



AGENDA

MILWAUKIE PLANNING COMMISSION AND DESIGN AND LANDMARKS COMMITTEE JOINT SESSION

Thursday, November 13, 2014, 6:30 PM

MILWAUKIE CITY HALL
10722 SE MAIN STREET

- 1.0 Call to Order - Procedural Matters**
- 2.0 Planning Commission Minutes** – Motion Needed
 - 2.1 August 26, 2014 (*to be sent under separate cover*)
- 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: Moving Forward Milwaukie Downtown Plan and Code Amendments –
Downtown Design Review
Staff: Li Alligood and Denny Egner
- 7.0 Planning Department Other Business/Updates**
- 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:**
 - November 25, 2014
 - 1. Public Hearing: ZA-14-03 Limited Commercial (CL) Zone Update
 - 2. Public Hearing: VR-14-02 9925 SE 37th Ave Variance
 - December 9, 2014
 - 1. Public Hearing: DR-14-07 Reliable Credit Parking Lot
 - 2. Public Hearing: ZA-14-03 Limited Commercial (CL) Zone Update *continued tentative*
 - 3. Worksession: CPA-14-02 Moving Forward Milwaukie Downtown Plan and Code Amendments

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. **TIME 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:

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

Design and Landmarks Committee

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

Planning Department Staff:

Denny Egner, Planning Director
Li Alligood, Senior Planner
Brett Kelter, Associate Planner
Vera Koliass, Associate Planner
Alicia Martin, Administrative Specialist II
Marcia Hamley, Administrative Specialist II

**CITY OF MILWAUKIE
PLANNING COMMISSION
MINUTES
Milwaukie City Hall
10722 SE Main Street
TUESDAY, August 26, 2014
6:30 PM**

COMMISSIONERS PRESENT

Sine Bone, Chair
Wilda Parks, Vice Chair
Shannah Anderson
Scott Barbur
Greg Hemer
Gabe Storm

STAFF PRESENT

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

COMMISSIONERS ABSENT

Shaun Lowcock

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.

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 June 10, 2014

It was moved by Vice Chair Parks and seconded by Commissioner Hemer to approve the June 10, 2014, Planning Commission minutes as presented. The motion passed unanimously.

3.0 Information Items

Denny Egner, Planning Director, gave an update regarding the property on SE 37th Ave and SE Harvey St. The applicant applied for another variance for the project but staff determined that the application was incomplete and was waiting for additional information to be filed.

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 – None**6.0 Worksession Items**

6.1 Summary: Moving Forward Milwaukie Briefing #5
Staff: Li Alligood

Li Alligood, Senior Planner, presented the staff report via PowerPoint. She gave a brief update on the direction staff planned to take for the draft downtown plan and code amendments. There would be on a number of worksessions with the Commission prior to the public hearings, anticipated to begin in October. She reviewed the project goals that were focused on implementing code revisions to facilitate vibrant commercial areas, and noted the project's schedule.

Ms. Alligood reviewed and explained the recommended direction and revisions regarding barriers to development and approaches to remove them. She noted that these were draft concepts and there was time for feedback and revisions before the hearings process began.

- Downtown zones should be combined and simplified into one Downtown Mixed Use zone;
- Allow for lower review types per project and exempting design review for small additions;
- Remove restrictions on retail uses in south downtown;
- Allow for open spaces/plazas along Main St;
- Expand allowed uses on Main St and apply pedestrian-friendly standards throughout downtown;
- Reduce required off-street parking;
- Implement key items from the South Downtown Concept Plan (adopted by City Council in 2009) including reducing building heights and minimum lot sizes, activating the South Downtown plaza and Adams Street Connector, and reducing off-street parking minimums.

She noted specifics of the revisions:

- The five downtown zones and two overlays would be combined to one Downtown Mixed Use zone with the renamed Open Space zoned retained for the parks.
- Uses on the ground floor would be expanded; currently the ground floor required retail or eating/drinking establishments. The proposed permitted uses included commercial office, personal/business services, limited office uses, and expanded retail use square footage.
- Although a combined zone would apply to all of downtown, some standards and requirements would still be in place for Main St to ensure a vibrant commercial core. It was expected that layers of code applied to different areas, particularly areas such as Main St.
- Allow retail sales and service up to 10,000 sq ft from 5,000 sq ft; more than 10,000 sq ft could be permitted conditionally.
 - **Commissioner Hemer** asked about the intent of the 10,000 sq ft limit.
 - **Ms. Alligood** noted that it would allow for review by the Commission should a larger retail use move into the downtown.
 - **Mr. Egner** agreed that that trigger would be good to discuss – where would a use like a smaller Trader Joe’s fit into the downtown?
- Minimum lot size would be changed from between 750-10,000 sq ft to just 750 sq ft minimum, with no minimum height requirement.
- Off-street parking requirements for non-residential uses would be eliminated throughout downtown. Residential development would still be required to provide off-street parking.
 - **Chair Bone** suggested that perhaps a maximum be considered, rather than a minimum for residential, to allow for market flexing and increased transit ridership.
 - **Ms. Alligood** noted that staff heard from developers that the suburban residential market demanded off-street parking.
 - **Commissioner Hemer** asked again why off-street parking was being eliminated.
 - **Ms. Alligood** responded that when off-street parking was required, it created a barrier and deterrent to development by reducing the surface square footage available for development, and parking garages were expensive. The goal of the project was to reduce or eliminate those barriers and to promote a pedestrian-friendly and vibrant downtown. Requiring off-street parking prohibited development to pencil out. She suggested that perhaps staff could return to the Commission to discuss parking alone.
 - **Chair Bone** asked if there was a recommendation for transportation demand management options as a part of this project or if it could be included.
 - **Ms. Alligood** agreed that that could be a possibility.

