



AGENDA

MILWAUKIE PLANNING COMMISSION Tuesday September 28, 2010, 6:30 PM

MILWAUKIE CITY HALL
10722 SE MAIN STREET

- 1.0 Call to Order - Procedural Matters**
- 2.0 Planning Commission Minutes** – Motion Needed
- 3.0 Information Items**
- 4.0 Audience Participation** – This is an opportunity for the public to comment on any item not on the agenda
- 5.0 Public Hearings** – Public hearings will follow the procedure listed on reverse
- 6.0 Worksession Items**
 - 6.1 Summary: South Downtown Concept Plan briefing (45 minutes)
Staff Person: Kenny Asher, Katie Mangle
 - 6.2 Summary: Natural Resources Overlay briefing #7 (45 minutes)
Staff Person: Brett Kolver
- 7.0 Planning Department Other Business/Updates**
 - 7.1 New City Website preview/ introduction
 - 7.2 Pond House Deck modifications
- 8.0 Planning Commission Discussion Items** – This is an opportunity for comment or discussion for items not on the agenda.
- 9.0 Forecast for Future Meetings:**
 - October 12, 2010
 - 1. Public Hearing: AP-10-01 Appeal of Director's Determination re: LED signs in Downtown
 - 2. Worksession: Land Use and Development Review Process Tune-Up briefing #5: Review Conditional Uses, Amendments, and Development Review draft chapters
 - 3. Worksession: Comp Plan – Thinking About, and Planning For, the Future
 - October 26, 2010
 - 1. TBD

Milwaukie Planning Commission Statement

The Planning Commission serves as an advisory body to, and a resource for, the City Council in land use matters. In this capacity, the mission of the Planning Commission is to articulate the Community's values and commitment to socially and environmentally responsible uses of its resources as reflected in the Comprehensive Plan

1. **PROCEDURAL MATTERS.** If you wish to speak at this meeting, please fill out a yellow card and give to planning staff. Please turn off all personal communication devices during meeting. For background information on agenda items, call the Planning Department at 503-786-7600 or email planning@ci.milwaukie.or.us. Thank You.
2. **PLANNING COMMISSION MINUTES.** Approved PC Minutes can be found on the City website at www.cityofmilwaukie.org
3. **CITY COUNCIL MINUTES** City Council Minutes can be found on the City website at www.cityofmilwaukie.org
4. **FORECAST FOR FUTURE MEETING.** These items are tentatively scheduled, but may be rescheduled prior to the meeting date. Please contact staff with any questions you may have.
5. **TME LIMIT POLICY.** The Commission intends to end each meeting by 10:00pm. The Planning Commission will pause discussion of agenda items at 9:45pm to discuss whether to continue the agenda item to a future date or finish the agenda item.

Public Hearing Procedure

Those who wish to testify should come to the front podium, state his or her name and address for the record, and remain at the podium until the Chairperson has asked if there are any questions from the Commissioners.

1. **STAFF REPORT.** Each hearing starts with a brief review of the staff report by staff. The report lists the criteria for the land use action being considered, as well as a recommended decision with reasons for that recommendation.
2. **CORRESPONDENCE.** Staff will report any verbal or written correspondence that has been received since the Commission was presented with its meeting packet.
3. **APPLICANT'S PRESENTATION.**
4. **PUBLIC TESTIMONY IN SUPPORT.** Testimony from those in favor of the application.
5. **NEUTRAL PUBLIC TESTIMONY.** Comments or questions from interested persons who are neither in favor of nor opposed to the application.
6. **PUBLIC TESTIMONY IN OPPOSITION.** Testimony from those in opposition to the application.
7. **QUESTIONS FROM COMMISSIONERS.** The commission will have the opportunity to ask for clarification from staff, the applicant, or those who have already testified.
8. **REBUTTAL TESTIMONY FROM APPLICANT.** After all public testimony, the commission will take rebuttal testimony from the applicant.
9. **CLOSING OF PUBLIC HEARING.** The Chairperson will close the public portion of the hearing. The Commission will then enter into deliberation. From this point in the hearing the Commission will not receive any additional testimony from the audience, but may ask questions of anyone who has testified.
10. **COMMISSION DISCUSSION AND ACTION.** It is the Commission's intention to make a decision this evening on each issue on the agenda. Planning Commission decisions may be appealed to the City Council. If you wish to appeal a decision, please contact the Planning Department for information on the procedures and fees involved.
11. **MEETING CONTINUANCE.** Prior to the close of the first public hearing, *any person* may request an opportunity to present additional information at another time. If there is such a request, the Planning Commission will either continue the public hearing to a date certain, or leave the record open for at least seven days for additional written evidence, argument, or testimony. The Planning Commission may ask the applicant to consider granting an extension of the 120-day time period for making a decision if a delay in making a decision could impact the ability of the City to take final action on the application, including resolution of all local appeals.

The City of Milwaukie will make reasonable accommodation for people with disabilities. Please notify us no less than five (5) business days prior to the meeting.

Milwaukie Planning Commission:

Jeff Klein, Chair
Nick Harris, Vice Chair
Lisa Batey
Teresa Bresaw
Scott Churchill
Chris Wilson
Mark Gamba

Planning Department Staff:

Katie Mangle, Planning Director
Susan Shanks, Senior Planner
Brett Kelder, Associate Planner
Ryan Marquardt, Associate Planner
Li Alligood, Assistant Planner
Alicia Stoutenburg, Administrative Specialist II
Paula Pinyerd, Hearings Reporter



MILWAUKIE

Dogwood City of the West

To: Planning Commission

From: Katie Mangle, Planning Director *KM*

Date: September 20, 2010, for September 28, 2010, Worksession

Subject: South Downtown Concept Planning

ACTION REQUESTED

None. This is a briefing for discussion only.

BACKGROUND INFORMATION

A. History of Prior Actions and Discussions

- **January 2008:** Worksession briefing on the South Downtown concept.
- **2006-2010:** City Council has held numerous worksessions and made several actions on the South Downtown project.

B. Project Background

Situated at the southern end of Main Street, overlooking the Willamette River, with adjacencies to future parks, development, transit, and natural areas – Milwaukie's South Downtown area is at the same time sorely underdeveloped and full of uniqueness and potential.

During 2007, the City developed a concept plan that ties together a number of ongoing planning projects into a cohesive vision. Called the South Downtown Concept Plan, the Plan features a new public plaza for the Milwaukie Farmers Market and other civic events, the restoration of Kellogg Creek, a pedestrian undercrossing of McLoughlin Boulevard (State Highway 99E), pedestrian connections to Milwaukie High School, Robert Kronberg Park, Riverfront Park, mixed use development, and a proposed light rail station at Lake Road.

During 2008 and 2009, the City helped create, under the leadership of Christopher Alexander and his firm the Center for Environmental Structure, a Pattern Language for the South Downtown. The Pattern Language describes a framework for new development in the South Downtown that enhances the natural features of the land and holds true to the communities' vision for a new downtown neighborhood. The Pattern Language describes a new public plaza, adjacent development, and a unique vision for construction, maintenance and tenancy.

The past six months have been focused on completing a phase of the project that would bring the South Downtown concept into sharper focus. Walker Macy, the current project consultant, led this phase and is nearing completion of its contract.

Although redevelopment does not appear imminent on any of the South Downtown parcels, light rail planning will be entering final design in January 2011 and the City is best served by having an adopted plan for the light rail station area before light rail design progresses too much farther. The South Downtown planning progress will also help advance the community's desire for a station building on the triangle site, and will accelerate zoning code revisions that will ensure that new development occurs in keeping with the community's vision.

The objective of the current phase of the project (Phase 4) is to decide on the arrangement of the public spaces in the South Downtown.

C. Phase 4 Milestones

Expanded Steering Committee

Phase 4 saw the expansion of the project Steering Committee from 9 people to 25 (see Attachment 1 for a list of members). The selection process for the expanded Steering Committee was for stakeholders to volunteer, and/or to suggest the names of anyone who might have an interest in participating. Staff contacted those whose names were provided. Everyone who volunteered was appointed to the new Steering Committee, including seven of the Group of Nine who were previously deeply engaged with the planning process. Also of significance was the addition of the South Downtown property owners – all of whom became active participants during this phase.

The Steering Committee met three times in full, with one extra meeting held in June for a dozen or so Committee members who were interested in delving more deeply into critical design decisions.¹

Development Advisors Report

In June, prior to the refinement of the Concept Plan, a Development Advisory Panel met with the Walker Macy team and City staff to discuss feasibility issues related to the future development of the South Downtown. The panel consisted of a real estate economist, a professional planning and project management consultant, and a public/private development specialist. The panel prepared a report for the City (and the design team), which is appended to this report as Attachment 2.

