



# Background Report: Urban Growth Management

## Milwaukie Comprehensive Plan Update

### Block 1 Topic Area

Prepared for the  
Comprehensive  
Plan Advisory  
Committee  
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### Introduction

When the town of Milwaukie was first founded on Lot Whitcomb's land claim in 1849, it was estimated that approximately 500 inhabitants resided in this new settlement along the Willamette River. After hovering around 20,000 residents for the past several decades, Milwaukie is once again growing, as new residents discover the amenities this town offers and properties are annexed in the city's northeastern edge. Urban Growth Management is the process by which the City of Milwaukie plans for this future growth, in coordination with other regional and state policies.

### Milwaukie's Growth in the Regional Context

Milwaukie is a city of 20,550 people within the larger Portland (tri-county) region, which in 2017 was estimated to have a population of 1.8 million people. The region is expected to grow by more than 700,000 persons between 2018 and 2040. Metro is the agency charged with managing the overall growth through the Regional Urban Growth Management Functional Plan and the regional urban growth boundary (UGB). Milwaukie is one of 26 jurisdictions that make up Metro. Metro's forecast model anticipates that Milwaukie will accommodate an additional 2,644 persons and 1,200 new housing units over the 20-year planning time frame leading up to the year 2040.

Milwaukie is a landlocked community, meaning that the city does not have a border that abuts open land at the edge of the UGB. The city is bounded by the Willamette River to the west, Portland to the north, the Oak Grove neighborhood in Clackamas County to the South, and underdeveloped urbanized county land between the eastern city limits and an I-205 to the east. East of I-205 is the City of Happy Valley. Virtually all the forecasted population growth in Milwaukie will be accommodated through infill and redevelopment of existing underdeveloped property. City housing and economic development policies and zoning code regulations have been written to accommodate this forecasted growth.

Much of the anticipated growth is expected to occur in a manner that is consistent with the Metro 2040 Plan. The 2040 Plan identified various urban design components that establish the overall framework for regional development. These design components include the following designations in the Milwaukie area on the next page:

- Town Center – Downtown Milwaukie and Central Milwaukie
- Regional Center – Clackamas Town Center and surrounding development
- Station Areas – Tacoma Station and Park Ave Station
- Main Streets – Portions of 32<sup>nd</sup> Ave and King Rd

Over the years, Milwaukie has adopted Ancillary Plans for Milwaukie Town Center and the Tacoma Station Area. Clackamas County has adopted plans for the Clackamas Town Center and the Park Avenue Station Area. Milwaukie has not specifically adopted Main Street plans for King Road or 32nd Ave, but in 2016, as part of the City’s Moving Forward Milwaukie project, portions of 32nd Ave and the King Road Shopping Center at King and 42nd Ave were rezoned as Neighborhood Mixed Use districts.

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## Planning for Urban Growth Management

Oregon’s Statewide Planning Goals set out the requirements for how local comprehensive plans are used to manage growth and development. Milwaukie’s Comprehensive Plan was acknowledged to be in compliance with Statewide Planning Goals on January 20, 1981. The Statewide Planning Goals that are most relevant to growth management include:

- [Goal 14 – Urbanization](#)
- [Goal 2 – Land Use Planning](#)
- [Goal 11 – Public Facilities](#)

### *The Urban Growth Management Agreement (UGMA)*

In order to show compliance with these goals, the City of Milwaukie was required to enter into an Urban Growth Management Agreement (UGMA) with Clackamas County that describes how land planning and facility provision would occur for properties just outside the city limits. The County and City entered into an UGMA in July of 1990, an agreement that the City is currently looking to update. The UGMA established an Urban Growth Management Area boundary which generally used I-205 as the eastern edge of the City’s future urban service area (See Figure 1 on the next page). This agreement and City Comprehensive Plan policies called for the city to ultimately expand to include this area. While Milwaukie’s planning documents addressed this future city expansion, no mechanism was developed to encourage or enable the City to annex these properties.