- **Mr. Egner** clarified that transportation demand management would encourage businesses to provide options and alternatives with regarding to parking and public transit for their employees to lessen the demand for parking.
- Allowed uses on ground floor would include commercial and limited office, personal/business services, housing north of Harrison St, and expanded allowed square footage for retail.
- There was some discussion regarding changes to ground floor windows, doors, height and depth minimum percentages. but no proposals have been decided upon.
- Changes to development standards:
 - For buildings facing Main St – Build-to lines expanded but built-in flexibility would allow setbacks to provide public plazas or open space; reduce minimum height requirement; increase percentage of ground floor windows and doors; and require the primary entrance to face abutting street.
 - For other streets – Establish build-to lines to key streets; reduce maximum setbacks to 10 ft; establish minimum window and door percentages; and retain 3-story height limit with 1-story height bonus and extend that regulation south of Washington.
- Changes to design standards –
 - No changes were proposed for the design standards for residential features, walls, windows, or roofs. However, it was suggested that the prohibited materials for walls and roofs be revisited.
 - A new design standards chapter was being proposed for downtown that would add standards for rooftop equipment, mixed use and residential buildings, corners, weather protection, and open spaces/plazas.
- Type II Downtown Design Review would be added for projects that meet clear and objective standards or for building additions less than 250 sq ft. She explained the difference between Type II and Type III reviews.

Chair Sine asked about using Harrison St as the dividing line between north downtown and the main downtown area and why it wasn't Scott St, for example.

- **Ms. Alligood** agreed that the north side of the North Main development at Scott St was a better dividing line. However, Harrison St was not decided upon.

Ms. Alligood reminded that the Commission could send along their questions and concerns to staff, and staff would be returning to the Commission for more worksessions.

Commissioner Hemer asked for examples of successful models of development review processes.

Peter Watts, City Attorney, noted that from a developer's perspective, Hillsboro would be an example of a successful model. What developers look for was certainty, where the standards were clear and easily met. If the review process involved multiple committee reviews with uncertainty of approval, developers see that as a community that was riskier to build in.

Commissioner Hemer clarified that his question was about what was more important to the citizens of Milwaukie: creative and unique development or cookie-cutter development?

Chair Bone noted that clear and objective review did not imply cookie-cutter; there was not just one way to meet the standards.

Ms. Alligood agreed and added that the standards were based on what the community wanted.

Ms. Alligood introduced the Central Milwaukie concepts and said the concepts were preliminary at this point. She noted the areas of Milwaukie that were considered Central Milwaukie, and added that major barriers were the Hwy 224 expressway and the railroad. She summarized the feedback received from the project advisory committee – that central Milwaukie was convenient and provided easy vehicle access for daily needs and was used by many neighborhoods to the east, but there was little identity to the area and bike and pedestrian access was difficult due to safety and connectivity obstacles.

Draft concepts included improved safety and connectivity with downtown through greenways and enhanced crossings at key intersections, improved internal connections for bikes and pedestrians, growing the community by expanding the range of housing choices and protecting the character of existing neighborhoods, and enhancing the Oak St “Main Street.”

Mr. Egner noted that staff and the consultants walked the area that day, and in light of that, the draft concept map would need to be changed.

Ms. Alligood asked the Commission key questions of what they felt the identity of the area should or might be.

Chair Bone explained that her group discussion at the last Project Advisory Committee (PAC) meeting was that this area was the meeting point of four different neighborhoods and was really a center point of the community; the “Milwaukie Junction.” Although it doesn’t currently have much of an identity, the shopping centers were frequently used and were important. She felt there was great opportunity for the area.

The Commission discussed the walkability and auto-centric nature of the area.

Ms. Alligood noted that staff would be taking these draft concepts to the PAC at the end of the month for more feedback. The Commissioners were encouraged to forward their feedback through Chair Bone to take to the PAC. She reviewed next steps including PAC meetings, City Council and Planning Commission worksessions, and the first public hearing tentatively scheduled for October 28, 2014.

Steve Butler, Community Development Director, added that staff was considering a joint session between the Planning Commission, City Council, and the PAC.

Chair Bone encouraged the Commissioners to participate and attend the open houses and PAC meetings in order to hear the feedback from the community on these amendments.

Chair Bone called for public comment.