Some of the report findings include:

- Early investments in the South Downtown could be modest, yet effective (e.g. storefront improvements, plantings, painting, etc).
- Structured parking would not be essential until late in the life of the area's redevelopment, and should not consume the Cash Spot site.
- The potential market is office and residential (retail will be more difficult) and developers will either need to attract higher rents or find rent subsidies
- Phasing should be employed for sequential use of the land
- The Farmers Market should plan to move to the South Downtown, as should a new City Hall and/or library if such a facility were planned.
- The City should set up a development agency or community development corporation to facilitate implementation.

Refined Concept Plan

The Walker Macy team undertook several exercises on the way to a refined concept plan. The team did a detailed survey of the South Downtown area, noting conditions that prior consultants

¹ Meeting notes from all four meetings are available for review on the City's website at cityofmilwaukie.org.

had not studied to any great extent, such as floodplain elevations and railroad setback requirements. The team did interviews with about half a dozen project stakeholders, summarized the input, reviewed and commented on prior South Downtown studies, conducted a conference call and meeting with the Development Advisors, met with TriMet and Ankrom Moisan architects (who are working on the Triangle Site and light rail station building), studied the fabric of downtown Milwaukie and shared images from similar downtowns, and then drew up three concept plans for the Steering Committee to review and react to.

The concept plan versions each attempted to solidify the circulation pattern in the South Downtown. Put another way, the concepts set out to define the position and general use of the *public spaces* (i.e. streets, plaza, parks) while suggesting *private development* that would do the job of reinforcing the quality of the public spaces. To be clear: the objective of Phase 4 is to decide on the arrangement of the public spaces in the South Downtown.

As in prior schemes, all three versions of the concept plan featured a plaza in the South Downtown, although the Walker Macy team felt that the plaza should be located at the intersection of the existing Adams and Main Streets. This spot was seen as the center of the area, given its proximity to the north end of the light rail platforms on 21st, and its view over McLoughlin to the Willamette River. The three concepts considered alternatives for how Main Street could interact with the plaza. The concepts also played with different plaza shapes, options for connecting to Dogwood Park west of Main, and slightly different routes from the plaza to Riverfront Park across McLoughlin. All three included a pedestrian over crossing at McLoughlin, as this concept was unanimously applauded by Steering Committee members.

Using feedback from the Steering Committee and the staff, the Walker Macy team compiled the best and strongest ideas from the three concepts into a single refined concept plan, which staff is proposing Council adopt as the guiding vision for future South Downtown planning. That Refined Concept, with supporting drawings, is included in this report as Attachment 3. The important features of the plan are:

- An egg-shaped plaza at Main Street and Adams with views to the Willamette, a water feature and terraced seating on the west, retail spaces to the east, and Main Street running through the center.
- Except during events, Main Street remains open through the plaza, but traffic is calmed through the area with a slight grade change, bollards, and pavement treatment. During events, and potentially at other scheduled times, the plaza and a portion of Main Street are closed to vehicular traffic.
- The Farmers Market is one such event, and the plaza and adjacent streetscapes are designed to accommodate at least 100 Farmers Market stalls.
- A jewel-box pavilion sits in the southwest corner of plaza, looking out over Kellogg Creek. This is a small, architecturally distinctive building with an important use – possibly a Nature Center that introduces the public to the Kellogg-for-Coho Restoration Area.
- The section of Lake Road between Main Street and 21st is opened to two-way traffic and reconfigured at the east end to allow safer and more convenient turns for cars and bikes.²

² Walker-Macy is currently at work on a design for this segment of Lake Road, which will be a green street, with bike, stormwater and pedestrian-friendly features. The design will be provided to the light rail Final Design Team in January, for incorporation into the Portland-to-Milwaukie Light Rail project.

- The planned undercrossing of McLoughlin at Kellogg Creek (see Kellogg-for-Coho Initiative) is supplemented by an overcrossing of the highway at Washington. This bridge is at approximately the same elevation as the plaza, allowing for people to move from the plaza directly to the riverfront area without climbing any stairs. The at-grade intersection of Washington and McLoughlin is also envisioned to receive additional pedestrian-friendly improvements.
- The principal connection between the plaza and the light rail station is along Adams Street, newly designed as a pedestrian way. (This portion of Adams will be closed due to light rail construction). Near 21st, a crescent shaped sidewalk reinforces the shape of the plaza, while neatly solving the challenge of crossing three rail tracks on foot or bike at a less-than-90 degree angle
- The entire area is designed to be safe and comfortable for visitors, businesses and residents, with special focus paid to the relationship between the South Downtown area and Milwaukie High School and its students.
- Dogwood Park is expanded and integrated to the north and east with the plaza improvements and Main Street streetscape features, and to the south and west with the newly established Kellogg Creek Nature Area
- Four development sites are established:
 1. the Bernard Block
 2. the Shipley Block
 3. and the Triangle Site
 4. the Cash Spot Site:

A set of “L” shaped buildings are anticipated on the Cash Spot and Triangle sites, given their physical constraints. The City of Milwaukie has ownership interests on both of these sites, and is actively working with another design team on the Triangle Site project, which is intended to support light rail related activities. The other two sites are entirely privately owned, and will redevelop according to designs that have not yet been made. However, City staff is working with the property owners to see if redevelopment can be guided along the lines suggested in the South Downtown planning project. Of particular importance are the ground floor-facing frontages on Main Street and on the plaza.

These ideas, generally on display in the attached set of Walker Macy drawings, constitute a tremendous leap forward in the design, community comprehension, and public acceptance of the South Downtown plan. Yet, staff would note that each idea now requires additional study, design development and technical analysis. Taken together, the ideas form a very compelling area plan. However, they are still in concept form, and as such, are subject to modification as projects develop and designs are tested in greater detail.

Farmers Market Open House

With the consensus of the Steering Committee and a set of clear and compelling drawings, staff held an Open House at the Milwaukie Farmers Market on the morning of September 12. Comment cards were collected, however the Open House was not seeking design advice on the Refined Concept. Rather, staff was interested in soliciting opinions about the scheme, and educating more people about the exciting vision that was emerging for the South Downtown.

D. Next Steps

When Council approved the Walker Macy contract in April 2010, staff projected Phase 4 would last five to six months. The action that is being sought from Council in October places the project right on schedule, and introduces a necessary discussion of implementation, implications and required next steps.

Should council adopt the Refined Concept Plan, it would be a milestone for the project, and a signal to the local, regional and business communities that Milwaukie is embracing the development potential of its south downtown. Yet, adoption of the Plan would really be just a start; it wouldn't, of its own, accomplish anything contemplated in the Plan.

A first-run estimate of the total costs for building the public spaces included in the plan are \$42,780,437 (see Attachment 4). Some of these costs are related to the light rail project and the Kellogg-for-Coho Initiative, both of which are likely to have multiple funding partners. Other costs, for sidewalks and street improvements, are typically borne by private development. However that model has not proven successful in downtown Milwaukie because projects become too expensive and therefore infeasible. Were new development to occur on all four development sites, the value of that development would likely range between \$30 and \$50 million. Yet as noted by the Development Advisors, this level of investment does not appear imminent given Milwaukie's current land value, rent structure, vacancy rates, and public funding availability.

What then should the city do if it wants to implement the South Downtown Concept Plan?

The Community Development and Planning Departments are the lead departments in shaping and realizing long-range plans for Milwaukie. The Directors of these Departments have been collaborating and seeking the advice of industry professionals on a strategy for incrementally realizing the South Downtown vision. The City has tools like the zoning code which it can seek to amend, and can create tools that other cities use to help guide development.

Staff has provided the following list to for Council consideration. Staff encourages the Council to review this set of activities and bring questions or comments to the work session. What follows is a proposed work program to increase the likelihood that the City will realize, over time, the South Downtown vision that the community participants have roundly endorsed.

Community Development Department-led Activities

- Work closely the three private property owners in the South Downtown on redevelopment plans for their properties. Support individual property owners in development efforts, and coordinate these efforts so they can collectively achieve the South Downtown vision.
- Continue predevelopment planning for the Triangle Site, in anticipation of that site's availability and redevelopment after light rail construction.
- Utilize the upcoming urban renewal planning process to study site development potential in the South Downtown. Advocate for the adoption of urban renewal as a means for funding portions of the South Downtown Plan.
- Either with the formation of an urban renewal district or without, establish a redevelopment agency that will assume ongoing responsibility for coordinating development efforts in the South Downtown, raising capital for projects, interfacing

between private parties, citizens, city staff and city council, and bringing new resources to all who are working to implement the South Downtown plan.