The 1990 UGMA included two key provisions that greatly inhibited city annexation and expansion into the area. The first was acknowledgement that the North Clackamas Urban Area Public Facilities Plan would guide public facility improvements for the area. This plan significantly limited which areas would ultimately be served by City water and sewer service, keeping much of it served by County special service districts. The second provision was that Clackamas County was given lead planning authority for areas outside the city limits and inside the areas governed by the UGMA.

These factors meant that in the 25+ years that followed UGMA adoption, Milwaukie focused its efforts on its existing urban areas rather than on the growing commercial and mixed-use development along 82nd Ave and within the Clackamas Regional Center. During this time frame, the City’s Comprehensive Plan has been viewed as a “passive plan”, conceding planning functions to the County. In contrast, some jurisdictions, such as the City of Lake Oswego, have “active plans” which take the lead in planning for areas that will be served by the City upon annexation.

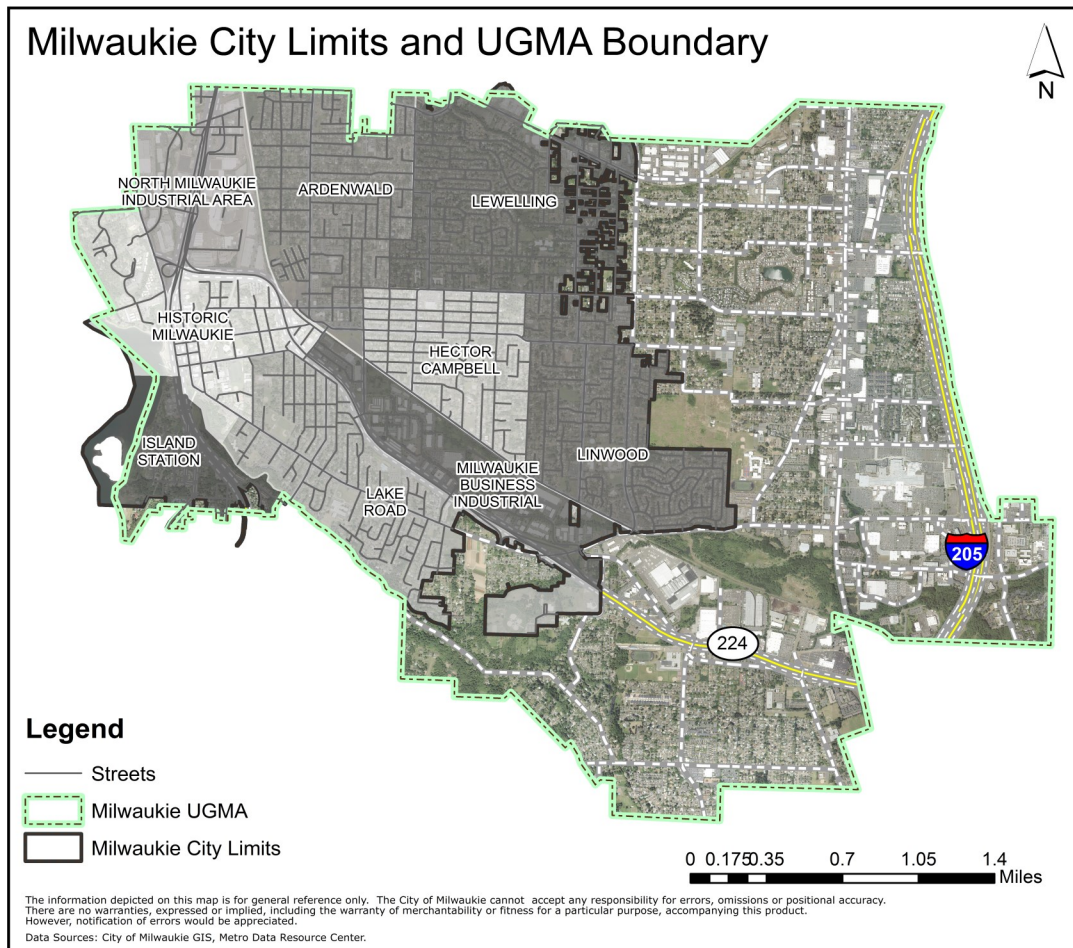


Figure 1

Other actions that weakened the City’s position as a full-service provider included joining Clackamas Fire District #1 and the North Clackamas Parks and Recreation District. While both of these actions were seen as cost saving measures, they ultimately weakened the City’s position as an urban service provider.

In the mid-2010s, the City began negotiating with the County to explore incentives and new methods for planning and annexation of these areas. Consideration has been given to modifying the Plan so that it would function as an active plan under the UGMA.

*Annexation*

The 1990 UGMA identified an area to the northeast of the city limits as Dual Interest Area A (See Figure 2 on the next page). This was the only area within the UGMA where annexation was required for redevelopment and where the City of Milwaukie was identified as the provider of sewer service. Water Environment Services was identified as the sewer provider in all other areas. In 2010, the City annexed all the rights-of-way within Area A and began installing new sewer lines. From 2010 through 2012, the City annexed approximately 100 properties into Milwaukie from this area through its Annexation Assistance Program. The City has continued to annex properties that are redeveloping or need to connect to sewer service, but numerous islands of unincorporated properties surrounded by city limits remain in this area. The City has taken a passive approach to annexation of these properties and has not forcibly annexed any islands in recent years.