David Aschenbrenner introduced himself. He said he represented the South Downtown Steering Committee on the PAC, and also was the Chair of the Hector Campbell Neighborhood District Association. He reiterated that the PAC would like to have a joint discussion with the Commission and Council. He noted that what hadn’t been discussed that evening was 4th and 5th story building setbacks as an option. He felt that those options should be included in the discussion as they provided both a smaller scale feeling as well as added incentive for development to better pencil out. He was concerned about build-to property lines in south downtown as that standard was not necessarily in line with the concept plan for the south downtown, with potential for dining establishments and the like to want outdoor seating, etc. He also reminded the Commission of the medial office identity of the central Milwaukie area as

there were numerous medical offices and facilities in that area, which allowed for office development.

Chair Bone asked about standards for open spaces applying to south downtown with regard to Mr. Aschenbrenner's concern.

Ms. Alligood replied that since there was a plaza as part of the south downtown concept plan, it was assumed that businesses abutting the plaza would have use of it, helping to make it a vibrant area.

6.2 Summary: Medical Marijuana
Staff: Denny Egner

Mr. Egner reminded the Commission that staff was working to craft code language in response to a change in State law that allowed local governments to create reasonable regulations for medical marijuana dispensaries. He reviewed the staff report and the Commission's direction to staff from the July worksession regarding adding buffers around two former school sites and not including buffers around parks. He noted that the request to buffer youth and daycare facilities may be complicated for future locations of such facilities and could create nonconforming uses.

Mr. Watts clarified the State's description of 'career school primarily attended by minors' and added that some jurisdictions have interpreted that broadly, such as a ballet school or a music store that provided lessons. Interpretation was up to the jurisdiction.

The Commission discussed the implications of the 'career school' definition.

Mr. Watts further explained the intention of the state's bottom-line rules. If the ballot for recreational legalization in November passed, the sale of recreational marijuana would be regulated by the OLCC rather than the Oregon Health Authority. Getting local rules in place would take time.

Commissioner Hemer asked if, in looking at the map of allowed areas, the City could write regulation where facilities could not be located in any Commercial zone that was within 1000 ft of a school. He felt that it was unusual to allow, per the map, a part of a commercial property or zone, to have a dispensary located in it, but the other part not allow for it based on the range of the 1000 ft buffer.

Mr. Egner responded that the City could write the regulations how it saw fit, as long as they were reasonable and they met minimum State requirements.

Commissioner Anderson reminded that at the last worksession on this topic, the Commission seemed to agree to not be much more prescriptive than the State regulations, and that these were medical facilities.

Mr. Watts noted that one of the benefits of sticking with the State regulations was that it decreased the possibility of litigation over what was reasonable or not.

Mr. Egner said he had spoken with the Police Chief Bartol. Chief Bartol was not a fan of medical marijuana or dispensaries but acknowledged that there was demand for them in Milwaukie. He was concerned about proximity to light rail stations and felt that buffers around parks would help eliminate more areas. Regarding collocated businesses, Chief Bartol felt that created more possibility for illegal sales due to extra foot traffic other than medical marijuana

recipients. A single use would be easier to regulate. Hours of operation played a role in increased possibility of intoxication and other issues.

Mr. Watts noted that other jurisdictions have requested certain regulations with regard to police location and availability, should there be issues. Also, possible challenges were around the fact that patients patronizing these facilities had to carry cash and so were at higher risk of robbery.

The Commission discussed the possibility of colocation and agreed that it should not be allowed.

The Commission agreed that hours should be 7:00 a.m. to 9:00 p.m.

Mr. Egner said that allowing dispensaries in retail areas and reserving industrial areas for more employment was reasonable; however, industrial areas were generally outside of residential areas. He noted that with regard to buffering around daycare facilities, those facilities were only permitted in certain areas but the two types of facilities may not overlap and so buffering may not be necessary.

The Commission agreed that sales should be allowed in industrial areas and that no special buffers around daycare facilities should be proposed.

7.0 Planning Department Other Business/Updates

7.1 Planning Commission Notebook Update Pages

8.0 Planning Commission Discussion Items

Commissioner Hemer noted that some exhibits at the Milwaukie Historic Museum were opening on September 27th.

9.0 Forecast for Future Meetings:

September 9, 2014 1. Worksession: Moving Forward Milwaukie Downtown Plan and Code Amendments drafts overview

September 23, 2014 1. Worksession: Moving Forward Milwaukie Downtown Plan and Code Amendments drafts overview *continued tentative*

Meeting adjourned at approximately 9:33 p.m.

Respectfully submitted,
Alicia Martin, Administrative Specialist II

Sine Bone, Chair



MILWAUKIE

Dogwood City of the West

To: Planning Commission
Design and Landmarks Committee

Through: Dennis Egner, Planning Director

From: Li Alligood, Senior Planner

Date: November 6, 2014, for November 13, 2014, Joint Worksession

Subject: Moving Forward Milwaukie Briefing #10:
Follow up on Draft Downtown Design Standards and
Draft Downtown Design Review Procedures

ACTION REQUESTED

None. This is a briefing for discussion only. This is the tenth in a series of project briefings to the Planning Commission, and the second joint Commission and Committee worksession on the project. Staff is seeking feedback about draft code amendments for downtown Milwaukie, specifically related to Downtown Design Review land use procedures. Staff is proposing a streamlined Type II process for projects that meet all of the downtown development and design standards, as revised.