- Provide TriMet with all South Downtown-related drawings and direct TriMet to incorporate, wherever possible, into the light rail project design.
- Seek to leverage existing regional flexible transportation funds on a streetscape enhancement project in the South Downtown.
- Continue to work on the Kellogg-for-Coho-Initiative as a catalyst for South Downtown redevelopment.
- Advance the design work on the Refined Concept Plan, to study the plaza and other public spaces in more detail, and/or to study the manner in which new buildings will fit into, and support, the Concept Plan.
- Recruit potential tenants, builders, designers and new champions to the effort.

Planning Department-led Activities

- Review the zoning code to identify areas of inconsistency with the new South Downtown refined concept plan, and coordinate with the Community Development Department, property owners, Planning Commission and City Council on code updates to facilitate the realization of the new vision.
- Study related transportation requirements and plans that must be reconciled to achieve the new vision, including streetscape plans, transportation plans (e.g. connectivity) and traffic studies.
- Utilize the Downtown Code Refresh project in 2011 to update and improve development standards that would apply to all of downtown, including the South Downtown.
- Work to update Milwaukie's Downtown Design Guidelines to better motivate realization of the design character identified in the South Downtown planning process.
- Recommend amendments of the Downtown Plan and Comprehensive Plan to the Planning Commission and City Council if and when necessary.
- Support property owners with regulatory requirements on development proposals or ideas.
- Ensure that planning and permitting for the light rail project takes into account, and is bolstered by, the community consensus that has emerged around the South Downtown concept.

All of the items listed represent a commitment on the part of the City to achieve the South Downtown Plan. The commitment must come in the form of adequate staffing and budget to accomplish these tasks, leadership and marketing as to the importance of the project, ongoing communication with citizens, possible partners and the media about the priority of accomplishing the South Downtown. The light rail project is expected to begin construction next year. The choices that Milwaukie makes over the next 2-3 years will determine whether the South Downtown vision will be built, or whether it will be another good Milwaukie plan with limited implementation value.

Attachments

1. Advisory Committee roster
2. Development Advisory Panel Report dated June 28, 2010
3. Refined Concept and supporting drawings
4. Cost Estimate for building public spaces

ATTACHMENT 1

South Downtown Steering Committee
6/1/2010

	First Name	Last Name	Affiliation
1	David	Aschenbrenner*	Hector Campbell/CMI
2	Lisa	Batey	Island Station/PC
3	Carrie Rose	Berekely	Lewelling
4	Jim	Bernard	Property Owner/CMI
5	Farid	Bolouri	Property Owner
6	Ray	Bryan	Historic Milwaukie
7	Carlotta	Collette*	Ardenwald
8	Crites	Rosemary	Oak Grove citizen/ realtor
9	Mark	Gamba*	Historic Milwaukie
10	Dave	Green	Riverfront Board
11	Neil	Hankerson	Downtown Property Owner
12	Kim	Keehner	Main St. Business/MSM
13	Beth	Kelland	Linwood
14	Joe	Krumm	Milwaukie High School
15	Joe	Loomis	Milwaukie City Council
16	Matt	Menely	Bicyclist/Waldorf Parent
17	Mike	Miller*	Lake Road/CMI
18	Arlene	Miller	Lake Road
19	Christie	Schaeffer	Parks Board
20	Cynthia	Schuster	Main Street Milwaukie (MSM)
21	Eric	Shawn	NCUWC
22	Dion	Shepard*	Historic Milwaukie
23	Joan	Shiple	Property Owner
25	Sarah	Smith*	Hector Campbell
24	Patty	Wisner	DLC
25	Ed	Zumwalt	Historic Milwaukie

*Group of Nine participant

RECOMMENDATIONS

To

The City of Milwaukie, Oregon

For

The South Downtown Project

June 28, 2010

Development Advisors Panel:

**Jerry Johnson
Johnson Reid LLC**

**Michael Mehaffy
Structura Naturalis Inc.**

**Marilee Utter
Citiventure Associates LLC**

June 28, 2010

Kenny Asher
Development Director
City of Milwaukie
10722 SE Main Street
Milwaukie, Oregon 97222

Dear Kenny,

RE: South Downtown Project: Development Advisors Recommendations


Thank you again for inviting us to review and make recommendations for your exciting project. Following is a report summarizing our recommendations.

If we can be of further assistance, please do not hesitate to let us know.

Sincerely,



Jerry Johnson
Johnson Reid LLC



Michael Mehaffy
Structura Naturalis Inc



Marilee Utter
Citiventure Associates LLC

Background

The City of Milwaukie is planning a major redevelopment project for its South Downtown area, adjacent to a station on the new light rail line that is expected to open in 2015. The City has engaged consultants to develop a pattern language and other planning documents for the site, and to carry the plan forward into implementation. As part of this process, the City invited a board of development advisors to tour the site, meet with stakeholders, meet with the City staff and consultants, review the materials to date, and engage in a discussion of implementation.



*Top: Aerial of the city in relation to Portland, with South Downtown site located at right of bridge.
 Bottom left: team tour on June 10, 2010. Bottom right: team meeting with city staff and consultants from Walker Macy landscape architects*

Recommendations of the advisors:

General

1. The “organic” and small-increment approach of the pattern language is indeed compatible with the economic opportunities we see presently in Milwaukie, and in the current market in general (more on this below). It is also well-suited to keeping and enhancing the small-town qualities that residents say they value.
2. We believe it will be critical to continue to identify and work closely with local businesses and cultural assets, to develop proposals for their increasing role in evolving projects. This approach has been aptly termed “economic gardening.”
3. We believe the South Downtown project should be seen as integral to a larger strategy for all of downtown; and in particular, to seek new businesses over time, and to enhance existing businesses, using a suite of tools such as storefront improvements, streetscape remodels, planting, etc. These can be funded with revolving loan funds, grants, and other public financing and funding mechanisms. Even modest initial investments can help to catalyze a significant revitalization over time.
4. Regarding parking, we recommend starting with on-street and tuck-under parking, and secondarily, unobtrusive surface parking lots.
5. Short of a major external funding source, we do not see the economic feasibility of structured parking until relatively late in the project. But we do recommend that a place be designated in your plan, centrally located, covered by liner buildings, and perhaps used as surface parking in the interim. We would caution against the present concept of the important gateway at Washington and McLaughlin presenting a parking garage as the front door to downtown.

Current economics

6. In general, the commercial market in this area is highly limited by the relatively small number of residences in the catchment area. Most of the market we see is for office and residential. Opportunities for commercial are more encouraging for destination retail, outlet stores for manufacturing businesses (e.g. Dark Horse), small family businesses with low overhead (e.g. “shop houses,” live/works), Milwaukie commercial overall is quite over-built and the market is doubtful even for the time period of the light rail opening (e.g. 2015). Typical rents at present are in

- the range of \$12 triple net (i.e. renter pays taxes, insurance and maintenance costs). This is not likely to be sufficient to support even the most modest new construction project. Therefore, developers will have to attract higher rents, or find rent subsidies.
7. There may be more promising and short term opportunity for incubators of small businesses, particularly those that play on existing resources – e.g. creative businesses, small manufacturing, Internet businesses, etc. Some existing buildings may be the most affordable and should be promoted to full advantage with incentives.
 8. Phasing will be critical. Because the current downturn is expected to be protracted for commercial especially, phasing strategies should be employed for successional use of land, e.g. surface parking or temporary uses that can be developed later. Structured parking can also be considered for a later phase if economically feasible. But given the vision of the community for less intensive development, the limited market for commercial and the likelihood that required parking ratios will come down with the coming of light rail and other trends, we believe a centralized structured parking facility may not be warranted.

Potential catalysts

9. If the Farmers' Market can be moved to this area, that would be a major asset for the project, and a strong complement to the vision expressed in the pattern language. (See e.g. the CES project in Fresno, California.)
10. There was some discussion of moving City Hall and/or the library. These could be very significant catalysts and anchors for a strong South Downtown development.
11. The station building should be thought through carefully. It will provide the opportunity for additional station-related activities, but will need to be planned to have better connection to the other side of the development. A joint facility with City Hall would be ideal. At the same time, station amenities would be very beneficial (coffee, newspapers, Bike rental/storage, possibly drop-off daycare, etc).
12. Dark Horse and other distinctive local businesses might be persuaded to have at least an outlet facility in the new area, so that it begins to have a distinctive local character and cultural interest.
13. We believe the waste treatment plant modification must be prioritized. In addition to the area liability posed by its current condition, a new plant offers promising opportunities for synergies from waste heat recovery and district energy, as well as adding area for open space and/or development.

