would not be an option through regulatory means, although the Commission could make recommendations as such.
- **The Commission** agreed that incentives for open space should be incorporated into the proposals.
- **Peter Watts, City Attorney**, clarified that although the proposed open space would be publically-accessible, it would be governed by the private property owner.
- The group was in favor of directing staff to explore the option of open space incentive but for Commissioner Hemer as he was concerned about how it would look in practice.

Green Building:

There were no current proposals for incentives or requirements but only regulatory tools could be codified in the Zoning Ordinance. Although there were other financial and monetary tools that other communities used for incentives, that option would require approval from City Council. Staff found that green building certification increased the project costs by 3-9%, but that developers have identified density bonuses as the most useful regulatory incentive.

Potential approaches were to provide FAR and/or height bonuses for certification and/or to consider providing varying levels of incentives for various certification levels.

- **Ms. Alligood** asked the Commission to consider if these options should be considered.
- To clarify, the additional cost was focused more in the actual certification process cost rather than the materials, etc.
- **Chair Bone** asked Commissioner Lowcock and DLC Member Jones how frequently a certification failed the level aimed for, although the buildings were still considered "green."
 - **DLC Member Jones** noted that there were a lot of pieces to whether a green building would pay off in terms of tenants, landlords, who was paying what utilities, etc., but did pay off over time. The industry had recognized the need for sustainable building practices regardless of certification.
 - **Commissioner Lowcock** agreed and added that LEED certification was not the universal bar for green building.

- **Ms. Alligood** stated that the proposal should be broader in terms of types of certification.
- **DLC Member Fossen** asked what other incentives were found in other jurisdictions or counties, such as financial incentives.
 - **Ms. Alligood** responded that there were financial incentives in other cities in terms of discounts on fees or waivers on certain development charges, etc., but those incentives would not be part of these proposals.
- **Ms. Alligood** noted that a challenge to tying bonuses to certification was the chance that certification was not attained after the bonuses had already been built into the development.
- **Commissioner Hemer** asked how a building that began with a design to incorporate LEED features ended up not meeting the standards.
 - **Commissioner Lowcock** noted that some factors involved source materials not being close enough, environment and climate, and other things that chipped away at points.
 - Remodels seemed to be easier to meet upgrade LEED elements rather than new development.
- **Ms. Alligood** asked the Commission if bonuses should also be applied to adaptive reuse and remodels that achieve LEED certification as well as new buildings.
 - **Chair Bone** would like to see it incorporated in some fashion but it was hard to say or to determine how. She initially felt that, since there was sensitivity to height, only living buildings or LEED Platinum should be incentivized. However, as she heard more information, she thought there was perhaps some value in allowing all of the ratings.
 - **Ms. Alligood** noted that the amount of incentive could be adjusted to the level of rating.
- **Commissioner Storm** asked how flexibility for future standards could be ensured in writing the code.
 - **Ms. Alligood** reiterated that the Commission needed to first determine if incentives should be considered and incorporated; and then different approaches could be brought back for consideration.
- **DLC Member Jones** agreed to include incentives but was hesitant to tie them to any specific certification program.
- **Ms. Alligood** noted that the broader question of green building incentives may be its own project and market research for that was outside of the scope of the regulator parameters of this project.

The group agreed to direct staff to bring more information on incorporating green building incentives back to the Commission.

Ms. Alligood asked for direction as to if these incentives should be in place of or in addition to the proposed height bonuses for projects with at least 25% residential?

- The existing code allowed for 3-5 stories with a 1-story height bonus for building with at least 25% residential for a certain portion of downtown.
- The proposal was to reduce the height limits to 3-4 stories but expand the 1-story residential height bonus throughout downtown.
- The direction needed was if the height bonus should be cumulative or in addition; a combination of residential and open space would allow for 1-story height bonus or cumulatively could result in a 2-story height bonus.
- **Chair Bone** suggested that the stories above 3 stories (4th and 5th) should be set back.

- **Ms. Alligood** agreed that that could be included in the proposals.
- **Chair Bone** liked the idea of being cumulative.
- **Commissioner Barbur** agreed that both were beneficial so should be allowed but to keep scale and design review in mind per project.