BACKGROUND INFORMATION

The *Moving Forward Milwaukie: Enhancing our Commercial Districts* (MFM) project began in July 2013 and will continue into mid-2015. The project was preceded by the *Fresh Look Milwaukie: Downtown Road Map* project (January – June 2013). The goal of the MFM project is to achieve appropriate development and redevelopment in the city's commercial areas by removing barriers and creating incentives.

The MFM project is focused on bringing new activity to Milwaukie's commercial districts: downtown, central Milwaukie, and the neighborhood main streets of 32nd & 42nd Avenues.

A. Downtown Vision

The Downtown and Riverfront Land Use Framework Plan ("Framework Plan"), which is the adopted vision for downtown, describes 3 "fundamental concepts":

1. Anchors and Attractors – businesses at either end of Main Street that draw substantial pedestrian traffic and provide additional customers for downtown businesses.

2. Main Street as a healthy retail street – establishing a "lively storefront retail character with a pedestrian emphasis and 24-hour use." Key land use components of this character include:
 - Retail on both sides of the street
 - Continuous retail facades with no interruptions
 - Anchor retail at both ends of Main Street
 - Retail on all four corners of intersections
3. Connecting downtown to the river – signaled pedestrian connections to the riverfront and development of Riverfront Park.

These fundamental concepts are implemented through a combination of use, development, and design standards.

B. Project Goals

The goals of the Moving Forward Milwaukie project are to:

- *Remove barriers.* Provide enough flexibility to allow for market-driven development while ensuring that new development meets the community's expectation.
- *Create incentives.* Provide regulatory and/or financial incentives to encourage development that implements the community's vision for downtown – encourage developers to go "above and beyond" what the market might support.
- *Allow good things to happen.* Support new life for existing buildings and new development that provides the amenities and activity the community desires downtown.

The draft amendments seek to implement the project goals through the following objectives:

- *Provide more clarity and flexibility on allowed development.* Clearly communicating the community's expectations of the form new buildings will take through reorganization of the downtown code section and establishment of clear and objective standards for building size and design.
- *Ensure development is attractive and pedestrian-friendly.* Make sure development and design standards support a pedestrian-friendly streetscape and walking experience.
- *Streamline the review process.* Provide a Type II Downtown Design Review process for developments that meet clear and objective standards.

Staff has discussed the proposed amendments with the Planning Commission in August, September, and early October, and will continue discussions during November and December as outlined below.

Subject Area	8/26	9/9	10/14	10/28	11/12	12/9 (NEW)
Number of downtown zones	X					
Permitted uses (including Main St)		X				
Development standards			X			

Design standards				X		
Review procedures					X	
<i>Framework Plan amendments(NEW)</i>						X

C. History of Prior Actions and Discussions

- **October 28, 2014:** Staff provided an overview of the proposed revisions to the design standards in downtown Milwaukie. The Commission requested additional information regarding potential incentives for green building and/or additional open space.
- **October 14, 2014:** Staff provided an overview of proposed revisions to the development standards in downtown Milwaukie. The Commission discussed building height, off-street parking requirements, build-to lines, and ground floor window requirements.
- **September 23, 2014:** At a joint worksession with City Council, Matt Arnold of SERA Architects provided a presentation and led a discussion about downtown development and design standards and consideration for downtown Milwaukie.
- **September 9, 2014:** Staff provided an overview of potential draft code amendments for downtown Milwaukie, specifically related to downtown use standards, and led a walking tour of the North Main Village development.

KEY DISCUSSION ITEMS

A. Downtown design standards

At the October 28 worksession, the Planning Commission requested additional information about how the City could incentivize design that included green building (such as LEED certification) and/or the provision of additional open space.

Green Building

Staff conducted a brief review of incentives that are typically provided for green building. The National Association of Industrial and Office Properties Research Foundation (NAIOP) conducted a survey of local governments and developers in 2007¹ and found that:

- Most local incentives for green building were monetary (incentive payments, grants, rebates, reimbursements, abatements, tax credits, etc.).
- However, 83% of developers responding to the survey indicated that the development incentive that would make the biggest difference was density bonuses, which would provide the ability to add more space to a development if market conditions call for it. Density bonuses typically take the form of additional floor area ratio (FAR); building heights; or residential densities. In downtown Milwaukie, maximum residential densities are controlled by height.

¹ NAIOP Research Foundation, "Green Building Incentives that Work: A Look at How Local Governments Are Incentivizing Green Development," November 2007, available online at www.naiop.org/~media/Research/Research/Research%20Reports/Green%20Building%20Incentives%20That%20Work/greenbuildingincentives.ashx.