Discussion of patterns and proposed adjustments

14. The proposal for an “outer tier” of shops could still be implemented in the context of the Farmers’ Market, and associated small local vendors that are both temporary and permanent. This facility might begin as an inexpensive trellis-like structure, and gradually become more substantial over time. (Again, see the CES project in Fresno for reference.)
15. There may also be opportunities for live/works or “shop houses,” notably along the front edge of the project along Washington Street, and possibly at the light rail station.
16. The proposal for pedestrianization of the plaza area can be implemented through an incremental approach that allows cars into a “shared space” in a controlled way, varying at different times. Cars can be entirely removed at certain times, but we recommend that this be kept adjustable as conditions require. We believe this will be important to assure that businesses do not fail for lack of pedestrian density. (We also understand and support the desire to maintain mixed-mode connectivity in the area.)
17. The proposal for a pedestrian bridge across McLaughlin should be phased for a later stage, after study of the operation of at-grade crossings and a path along the new creek, under the proposed new vehicular bridge on McLaughlin. Overhead bridges are expensive and in many cases they have failed to get the expected use.
18. The connection from Lake Road to the south is a significant source of traffic for the downtown retail and should be accommodated carefully.

Urban design

19. We understand the consultants’ suggestion that the plaza can be smaller, and might shift to the north to afford better views. In any case, we believe a close connection must be made to the light rail station – perhaps by re-aligning a diagonal pedestrian connection in the present area of SE Adams.
20. We suggest that the plaza and the buildings around it can be smaller grain and perhaps more irregular, more like what is shown in the armature drawing, to give greater charm and distinctiveness.
21. We recommend a strategy of creating a new code for the coordination of acts of building by separate owners. This code might function as a guide for laying out spaces, i.e. as a “generative” code or a similar set of design guidelines for new construction. Work is proceeding in this and related areas, and we recommend that the City investigate this opportunity further.

Architectural character

22. We believe that the spirit of craftsmanship and individuality called for in the pattern language is feasible, but given economic limitations, will need to be interpreted in a simple and inexpensive way.
23. We believe the character of the existing blocks establishes an appealing precedent, using small buildings massed together. But as noted earlier, the needed economies of scale usually achieved by a single large owner will have to be secured by the City itself and the agencies it establishes, in the form of lower-cost utilities, infrastructure, group purchases, etc.
24. Regarding common structures like arcades, a code can specify how such a structure would continue across separate buildings and owners.
25. We recognize the concerns of the consultants regarding arcades in a relatively dark northern climate. But rather than expensive glass, simple pergolas, trellises or awnings might also be sufficient.

Implementation mechanisms

26. We recommend that the City look at ways of setting up a development entity – perhaps a community development corporation or redevelopment agency. As noted, this will be essential for implementation, for coordination, and to achieve economies of scale that would otherwise be provided by larger owner/developers.
27. We recommend the City look carefully at innovative incentives such as a community land trust, shared equity programs, incentives (e.g. vouchers?), tax-exempt financing, low interest loans, etc. for small-scale developers, local residents and owners to become engaged.
28. A public investment by the City will likely be required at some level to realize the type of development the Steering Committee seeks. Determining the amount, source, timing, purpose and management of such an investment will be key in moving forward.
29. In any case, the scale of development should remain modest for the most part. Parcelization into smaller lots, appropriate coding, and use of community land trust funds can be helpful, particularly on publicly-owned land. At the same time, the City and its partners should also be mindful of opportunities for property owners that have larger pieces of land, so as to encourage a mix of scales of development.
30. We recommend that the City' new development entity consider establishing (or facilitating) a "master builder guild" to provide resources for owners and builders.
31. We recommend that resources be provided to support and enhance the design and building skills of owners, to become consistent with the

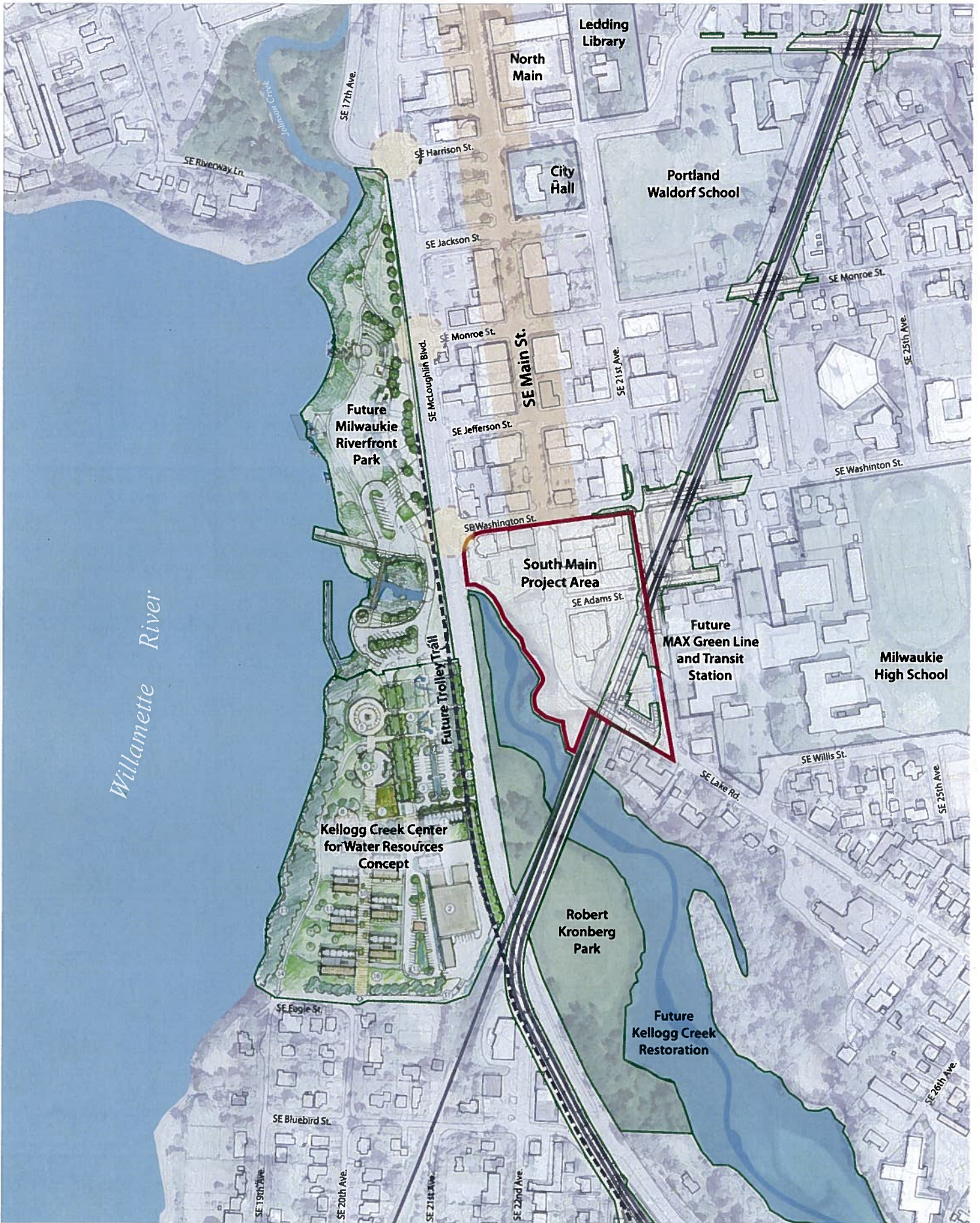
community's vision of craftsmanship and individuality. These might include pattern languages, pattern books, builder guides, sample plans, etc. These could be offered in a "resource center" format, in conjunction with the "master builder guild."