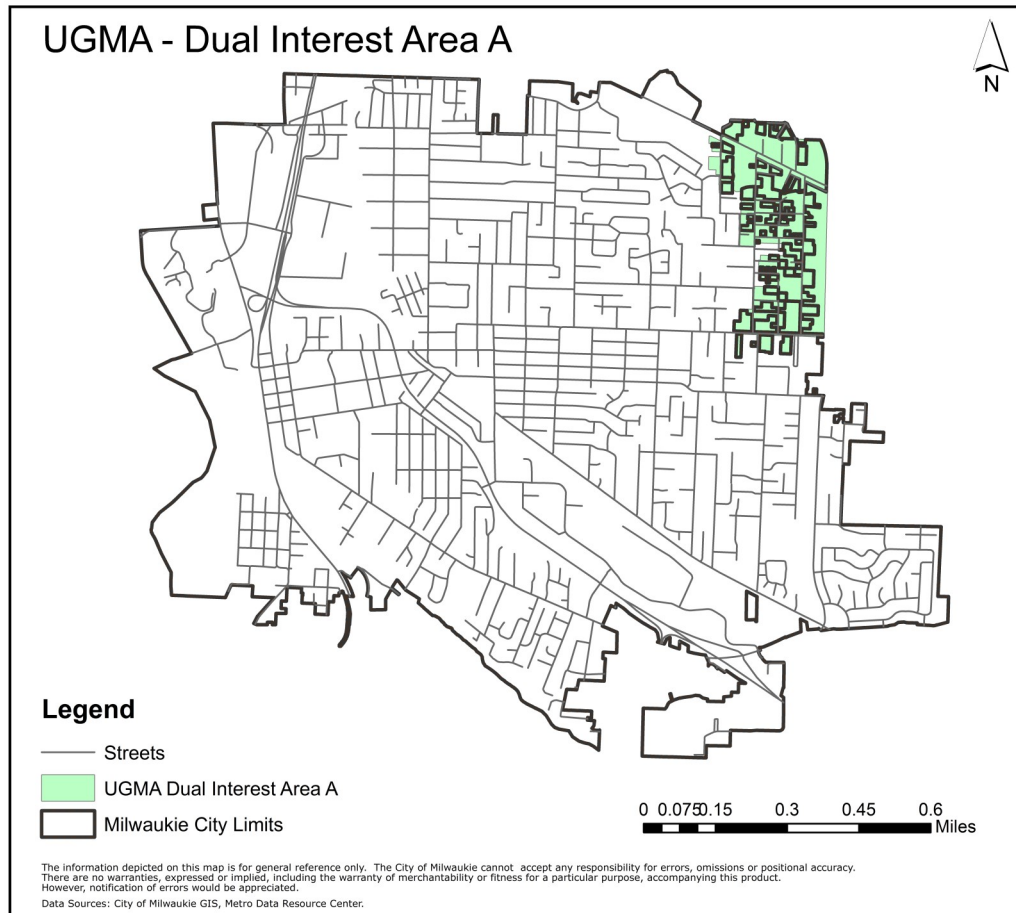


Figure 2

### Milwaukie’s Current Growth Management Approach

Milwaukie’s approach for growth management and annexation is based on the policies and direction provided in [Chapter 6](#) of the Comprehensive Plan and the 1990 UGMA. The most prominent objectives and policies from the Comprehensive Plan are included below:

- *Objective 1 – Unified System of Governance*  
 “To encourage and participate in efforts to define a unified system of governance for the northwest urban area of Clackamas County”
- *Objective 3 – Policy 1 “The City shall plan for eventual annexation of all areas within the City’s urban service planning area.”*

This policy has set a long-term goal but few options have been available to the City to actually encourage or force annexation within the UGMA boundary. The only area where annexation is required for redevelopment is Area A discussed above. In a few instances, the City has been able incentivize or require annexation in other areas but for the most part, the vast majority of land within the UGMA boundary is not required to annex for development or redevelopment.

Under the 1990 UGMA, the City and County are required to coordinate development review for property within the UGMA boundary. If a development or redevelopment project is proposed, the County provides notice to the City Planning Department. City staff generally provide comments requesting that if development is approved, it be done in a manner that is not inconsistent with City development standards. County staff typically will enforce County standards regardless of the comments offered by the City, which can lead to inconsistencies with Milwaukie’s development goals and standards.

## Urban Growth Management and Milwaukie's Community Vision

Ensuring adequate housing supplies and a variety of housing types was a key theme in the All Aboard community visioning process. Increasing the amount of available housing in our area is a core part of urban growth management planning. In approaching this task, it is important to the community that this is done in a way that enhances local identity and character.