Although monetary incentives are helpful, they are financial rather than regulatory tools. Among commonly-used tools, density bonuses are the only development incentives that can be codified and applied through the Zoning Ordinance.

LEED certification can increase costs (hard, soft, design, third-party review and documentation) for new development by 3-8%, which can be a significant added cost for development projects. LEED certification also requires a level of green building experience, or additional costs for consulting assistance.

If the Commission and Committee wish to encourage green building in downtown Milwaukie, staff suggests consideration of the following approach:

- Provide FAR and/or height bonuses for green building certification. Certification programs could include LEED, Green Globes, and/or Living Building Challenge.
- Consider providing varying levels of incentives for various certification levels. For instance, there are 4 LEED certification levels (Certified, Silver, Gold, and Platinum), with varying thresholds. LEED Platinum certification could benefit from greater incentives than lower certification levels.

Allowing additional floor area or height for buildings that meet a minimum threshold could potentially offset the cost of certification and provide an incentive for green building. However, additional information is needed to determine if the incentive of additional floor area or height would sufficiently offset the additional costs of LEED or other green building certification.

Additional Open Space

Many jurisdictions provide height or other density incentives for the provision of additional open space in residential developments. The proposed amendments would allow multifamily residential or mixed-use development that includes residential units to meet the shared outdoor space requirements through the provision of courtyards, roof decks or garden, play areas, outdoor recreation facilities and/or similar space.

The proposed amendments would require that development projects with site areas greater than 20,000 square feet shall include at least one public space with a minimum size of 400 square feet, or 2%. If the Commission and Committee wish to incentivize the provision of publicly-accessible open space in downtown Milwaukie, staff suggests consideration of the following approach:

- Provide an FAR bonus density. For instance, a bonus of 0.1 FAR could be allowed for each additional 1% increase in public open space, up to [0.5-2.0] FAR bonus.

For example, in the case of a 20,000 sq ft development, an increase in public open space from the required 400 sq ft to 1,000 sq ft (or an increase of 3%) could result in a bonus of 0.3 FAR.

B. Review procedure for new development

One of the key objectives of the Moving Forward Milwaukie project is to streamline the review process. Currently, all new development and major renovations in the downtown zones are subject to Type III Downtown Design Review. This review procedure requires a public design review meeting before the Design and Landmarks Committee, which then makes a recommendation to the Planning Commission for consideration at a public hearing. The proposed development is reviewed against the [Downtown Design Guidelines](#)

and objective design standards related to materials, roofs, and windows (see [MMC 19.304.6](#)).

Several key issues with this process have been identified through discussions with developers, applicants, and staff:

- The Type III process requires at least 3 months, and sometimes up to 6 months. This extended timeline results in additional cost to an applicant.
- The Type III process requires a significant financial outlay to prepare for DLC and Planning Commission review.
- The Downtown Design Guidelines provide general direction for a project architect, but can be interpreted and applied in many different ways. It is difficult for staff to evaluate a proposal against the Downtown Design Guidelines absent any clear direction regarding the desired outcome.
- The lack of clear standards for new development creates significant uncertainty for a developer, which in turn adds risk.

Staff has proposed the following revisions:

- A new Type II Downtown Design Review process. This process would be available for renovation and new development that meets the revised downtown design standards. The Type II land use review process is more streamlined (typically 45-60 days) but still requires public notice and provides an opportunity for public comment. As proposed, this process would only be available to projects that meet all of the development and design standards for downtown. If a proposal does not meet one or more of the design standards, it would go through the Type III process.
- Retain the Type III Downtown Design Review process. This process would be available to developers that desire more flexibility or wish to propose an innovative design. As proposed, the Type III Downtown Design Review process would focus only on those design standards that are not being met. This would allow for review against the intent of the related Downtown Design Guideline, while providing for a focused review process.

Some community members have expressed concern that establishing a Type II Downtown Design Review process would negate the need for the Design and Landmarks Committee. While it is true that many developers may choose the Type II process, staff believes that developers with innovative proposals will continue to choose the Type III process and the flexibility it provides. Also, the revised Type III process, which would focus only on those standards that are not being met, would provide greater certainty to a developer regarding the outcome of the review process.

Currently, the DLC does not have a formal role in the Type II Downtown Design Review process. There may be an opportunity to incorporate the DLC into the Type II Downtown Design Review process, either as an informal review/commenting body or through referrals to individual DLC members during the referral process.

C. Discussion Questions

Staff is seeking Commission and Committee feedback about the following proposals.

1. Which, if any, potential bonus densities (FAR, height) should be included in the draft code amendments for green buildings and/or open space?

2. If so:
 - a. Should these incentives be provided for green building?
 - b. Should these incentives be provided for publicly-accessible open space?
 - c. Should they be *in place of* or *in addition to* proposed height bonuses for projects that are at least 25% residential?

If green building incentives were provided *in place of* the residential height bonus, developers would be able to either choose the green building FAR/height bonus or the residential height bonus and could potentially qualify for 1 additional story (4-5 story maximum in downtown).