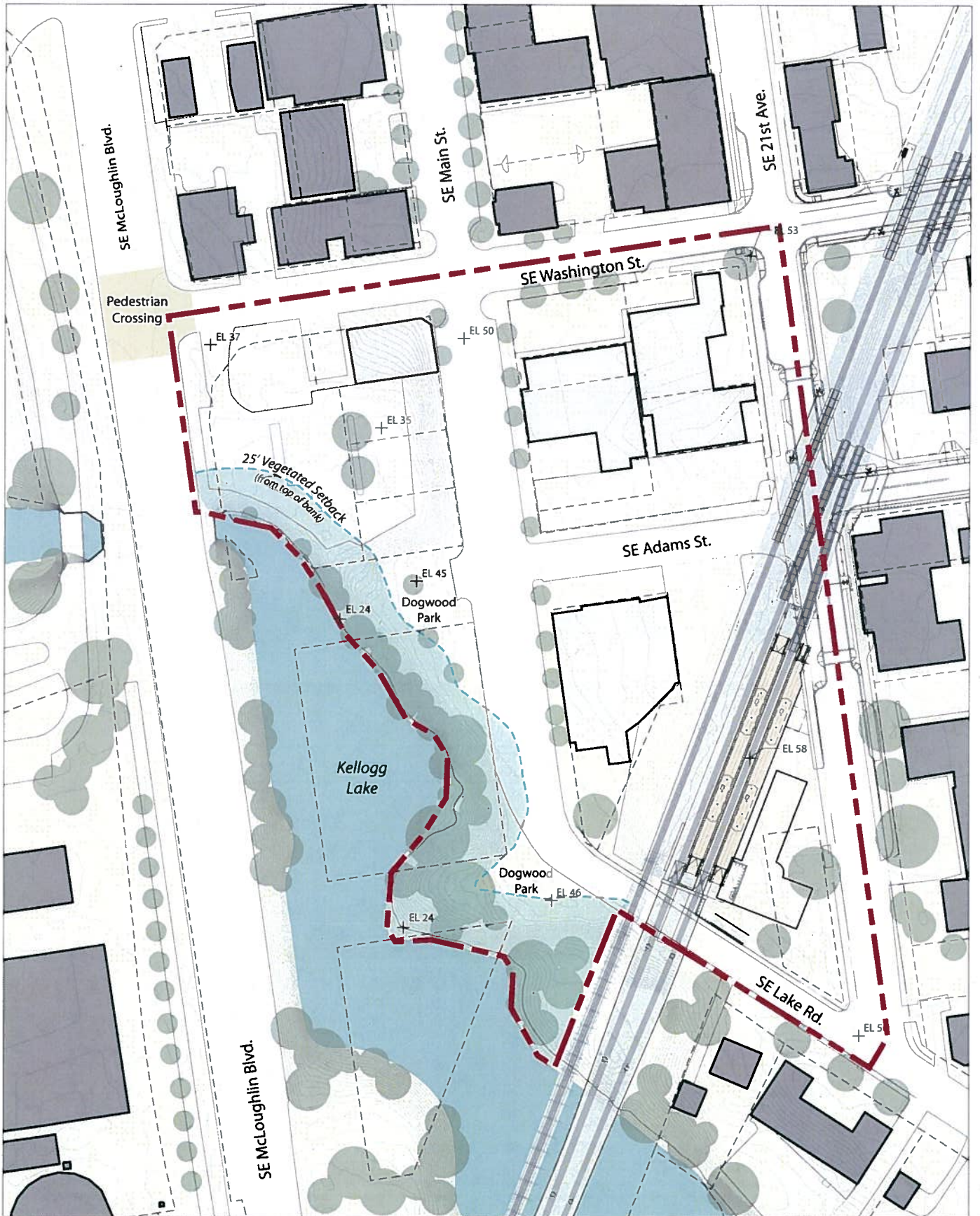
32. An ombudsman to help discuss financing options and public-private partnerships would also be helpful to user-owners without previous experience in development.