The following priority actions from the Milwaukie 2040 Vision Statement relate to urban growth management:

*Place 2.5: Create neighborhood plans that define neighborhood character, identify community needs and priorities, and develop strategies for better integrating infill housing into neighborhoods.*

*Prosperity 2.2: Incentivize development of opportunity sites and other vacant and underutilized properties that can help meet the needs of neighborhood residents.*

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### Assets & Trends for Incorporating Urban Growth Management in Planning

As Milwaukie continues to grow, it is important that we consider ways it can best accommodate this growth and help meet housing and employment needs. Factors to consider include how to use existing available land and how services will be provided to new areas of development.

#### *Residential Development*

In the decade since the 2008 recession, there has been increasing pressure for development throughout the Metro region. Most of the residentially zoned parcels that were easy to develop have long been built out and what remains are parcels that are partially developed, lack adequate infrastructure, or have environmental constraints – often all three of these factors. Much of the buildable residential land in the city and within the UGMA boundary can be characterized as a large, oversized lots with wooded backyards. These are parcels that can generally accommodate one or two additional infill houses, often as flag lot development. This pattern of development helps to meet housing needs and generally results in a less expensive lot than one that is part of a larger subdivision. The downside of this pattern is that it results in small, disconnected lots with a fractured road and sidewalk system. In addition, the road system serving these properties is often below local standards, typically lacking sidewalks, curbs, and storm water systems. While not ideal, this pattern of development is expected to continue as development pressure mounts and land values rise.