If green building incentives were provided *in addition to* the residential height bonus, developers could potentially qualify for a green building/open space height bonus and a residential height bonus additional – up to a 2 story height bonus (5-6 story maximum in downtown).
 - d. Should various levels of incentives be tied to various levels of certification?
3. Are there any concerns or comments about the proposed Type II Downtown Design Review process?
4. What role should the DLC have in the Type II Downtown Design Review process?

Next Steps

The first hearing for the draft downtown plan and code amendments was tentatively scheduled for Tuesday, November 25. However, due to the complexity of the issues being considered, and to allow for incorporation of public input and Planning Commission direction, staff has rescheduled the November 25 hearing to January 13, 2015. This would allow the Planning Commission to hold a final worksession on the draft amendments on December 9, 2104.

Staff requests Planning Commission feedback about whether additional worksessions on the draft amendments are desired, and agreement with the proposed revised hearing date.

ATTACHMENTS

Attachments are provided as indicated by the checked boxes. All material is available for viewing upon request.

	PC Packet	Public Copies	E-Packet
1. MMC Section 19.907 Downtown Design Review (existing)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2. Draft revisions to MMC 19.907 Downtown Design Review (clean version)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Key:

PC Packet = paper materials provided to Planning Commission 7 days prior to the meeting.

Public Copies = paper copies of the packet available for review at City facilities and at the Planning Commission meeting.

E-Packet = packet materials available online at <http://www.milwaukieoregon.gov/planning/planning-commission-rescheduled-veterans-day>.

19.907

19.907 DOWNTOWN DESIGN REVIEW**19.907.1 Purpose**

Design review is intended to achieve the following purposes:

- A. Preserve and enhance the character of downtown Milwaukie;
- B. Ensure a degree of order, harmony, and quality in the downtown zones, providing buildings and projects that are attractive individually yet contribute to a downtown that is unified and distinctive as a whole; and
- C. To ensure that new development and alterations or enlargement of existing development are consistent with the Downtown Design Guidelines and Downtown and Riverfront Land Use Framework Plan.

19.907.2 Applicability

All new construction and changes to buildings and/or properties in the downtown zones involving exterior maintenance and repair, minor exterior alterations, and major exterior alterations as defined in Subsection 19.304.6.B are subject to design review in accordance with the procedures as outlined below under Subsection 19.907.5.

19.907.3 Design Guidelines

Design guidelines shall be established for the downtown zones and shall be considered as part of design review applications in accordance with the provisions of Section 19.304.

19.907.4 Duty to Review—Planning Director

The Planning Director shall review each application for a building permit or other approval in the downtown zones. The purpose of this review is to ensure that improvements within the downtown zones maintain consistent standards of design and to ensure that development is consistent with adopted design guidelines.

19.907.5 Application Procedure

Applications for design review shall be processed in accordance with Chapter 19.1000, Type I, Type II, and Type III procedures as indicated in this section, as follows:

A. Exterior Maintenance and Repair

Exterior maintenance and repair, as defined in Subsection 19.304.6.B.1, shall be processed as a Type I review in accordance with the procedures in Section 19.1004. Exterior painting, repair, and refurbishing of existing building materials that does not require a building permit shall be exempt from Type I review.

B. Minor Exterior Alterations

Minor exterior alterations, as defined in Subsection 19.304.6.B.2, shall be processed as a Type I review in accordance with the procedures in Section 19.1004. The Planning Director may change a Type I review to a Type II review upon finding the following:

1. The work is visible from streets, courtyards, and/or public squares and significantly changes the architectural character of the building, which may include changes to exterior wall materials and changes in architectural style; and/or
2. The work is inconsistent with the Downtown Design Guidelines.

C. Major Exterior Alterations

Major exterior alterations, as defined in Subsection 19.304.6.B.3, shall be evaluated through a Type III review in accordance with the procedures in Section 19.1006. Applications for major exterior alterations shall be reviewed at a public hearing and decided by the Planning Commission, except as follows:

The following major exterior alterations shall be processed by Type II review:

1. Additions not more than 250 sq ft in floor area that do not face streets, courtyards, and/or public squares and are not designed and used for utility, HVAC, or other mechanical equipment, building upgrades as needed to comply with the Americans with Disabilities Act, or egress required by applicable fire safety or building codes.
2. Demolition or replacement of no more than 25% of the surface area of any exterior wall or roof that does not face streets, courtyard, and or public squares.

D. Residential

1. "Stand-Alone" Residential Buildings

"Stand-alone" residential buildings that do not include nonresidential uses are exempt from design review, but shall be subject to the clear and objective design standards under Subsection 19.304.6. Applicants may elect to process a stand-alone residential building design review.

2. Mixed Use Buildings

The residential portion of mixed use buildings shall be subject to the clear and objective standards under Subsection 19.304.6. The nonresidential portion of the building is subject to design review as provided in this section. Applicants may elect to process the entire mixed use building through design review.