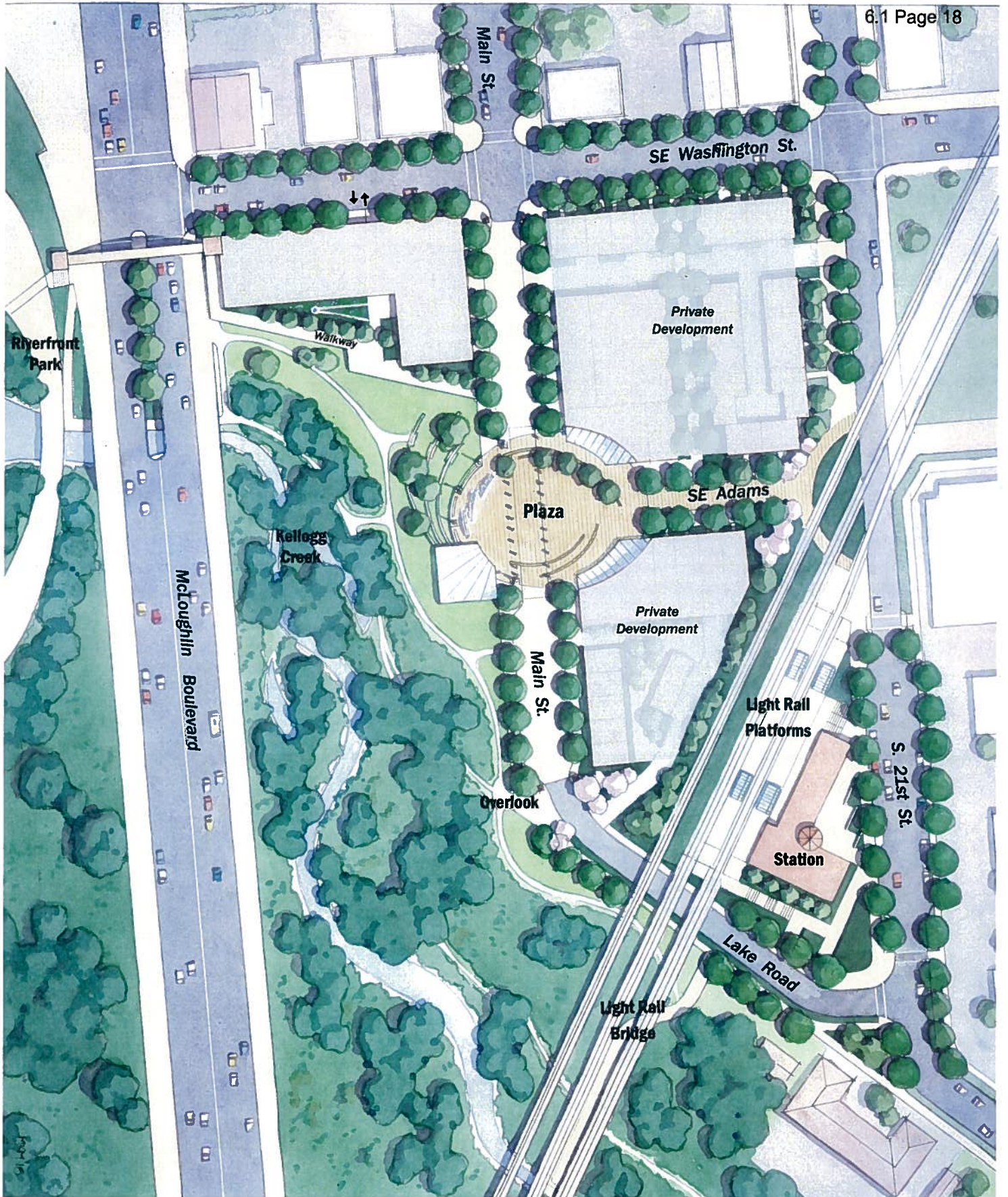


Existing downtown fabric

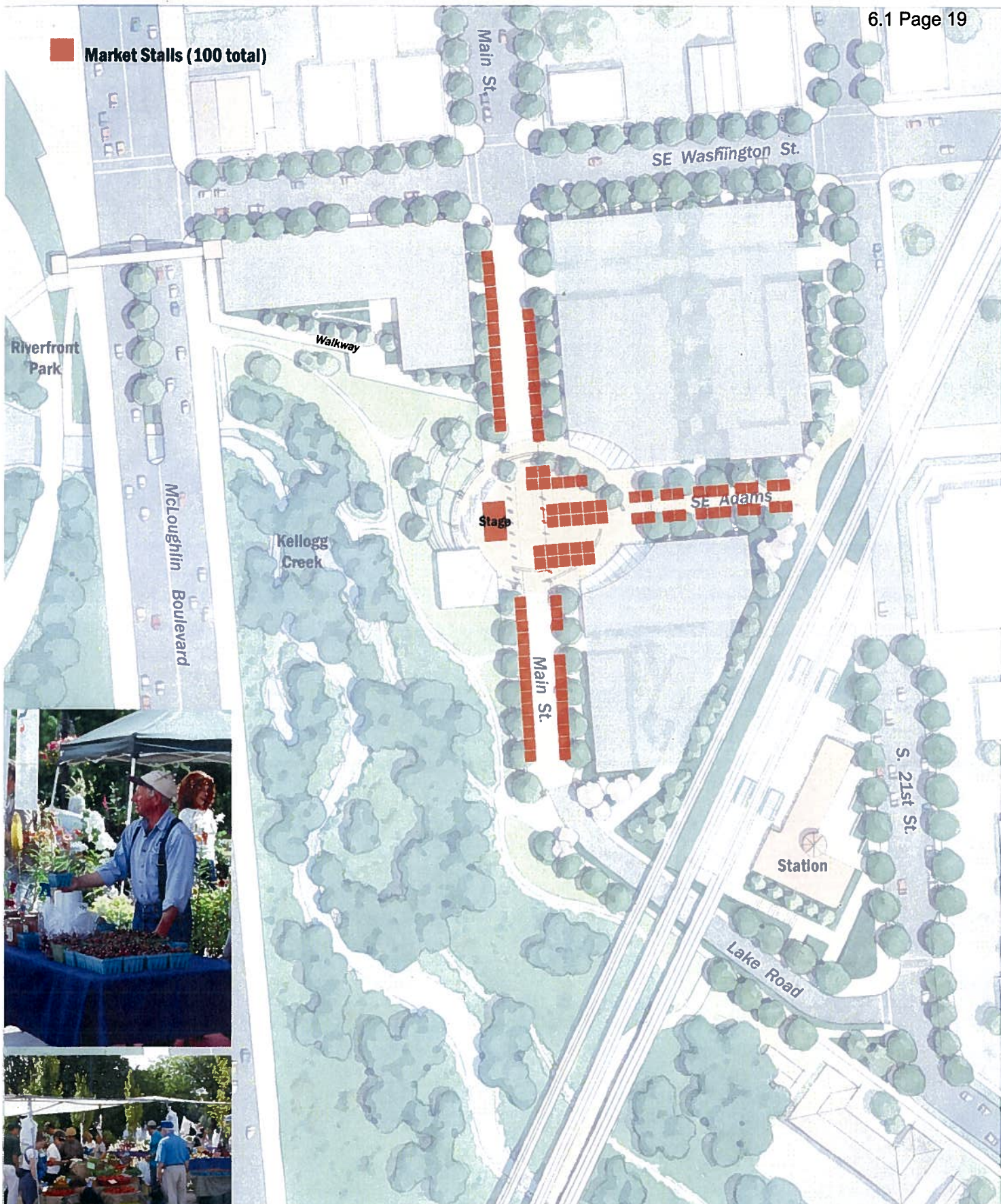


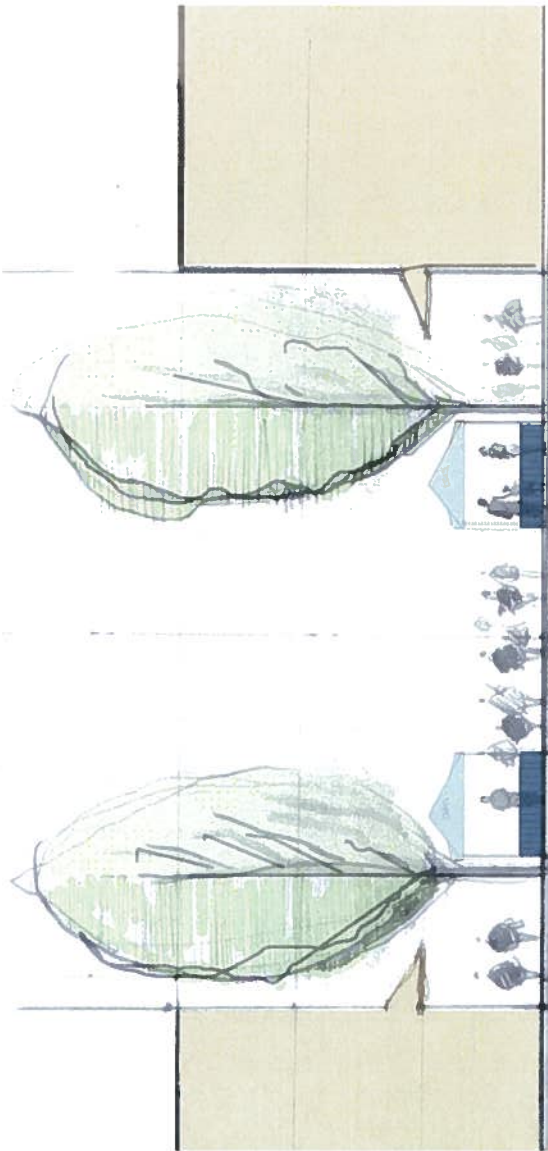




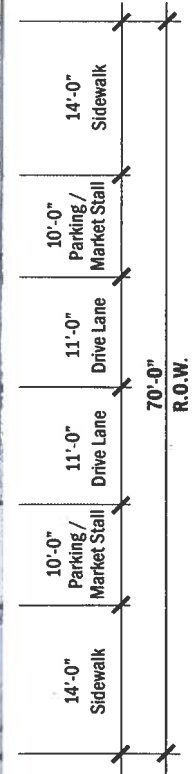


■ Market Stalls (100 total)

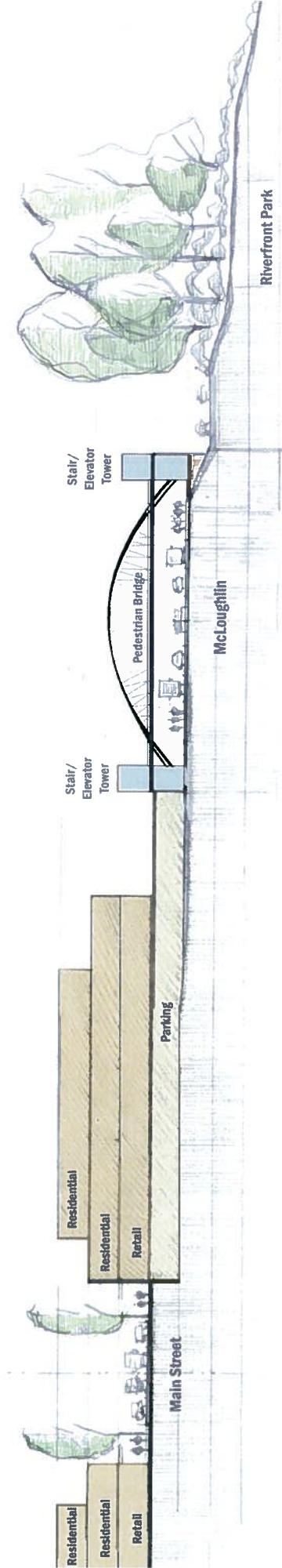




Main Street
1" = 10'



Corvallis, OR



Site Section
1" = 20'

ATTACHMENT 4

South Downtown Public Improvement Rough Cost Estimate

September 9, 2010
Prepared By:: Zach Weigel

Kellogg for Coho Initiative

Dam Removal & Bridge Construction*

Design	Expected Cost	Source of Cost Estimates
Planning Phase	\$ 343,000	FHWA Grant Agreement
Sediment Sampling	\$ 78,000	Parametrix 3/2009
NEPA Documentation	\$ 45,000	
Permit Document Prep & Fees	\$ 75,000	
Public Education & Historical Documentation	\$ 35,000	
Project Evaluation & Reporting	\$ 65,000	
PE & Final Design	\$ 1,477,928	
Design Subtotal	\$ 2,118,928	
Construction		
Mobilization	\$ 1,013,437	Army Corp Estimate 10/2005
Dewater/Drain Lake	\$ 87,500	Army Corp Estimate 10/2005
Install & remove temporary coffer dams	\$ 56,250	Army Corp Estimate 10/2005
Excavation, including dredge sediments	\$ 1,931,250	Waste Management 3/2009
Haul & Disposal	\$ 1,312,500	Army Corp Estimate 10/2005
Demolition	\$ 515,625	Army Corp Estimate 10/2005
Construct Bridge	\$ 3,229,727	Army Corp Estimate 10/2005
Storm Infrastructure	\$ 16,500	City of Milwaukie recent Bid Tabulation
Curb & Sidewalk	\$ 17,500	City of Milwaukie recent Bid Tabulation
Architectural Replica Guard Rail	\$ 17,203	Army Corp Estimate 10/2005 + 50% prem. For arch replica
Relocate sanitary sewer pipe	\$ 53,500	City of Milwaukie recent Bid Tabulation
Rapid Replacement - Mobilize Hydraulic Skid System	\$ 200,000	Slayden Construction 3/2009
Rapid Replacement - Staging Prep	\$ 750,000	Slayden Construction 3/2009
Seeding lake bed and misc work	\$ 257,750	Army Corp Estimate 10/2005
Construction Management	\$ 1,266,796	15% of Construction Costs
Construction Contingency	\$ 844,531	10% of Construction Costs
Construction Subtotal	\$ 11,570,069	