#### *Non-Residential Development*

The UGMA boundary also contains a significant amount of non-residential land including the Clackamas Town Center, commercial development along 82nd Ave, and industrial development along Highway 224. For the most part, these properties are fully built out but there is redevelopment potential, especially in the Clackamas Town Center area. These are properties that are relatively well served by infrastructure and have strong assessed values.

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### Opportunities & Challenges Influencing Urban Growth Management Planning

#### *Urban Services*

There are eight special districts providing urban level services to land outside the city limits and within the UGMA boundary. These include:

- North Clackamas Parks and Recreation District (NCPRD)
- Clackamas County Fire District #1
- Clackamas River Water District
- Clackamas County Service District #1 (Water Environment Services)
- Clackamas County Service District for Enhanced Law Enforcement
- Clackamas County Service District No. 5 for Streetlights
- Oak Lodge Water District #4
- Sunrise Water Authority

In many ways, these special districts provide almost all the urban services that are required for development.

The City of Milwaukie is the water and sewer provider for almost all property located within the city limits. Fire protection in the city is provided by Fire District #1. A higher level of protection is provided to city residents by the Milwaukie Police Department than what is provided to county residents through the Enhanced Law Enforcement District. There are certain services and amenities that the City makes available to its residents that also provide a benefit to those who live outside the city limits and do not pay city taxes. These include:

- *City Parks* – Most parks in the city, including Milwaukie Bay Park, are owned by the City and are often developed by funds made available by the City. These city parks are available for use by non-city residents.
- *Library Service* – The Ledding Library is owned by the City of Milwaukie. The cost of library improvements is borne by the residents of the city. The library is available for use by non-city residents.
- *Community Events* – Milwaukie creates a strong sense of community through its sponsorship of community events such as the umbrella parade, Sunday Parkways, the farmer’s market, library concerts, and similar activities. These activities are often done in partnership with community organizations.
- *Access to Government* – The City has many active citizen advisory boards and committees and there is a unique opportunity for citizens to get involved and have a say in how their government operates. Non-residents generally are not as likely to have this type of relationship with their local government leaders.

#### *Short Term Opportunities*

The City of Milwaukie is working with Clackamas River Water to amend the urban services agreement to designate the City as the primary water provider for approximately 435 acres of land that is currently outside the city limits and within the UGMA boundary. The areas under consideration are 1) east of Linwood Ave and south of King Road and 2) surrounding North Clackamas Park, and include a few of the only large tracts of undeveloped land inside the boundary. By amending the agreement, these properties will need to annex to receive development approval.

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## Policy Questions, Observations, and Implications

City expansion and the annexation of unincorporated Clackamas County property is a key issue for our community over the next 20 years. This is an issue that requires an examination of the growth management policies in the Comprehensive Plan. Some of the key questions related to growth management include:

- Should the City continue to expect annexation of land within the UGMA boundary and if so, how can it encourage or require annexation?
  - The City's Comprehensive Plan is a "passive" plan in regard to land outside the city limits. Should the plan and UGMA be revised to be an "active" plan with land use designations depicted within the UGMA boundary?
  - Current City policy calls for a unified system of service provision in the north Clackamas area. This would assume that a City takes over service provision. Is this still a valid objective?
  - The City has not devoted resources to planning for delivery of urban service to the area within the UGMA boundary. Should new programs be developed to plan for service delivery?
  - How can growth management policies incorporate equity issues and correlate with the People category of goals in Milwaukie's 2040 Community Vision? How and when do we involve people within the UGMA boundary in these discussions?
  - How can growth management policies address environmental protection and climate change in order to correspond to the Planet category of goals in Milwaukie's 2040 Community Vision
  - How can growth management policies create more complete neighborhoods as discussed in the Place category of goals in Milwaukie's 2040 Community Vision?
  - Does incorporation of land inside the UGMA boundary make sense financially to the City? Does this support with the Prosperity category of goals in Milwaukie's 2040 Community Vision
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