Any change in use of the residential portion of a mixed use building that elected only to apply clear and objective standards, and where exterior changes to the building are proposed shall require approval by the Planning Commission.

19.907.6 Application

Applications for design review shall be filed with the Planning Department on forms prescribed by the Planning Director. Design review applications shall include a narrative explaining how the development considered each of the Downtown Design Guidelines. The applicant shall demonstrate consistency with the design guidelines and compliance with applicable zoning criteria. In addition to all information specified on the "Submittal requirements" and "Site plan requirements" forms, each application for design review shall be accompanied by the following information:

- A. Completed design review checklist.
- B. Written statement that describes how the proposal meets applicable design guidelines. Where a guideline is not met, the applicant shall provide justification indicating why it is not applicable or demonstrate other site or project characteristics that warrant an exception.
- C. Show footprints of surrounding buildings, including driveways and pedestrian connections.
- D. Location, dimension, and setbacks of all proposed buildings, structures, walls, and fences.
- E. Dimensioned building elevations indicating height, exterior materials, colors, and details of exterior architectural features, such as cornices, windows, and trim.

19.907

- F. A streetscape drawing showing the relationship of the proposed project to adjacent buildings.
- G. Frontage improvements in the public right-of-way per the Public Area Requirements.

19.907.7 Approval Criteria for Design Review

The approval authority may approve, approve with conditions, or deny design review based on the following approval criteria:

- A. Compliance with Title 19;
- B. Substantial consistency with the Downtown Design Guidelines; and
- C. Submittal of a complete application and applicable fee as adopted by the City Council.

19.907.8 Report and Recommendation by Design and Landmarks Committee

The Design and Landmarks Committee shall hold a public meeting and prepare a design review report for design review applications that require Type III review pursuant to Section 19.1011. The Planning Commission shall consider the findings and recommendations contained in the design review report during the public hearing on the proposal.

19.907.9 Variances to Development Standards

The Planning Commission may authorize variances to the development standards under Subsection 19.304.4 in accordance with procedures of Section 19.911.

19.907.10 Modification of Design Standards

The Planning Commission may authorize modification of the design standards under Subsection 19.304.6.C, in accordance with the following procedures.

A modification to a design standard may be granted at a public hearing in accordance with Section 19.1006 when all of the following criteria are satisfied:

- A. The modification is integral to the overall design concept for the building;
- B. The modification:
 1. Substantially meets the intent of the design standard; or
 2. In combination with other design elements of the project, the modification meets the intent of the design standard; and
- C. The project is substantially consistent with the Downtown Design Guidelines applicable to the design standard.

19.907.11 Consideration of Prohibited Material or Design Features

The Planning Commission may authorize the use of prohibited materials or design features specified in Subsection 19.304.6.C subject to the following criteria:

- A. The applicant demonstrates that the prohibited material is substantially comparable to an allowed material with regards to quality, appearance, style, architectural effect, and durability.
- B. Use of the prohibited materials is consistent with design considerations specified for the particular design element in the Milwaukie Downtown Design Guidelines. (Ord. 2051 § 2, 2012; Ord. 2025 § 2, 2011)

Clean Amendments – DISCUSSION DRAFT
OCTOBER 2014
Zoning Ordinance

CHAPTER 19.900 LAND USE APPLICATIONS

19.907 DOWNTOWN DESIGN REVIEW

19.907.1 Purpose

Downtown Design Review is intended to achieve the following purposes:

- A. Preserve and enhance the character of downtown Milwaukee;
- B. Ensure a degree of order, harmony, and quality in the downtown, providing buildings and projects that are attractive individually yet contribute to a downtown that is unified and distinctive as a whole;
- C. Ensure that new development and alterations or enlargement of existing development are consistent with the Downtown Design Standards or Guidelines and Downtown and Riverfront Land Use Framework Plan; and
- D. Provide a design review process that allows applicants to choose standards or more flexible discretionary guidelines.

19.907.2 Downtown Design Review Approval Process

- A. To achieve the purpose of the downtown design standards, there are three Downtown Design Review processes through which to apply for approval:
 - 1. Type I. The ministerial review track provides for a Type I review process pursuant to Section 19.1004 using the design standards in Section 19.508. It is generally intended for smaller building and site renovation projects listed in Subsection 19.907.3.A.
 - 2. Type II. The administrative review track provides for a Type II process pursuant to Section 19.1005 that requires staff review utilizing the standards in Section 19.508. It generally applies to new development and renovation/remodeling projects listed in Subsection 19.907.3.B.
 - 3. Type III. The discretionary review track provides for a Type III review process pursuant to Section 19.1006 through which the Design and Landmark Committee and Planning Commission determine conformance with the *Downtown Design Guidelines*.
- B. Designing a project to the design standards would result in a Type I or II review process. However, applicants, at their option, may choose to use Type III discretionary review. Applicants can address Downtown Design Review requirements through a combination of satisfying certain design standards, and in instances where they elect not to utilize design standards, satisfy applicable design guidelines instead. In such a case, the public hearing and decision will focus on whether or not the project satisfies the requirements of the applicable design guidelines only.