Stream Restoration	Quantity	Units	Unit Price	Total Value	Source of Cost Estimates
Planning & Design	1	LS	\$ 140,000	\$ 140,000	20% of Construction Costs
Construction	14	ACRE	\$ 50,000	\$ 700,000	Alex Campbell research on KFCI project
Construction Management	1	LS	\$ 210,000	\$ 210,000	30% of Construction Costs (Federal Funds)
Construction Contingency	1	LS	\$ 140,000	\$ 140,000	20% of Construction Costs
Stream Restoration Subtotal				\$ 1,190,000	
Kellogg for Coho Initiative Total Cost				\$ 14,878,997	

* All Dam Removal & Bridge Construction Costs were obtained from the application for ARRA funding for the Kellogg Creek Fish Passage Barrier Removal and Bridge Replacement

Public Improvements**

Design	Expected Cost	Source of Cost Estimates
PE & Final Design	\$ 1,712,130	15% of Construction Costs
Design Cost		\$ 1,712,130

Construction	Quantity	Units	Unit Price	Total Value	
McLoughlin Blvd Ped Bridge @ Washington Street	1	LS	\$ 7,000,000	\$ 7,000,000	Milwaukie LRT Cost Estimate + Contingency for similar work in Portland
McLoughlin Blvd Ped Bridge Elevator	2	EA	\$ 1,000,000	\$ 2,000,000	Milwaukie LRT Cost Estimate + Contingency for similar work in Portland
McLoughlin Blvd Half Street Improvements (Downtown Plan)	150	LF	\$ 1,500	\$ 225,000	McLoughlin Blvd Street Improvement Cost Estimate
Washington St Half Street Improvements (Downtown Plan)	520	LF	\$ 1,100	\$ 572,000	North Main Village Cost Estimate + 20% for Inflation
Main St full street improvements (concrete roadway + Dwtm Plan Style Improvements)	420	LF	\$ 2,400	\$ 1,008,000	Assume 80' width of Improvements Jackson Street Cost Estimate
Adams St full street improvements (concrete road + Dwtm Plan Style Improvements)	120	LF	\$ 2,000	\$ 240,000	Assume 60' width of Improvements Jackson Street Cost Estimate
Plaza (Concrete, Same X-Sec as Street, Downtown Plan Style Improvements)	1	LS	\$ 1,000,000	\$ 1,000,000	Assume Plaza Ellipse 120' x 150', Fountain, Terraces, Higher Quality Finishes - Jackson Street Cost Estimate
Construction Cost				\$ 12,045,000	
Non-Light Rail Related Public Improvements Total Cost				\$ 13,757,130	

Construction	Quantity	Units	Unit Price	Total Value	
21st Avenue Half Street Improvements (Downtown Plan)	770	LF	\$ 1,100	\$ 847,000	North Main Village Cost Estimate + 20% for Inflation
Lake Road Full Street Improvements (Asphalt Road, Similar to Downtown Plan Style)	330	LF	\$ 1,800	\$ 594,000	Assume 50' width of Improvements North Main Village Cost Estimate + 20% for Inflation
Light Rail Side/Center Platform	1	LS	\$ 1,500,000	\$ 1,500,000	Milwaukie LRT Cost Estimate
Pedestrian Bridge over Kellogg Creek	1	LS	\$ 700,000	\$ 700,000	Milwaukie LRT Cost Estimate
Construction Management				\$ 5,206,560	30% of Construction Costs Jackson Street Cost Estimate (Federal Funding)
Construction Contingency				\$ 3,471,040	20% of Construction Costs
Station Building	1	LS	\$ 3,500,000	\$ 3,500,000	Ankrom Moison Architects

Misc Costs	1	LS	\$ 1,500,000	\$ 1,500,000	Includes permits, consultant fees, legal fees, etc. - Wendy Hemmen Experience
Light Rail Related Public Improvement Total Cost				\$ 17,318,600	

Light Rail Improvements

	Quantity	Units	Unit Price	Total Value	
21st Avenue Half Street Improvements (Downtown Plan)	770	LF	\$ 1,100	\$ 847,000	
Lake Road Full Street Improvements (Asphalt Road, Similar to Downtown Plan Style)	150	LF	\$ 1,800	\$ 270,000	Half of Lake Road Included in Light Rail Project
Platform	1	LS	\$ 1,200,000	\$ 1,200,000	
Construction Cost Savings				\$ 2,317,000	

PE & Final Design Savings				\$ 278,040	
Construction Management Savings				\$ 301,210	
Construction Contingency Savings				\$ 278,040	
Light Rail Public Improvement Total Cost Savings				\$ 3,174,290	

South Downtown Public Improvements Total				\$ 42,780,437	
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** All Street Improvement Costs include Street, Sidewalk, Roadway Lighting, Undergrounding Overhead Utilities, Storm Water Planters, Landscaping, Irrigation, and Street Furniture



MILWAUKIE

Dogwood City of the West

To: Planning Commission

Through: Katie Mangle, Planning Director *KM*

From: Brett Kolver, Associate Planner

Date: September 21, 2010, for September 28, 2010, Work session

Subject: Natural Resource Overlay Briefing # 7

ACTION REQUESTED

None. This is a briefing for discussion only, a follow-up to the August 24 update on the status of the City's Natural Resources Overlay (NRO) code amendment project.

BACKGROUND INFORMATION

A. History of Prior Actions and Discussions

- **July, 2008:** Work session briefing on requirements of Metro's Title 13, Nature in Neighborhoods.
- **October, 2008:** Work session briefing on options for the City to comply with Title 13.
- **July 14, 2009:** First of two-part work session briefing on project approach.
- **July 28, 2009:** Second of two-part work session briefing on project approach.
- **April, 2010:** Work session briefing on project progress (including review of Draft 2 of proposed code and maps).
- **June, 2010:** Joint meeting with NRO Advisory Group to discuss significant issues.
- **August, 2010:** Work session briefing on project progress (including review of Draft 3 of proposed code and maps).

B. Project Overview

The NRO project is an effort to bring the City into full compliance with Statewide Land Use Planning Goal 5 (Natural Resources, Scenic and Historic Areas, and Open Spaces) and Metro's Title 13 (Nature in Neighborhoods). The new rules designate Habitat Conservation Areas (HCAs) for protection, including many areas contiguous to existing Water Quality Resource (WQR) areas that the City already regulates.

Staff's efforts have focused on incorporating the model HCA ordinance provided by Metro with the existing WQR rules established in Milwaukie Municipal Code (MMC) Section 19.322. Staff has also been working with the HCA map provided by Metro, making adjustments as appropriate and combining it with the existing map of WQR areas.

C. Project Goals

Based on feedback from Council, the Commission, and the community, the local regulations are being developed based on the following four key concepts:

1. **Continue to protect Water Quality Resource areas.** Through MMC 19.322, the City already protects land surrounding wetlands, creeks, and rivers. Where WQR areas overlap with HCAs, the WQR designation will take precedence and the WQR level of protection will apply.
2. **Expand the swath of protected land to include designated HCAs.** The City will adopt a version of Metro's regional inventory of HCAs, which focuses on tree canopy and significant vegetation near protected water features. This will result in a slightly larger "swath" of resource protection than is currently provided by the WQR designation alone.
3. **Adopt a local version of Metro's HCA maps.** Metro has provided the City with a regional inventory of High-, Moderate-, and Low-value HCAs as the basis for identifying the new areas that will be protected. However, the inventory was done at such a scale that there were inevitably some inaccuracies, which staff proposes to clean up. In addition, staff proposes to combine the High-, Moderate-, and Low-value HCAs and regulate them as a single category of HCA for the purposes of streamlining the new regulations.
4. **Create one Natural Resources Overlay code to blend existing WQR regulations with new regulations for HCAs outside of the WQR areas.** Metro provided a model HCA code for local jurisdictions to use in enacting the new Title 13 regulations. Staff is drawing on the Metro model code as a baseline resource but is tailoring it and blending its policies with the existing WQR regulations.

On August 24, 2010, staff provided a project update to the Planning Commission, including Draft 3 of the proposed code and the latest draft of the proposed HCA maps and map corrections. Several key issues were raised for discussion; staff is returning to the Commission with additional information.