The group was in favor of the cumulative approach for height and/or FAR bonuses up to 2 additional stories, with Commissioners Storm and Barbur and DLC Member Jones in favor of a included a preference for top story stepback regulation. Commissioner Hemer opposed as he felt that green building should be through financial incentives and not through code ordinance.

Downtown Design Review:

- The purpose was to allow for communicating the community's expectations for new development, allow for public review and input, and to provide a level of clarity for a developer.
- The existing process required a Type III review for all additions and new construction, and projects were reviewed against the Downtown Design Guidelines and the limited design standards.
- Issues with this process included the need to provide 60-70% design plan that complied with the guidelines by the time the project was reviewed by the DLC, which made changing the site plan or project elements difficult and expensive. The guidelines also were general and created a lack of clarity of expectations, and the review process was very discretionary. This process was a deterrent itself and created uncertainty.
- The desired outcome for the proposals was to ensure that the guidelines were codified to establish and allow for a clear and quantifiable Type II review process. This would allow for a more flexible and streamlined review process while maintaining the Type III review option for more innovative or creative projects, or projects that didn't meet the Type II criteria.
- **Ms. Alligood** reviewed the difference between the Type II and III processes with regard to fees, timeline, public noticing, etc., all which added to the differing level of uncertainty.
- Staff was focused on creating standards and requirements that were as clear as possible to allow for a clear and objective review process that allowed for more certainty.
- Intent of the standards would be included so that applicants that did not meet the Type II review standards could demonstrate how their proposal met the intent.
- **Mr. Watts** and **Mr. Egner** reminded the group that adjustments to the standards in the future, if needed, could occur.
- **Ms. Alligood** noted the preapplication process that clarified to the applicant if they would meet the Type II standards or would require the Type III process.

The group agreed with the proposal for a Type II clear and objective review process.

Ms. Alligood thanked the Commission and DLC for their clear direction and would bring requested information back to the group. She reviewed the next steps and upcoming meetings, including the first public hearing scheduled for January 13, 2015.

Commissioner Hemer asked how the South Downtown Concept Plan would be implemented.

- **Ms. Alligood** replied that the goal was to incorporate the South Downtown Concept Plan into the Downtown and Riverfront Land Use Framework Plan. She explained that there have been a few projects of the Concept Plan that have occurred, but other elements needed to be codified and incorporated into policy documents in order for implementation to occur.

7.0 Planning Department Other Business/Updates

8.0 Planning Commission Discussion Items

Mr. Egner added that prior to this meeting there was a public forum regarding extension for approval of the parklet at Wine:30 in downtown to allow use through the winter months. He noted that the parklet program's timeframe allowed for use between April and November. Thirty members of the public attended. City Council would be taking public testimony at their next meeting on Tuesday November 18, 2014

Commissioner Lowcock asked about how to form a parking agreement with the City and Car-to-Go to extend their service into Milwaukie.

- **Mr. Egner** referred him to either Steve Butler, Community Development Director, or to himself for follow-up.

Mr. Egner also noted that bus routing changes were coming up due to the Portland-Milwaukie Light Rail line and would involve some impacts to parking and congestion.

Commissioner Storm asked for an update about the Road Home pilot project for Milwaukie Christian Church.

- **Ms. Alligood** noted that the approval for that had expired. If the applicant wanted to continue with the program, they would need to submit for another Community Service Use approval.

9.0 Forecast for Future Meetings:

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| November 25, 2014 | 1. Public Hearing: ZA-14-03 Limited Commercial C-L Zone Update |
| | 2. Public Hearing: VR-14-02 9925 SE 37 th Ave Variance |
| December 9, 2014 | 1. Public Hearing: DR-14-07 Reliable Credit Parking Lot |
| | 2. Public Hearing: ZA-14-03 Limited Commercial C-L Zone Update
<i>continued tentative</i> |
| | 3. Worksession: CPA-14-02 Moving Forward Milwaukie Downtown Plan and Code Amendments |

Mr. Egner noted the Reliable Credit Parking Lot application would be going before the DLC and the Commission and reminded the group of ex parte contacts disclosure and reviewed the rules around that.

Meeting adjourned at approximately 8:45 p.m.

Respectfully submitted,

Alicia Martin, Administrative Specialist II


Sine Bone, Chair


Sherry Grau, DLC Chair