19.907.3 Downtown Design Review Applicability

Applications for Downtown Design Review shall be processed through a Type I, II, or III procedure in accordance with Chapter 19.1000, as follows:

Proposed Code Amendment

- A. Exemptions. Downtown Design Review does not apply to the following projects:
1. Demolition, unless listed on the City of Milwaukie Historic Resource Inventory and subject to the standards of Chapter 19.403.
 2. Building additions less than 250 square feet that do not face a street
 3. Maintenance, restoration and repair of a building in a manner that is consistent with previous approvals and/or necessary for safety. Examples include paint retouching and other routine upkeep of the building exterior, and replacement of damaged siding, and restoration of building components back to their original state.
 4. Projects undertaken to bring an existing development into compliance with the Americans with Disabilities Act
 5. Exterior painting and weatherproofing
 6. Any exterior project that doesn't require a building permit
 7. Interior remodeling
- B. Type I
1. Applicability
 - a. Demolition or replacement of less than 25% of the surface area of any exterior wall or roof
 - b. Addition, elimination, or change in location of windows that does not decrease the overall percentage of window coverage
 - c. Addition, elimination, or change in location of entry doors and loading doors.
 - d. Addition of new, or change to existing, awnings, canopies, and other mounted structures to an existing façade
 - e. For commercial and mixed use developments, modification of up to [15] % of on-site landscaping with no reduction overall landscaping percentage. Modification refers to changing the hardscape elements and the location of required landscaped areas and/or trees
 - f. Modification of an off-street parking area with no reduction in parking spaces or increase in paved area
 - g. Addition of new fences, retaining walls, or both
 - h. Change of existing grade
 - i. An increase in floor area proposed for a nonresidential use of less than [10]% or under [2,000] square feet, whichever is greater.
 - j. A reduction in the area reserved for common open space and/or usable open space which does not reduce the open space area below the minimum required or reduces the open space area by less than [10]%
 - k. A new stand-alone multifamily residential building that meets the objective design standards in Table 19.505.3.D
- C. Type II
1. Applicability
 - a. New development that meets the design standards of Section 19.508.

Proposed Code Amendment

- b. An increase in the height of an existing building
- c. An increase in floor area proposed for a nonresidential use by more than [10]% or [2,000] square feet, whichever is greater
- d. A reduction in the area reserved for common open space and/or usable open space which reduces the open space area below the minimum required or reduces the open space area by more than [10]%
- e. A new stand-alone multifamily residential building that satisfies the design guidelines in Table 19.505.3.D

D. Type III
1. Applicability

- a. Any project, at the applicant's option
- b. A project that is unable to meet one or more of the design standards of Sections 19.508.

19.907.4 Application

Applications for Downtown Design Review shall be filed with the Planning Department on forms prescribed by the Planning Director. The applicant shall demonstrate compliance with applicable zoning criteria. In addition to all information specified on the "Submittal requirements" and "Site plan requirements" forms, each application for Downtown Design Review shall be accompanied by the following information:

- A. Completed Downtown Design Review checklist (for Type III only).
- B. Written statement that describes the following:
 - 1. For Type I and II Downtown Design Review, how the proposal is consistent with applicable downtown design standards in Section 19.508.
 - 2. For Type III Design Review, how the proposal meets applicable design guidelines in the *Milwaukie Downtown Design Guidelines* document.
- C. Show footprints of surrounding buildings, including driveways and pedestrian connections.
- D. Location, dimension, and setbacks of all proposed buildings, structures, walls, and fences.
- E. Dimensioned building elevations indicating height, exterior materials, colors, and details of exterior architectural features, such as cornices, windows, and trim.
- F. A streetscape drawing showing the relationship of the proposed project to adjacent buildings.
- G. Frontage improvements in the public right-of-way per the Public Works Standards.

19.907.5 Approval Criteria for Design Review

The approval authority may approve, approve with conditions, or deny Downtown Design Review based on the following approval criteria:

- A. Compliance with Title 19;
- B. For Type I Downtown Design Review, compliance with applicable design standards in Section 19.508 and any prior land use approvals;
- C. For Type II Downtown Design Review, compliance with applicable design standards in Section 19.508;

Proposed Code Amendment

- D. For Type III Downtown Design Review, substantial consistency with the applicable Downtown Design Guidelines.

19.907.6 Report and Recommendation by Design and Landmarks Committee

The Design and Landmarks Committee shall hold a public meeting and prepare a Downtown Design Review report for Type III applications pursuant to Section 19.1011. The Planning Commission shall consider the findings and recommendations contained in the Downtown Design Review report during the public hearing on the proposal.

19.907.7 Variances

- A. Variances cannot be granted for the downtown design standards of Section 19.508. Applications unable to meet a standard must use the Type III discretionary Downtown Design Review process.
- B. For applications using the Type III Downtown Design Review process, adjustments will only be allowed for the development standards and design standards that could not be met. Variances to the design guidelines themselves will not be granted.

DRAFT