KEY ISSUES

Two of the questions discussed at the August work session involved (1) how much flexibility the City should offer as an incentive for a property owner to avoid disturbing the resource area and (2) what is a reasonable "trigger" distance for ensuring that activities near a designated resource do not impact the resource. Staff has gathered the following information on both topics for continuing the discussion:

A. Allowances for Not Disturbing the Resource

The Metro model code for Title 13 includes several provisions that in different ways provide incentives for development activity to avoid a designated resource area or

minimize its impacts on that area. Development that produces a minimum amount of disturbance to an HCA can be evaluated through the straightforward Type I review process. That allowance includes a prescribed formula to determine what mitigation (primarily tree- and shrub-planting) is required based on the amount of tree removal or disturbance within the HCA.

The Metro model code also provides some modest incentives for development in exchange for avoiding or minimizing impacts on designated resource areas. These allowances include flexible setback and landscaping requirements, on-site density transfer, density bonuses, and off-site transfer of development rights. Staff recognizes that not all of these tools are appropriate in the Milwaukie context, so several (e.g., density bonuses and off-site transfer of development rights) have been omitted from Milwaukie's draft code document. However, one or two of these proposed tools warrant further discussion by the Commission to determine whether or not they should be available in the amended code.

1. **Adjustments to Base Zone Standards.** Normally, any deviation from the standards of the base zone (e.g., R-7, General Commercial, Manufacturing) requires a variance request and must meet the standards of MMC 19.702. However, by their nature, the WQR and HCA designations create "unusual conditions" that affect some properties and not others. The City wants to encourage development to avoid impacts to designated resource areas, so staff believes we should identify a few specific development standards that could be adjusted by right (without a variance).

Please see Attachment 1 for a modified version of draft NRO code subsection 19.322.16 Adjustments and Variances (from Code Draft 3), to see the adjustments that staff proposes to allow.

2. **On-site Density Transfer (Clustering).** One of the particular allowances proposed in draft NRO code subsection 19.322.16.B relates to the transfer of allowable density from one part of a residential site where there is a designated resource to a part of the site without any designated resource. The general concept is to provide an incentive for development to avoid the resource while retaining the same residential density that would be allowed on a property without any designated resource. The idea is not to allow any increase in the total number of dwelling units within the entire site area, although the configuration of units might be one not normally be allowed in the base zone.

Staff's proposal for the draft code is to provide this option of "clustered" development, but only when approved by the Planning Commission. This would allow the Commission to evaluate each situation, especially in cases where a particular housing type (e.g., triplex, four-plex, or other multi-family configuration) might be proposed in a zone (e.g., R-7) that would ordinarily not allow that development, even with Conditional Use review. Including this provision in the code would provide an additional alternative for residential development proposals that would not otherwise exist outside of the standard variance process.

B. Trigger Distance for Applicability of the NRO code

At the August work session, staff and the Commission discussed the question of what distance from a designated resource is appropriate to trigger the NRO standards. This issue is of special concern for properties that do not include a designated resource because they may be required to go through the boundary verification process and

prepare a construction management plan if a project work area falls within the trigger distance, even though they do not have ownership of the resource itself.

Staff proposes that the NRO standards be triggered when work is proposed within 50 ft of the boundary of a designated resource, regardless of whether or not the subject property includes the resource itself. The scale of the City's resource map is such that a larger trigger distance is not necessary for the purposes of boundary verification. The primary function of the trigger distance is to protect designated resources from construction impacts.

WQR areas include the protected water feature as well as a 50-ft vegetated buffer area, so requiring a construction management plan when non-exempt activities are proposed at a distance greater than 50 ft from a WQR area and when a standard erosion control plan would not otherwise be required seems unnecessary to adequately protect the resource. With HCAs, which can include tree canopy and vegetated cover that does not touch the ground, 50 ft also seems to be an adequate proximity to ensure that the resource is not impacted by non-exempt activities. Many activities not exempted by draft NRO code subsection 19.322.4 will likely require a standard erosion control plan, regardless of their distance from a designated resource.

Is 50 ft the correct distance at which to require that a project show the City that it will not produce negative impacts? Staff will be prepared to present the Commission with a few examples to facilitate discussion of this issue.

NEXT STEPS

Staff continues to test and refine the draft code. The City expects to receive feedback from Metro on the proposed HCA map corrections within the next few weeks. The working schedule for this project for the remainder of 2010 is as follows:

- October / November: Community Open House
- December 2010 / January 2011: PC and CC hearings

The project is heading into its final phase. If the Planning Commission identifies issues that require additional time to resolve, adoption of the local HCA regulations would be delayed and may affect Milwaukie's compliance with Title 13.

ATTACHMENTS

Attachments are provided only to the Planning Commission unless noted as being attached. All material is available for viewing upon request.

1. Excerpt from Draft 3 of the NRO code – Section 19.322.16 Adjustments and Variances (attached)

19.322.16 Adjustments and Variances

A. Adjustments to Base Zone Standards

An applicant may utilize the following adjustments to the relevant base zone standards to avoid or minimize impacts to a WQR area or HCA. No adjustment may be used to avoid the requirement to submit a construction management plan or boundary verification as required in Subsections 19.322.9 and 19.322.17, respectively.

1. Adjustments allowed by right

The following adjustments are allowed by right and may be used with any Type I, Type II, or minor quasi-judicial application:

- a. Yard setback standards may be adjusted by up to 10%.
- b. The lot coverage standard may be adjusted by up to 5%.
- c. The undisturbed WQR area and/or HCA on a property may count toward meeting minimum vegetation standards and/or other landscaping requirements, apart from those required for parking lots.

2. Additional adjustments

Requests to adjust base zone standards in a manner that exceeds the allowances listed in Subsection 19.322.16.A.1 shall be processed according to the relevant variance processes (for Type II or minor quasi-judicial review) outlined in MMC 19.700.

B. Adjustments to Lot Design Standards

When property boundaries are changed as provided in MMC Title 17 Land Division, an applicant may utilize the following adjustments to avoid or minimize impacts to a WQR area or HCA:

1. The minimum lot size standards of the base zone may be reduced by up to 10%, including lot area, lot width, and lot depth.
2. The minimum lot frontage required on a public street may be reduced by up to 10%.
3. Separate, unbuildable tracts created to contain some or all of the WQR area and/or HCA on a site are exempt from the limit on compound lot line segments established in MMC 17.28.050.C. Any lots or parcels adjacent to such tracts are also exempt from the compound lot line limit in MMC 17.28.050.C.

4. On-site density transfer ("clustering")

For residential development proposals, up to 100% of the allowed density for the entire site may be transferred to one or more individual lots or parcels on the site. The cumulative density for all lots or parcels shall not exceed the allowed density for the entire site. Regardless of the standard review process required for the specific proposed property boundary change, this particular adjustment is subject to the minor quasi-judicial review process and the general discretionary standards of Subsection 19.322.15.B.

These adjustments may not be used to avoid the requirement to submit a construction management plan or boundary verification as required in Subsections 19.322.9 and 19.322.17, respectively.

C. Adjustments to Specific HCA Standards

The structure of Section 19.322 includes some flexibility regarding disturbance of HCAs and mitigation for that disturbance.

1. Subsection 19.322.12.A establishes an allowance for HCA disturbance that is non-discretionary and subject to the Type I review process. Proposals to disturb more HCA than what is allowed by Subsection 19.322.12.A are subject to the general discretionary review standards of Subsection 19.322.15.B, which shall be evaluated through the minor quasi-judicial review process.
2. Subsection 19.322.12.C establishes mitigation requirements for HCA disturbance that are non-discretionary and subject to the Type I review process. Proposals that cannot meet the mitigation requirements of Subsection 19.322.12.C are subject to the discretionary review standards of Subsection 19.322.15.A, which shall be evaluated through the minor quasi-judicial process.

~~D. Variances~~

- ~~1. Requests to vary any applicable base zone standard beyond the adjustments allowed in Subsections 19.322.16.A and 19.322.16.B shall be subject to the process and criteria established in MMC 19.700 Variances, Exceptions, and Home Improvement Exceptions.~~
- ~~2. In particular, a variance request to avoid the unreasonable loss of economically viable use of a lot that contains a WQR area and/or HCA may be granted by the Planning Commission through the minor quasi-judicial review process. In addition to the approval criteria provided in MMC 19.700, a variance request to avoid unreasonable economical use must demonstrate that without the proposed variance, the reasonable economic use of the property would be denied. The applicant must show that no other development proposal could result in permission for an economically viable use of the property.~~
- ~~3. In granting any variance request related to Section 19.322, the Planning Commission may impose such conditions as are deemed necessary to minimize adverse impacts that may result from granting relief from provisions of Section 19.322. Examples of such conditions include, but are not limited to, maintaining a minimum width of the vegetated corridor alongside a primary protected water feature and limiting the amount of WQR area for which the adjacent vegetated corridor width can be reduced.~~