



AGENDA

MILWAUKIE PLANNING COMMISSION Tuesday, May 26, 2015, 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
 - 5.1 Summary: Moving Forward Milwaukie Central Milwaukie Plan and Code Amendments #3 *continued from 5/12/15*
(staff report to be sent under separate cover)
Applicant: City of Milwaukie
File: CPA-2015-001
Staff: Vera Koliass and Denny Egnor
- 6.0 **Worksession Items**
- 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:**
 - June 9, 2015
 - 1. Public Hearing: NR-2015-001 Winsor Ct addition
 - 2. Public Hearing: CPA-2015-001 MFM Central Milwaukie Plan and Code Amendments #4 *tentative*
 - 3. Worksession: Planning Commission Ethics Training Session
 - June 23, 2015
 - 1. Public Hearing: CSU-2015-004 Spring Park Natural Area Restoration *tentative*

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
Shaun Lowcock, Vice Chair
Shannah Anderson
Scott Barbur
Greg Hemer

Planning Department Staff:

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



MILWAUKIE

Dogwood City of the West

To: Planning Commission

Through: Dennis Egner, Planning Director

From: Vera Kalias, Associate Planner

Date: May 19, 2015, for May 26, 2015, Public Hearing

Subject: File: CPA-2015-001, ZA-2015-001
Central Milwaukie Plan and Code Amendments
Hearing #3

File Types: Comprehensive Plan Text Amendment, Zoning Ordinance Text
Amendment, Zoning Ordinance Map Amendment

Applicant: Dennis Egner, Planning Director

ACTION REQUESTED

Open the public hearing for application CPA-2015-001, ZA-2015-001. Discuss the proposed amendments to the Central Milwaukie use standards and design and development standards. Take public testimony and provide direction to staff regarding desired revisions to the proposed amendments.

This is the third of 3 scheduled hearings on the central Milwaukie plan and code amendment package. The draft ordinance and Findings of Approval will be provided at the final hearing on the amendments, currently tentatively scheduled for June 9.

HEARING SCHEDULE

Due to the complexity of the amendment package, the hearings on the Central Milwaukie plan and code amendment package have been packaged into multiple dates, each with an anticipated focus on a specific section of the draft amendments. See the [April 28, 2015, staff report](#) for the referenced attachments.

The hearings schedule and anticipated topic of focus are as follows:

- April 28, 2015: Policies (*Central Milwaukie Land Use and Transportation Plan and Comprehensive Plan – Chapter 4*). This hearing focused on the materials contained in Attachments 1 and 2.
- May 12, 2015: Use standards, development and design standards. This hearing will focus on Sections 19.303, 19.404, and 19.505 contained in Attachment 1.
- May 26, 2015: Continue discussion on use standards, development and design standards.
- TBD: Final vote on full amendment package.

BACKGROUND INFORMATION

See the [April 28, 2015, staff report](#) for a discussion of project background and the public process and outreach.

During the April 28 public hearing, there was public testimony and Commission discussion about the *Central Milwaukie Land Use and Transportation Plan*, Comprehensive Plan – Chapter 4 policies, and recommended Transportation System Plan (TSP) projects. The implementation of the policies through the proposed code amendments was discussed at the May 12 public hearing.

A. History of Prior Actions and Discussions

- **May 12, 2015:** The Commission reviewed the proposed amendments to the zoning code and directed staff to provide additional information regarding: 1) design and development standards for flex space development; 2) additional information to be included in a Preliminary Circulation Plan; and 3) additional discussion regarding design standards for key corners. The Commission also provided direction regarding the following: 1) the boundary of the Flex Space Overlay; 2) the minimum development site size that would require a Preliminary Circulation Plan; and 3) the land use review process that would apply to the GMU and Flex Space Overlay.
- **April 28, 2015:** The Commission reviewed the proposed amendments to Chapter 4 of the Comprehensive Plan and the *Central Milwaukie Land Use and Transportation Plan (CM LU&T)*, and directed staff to include the following revisions in the April 28 version: revise the CM LU&T Transportation and Circulation Diagram to clarify that the location of the public streets and ped/bike connection through the Murphy site will be determined at the time of development; and that an amendment to the Land Use & Urban Design Concepts Diagram to reflect the final boundary of the Flex Space Overlay will be required after the May 12 public hearing when that proposal is discussed in more detail.

B. Existing Code History

Currently, there are three commercial zones (General Commercial CG, Residential-Office-Commercial R-O-C, Community Shopping Commercial C-CS), two residential zones (R-1 and R-2), and one overlay (Mixed Use Overlay MU) in Central Milwaukie. The R-O-C Zone and associated MU Overlay have specific requirements for and limitations of the type of development that can locate there, including very specific development programs. The CG Zone is very permissive in terms of allowed uses, but has very few development and design standards. The proposed code amendments address these differences with a new zone (General Mixed-Use Zone GMU), a new overlay (Flex Space Overlay FS), and new design and development standards.

The proposed amendments will not apply to the C-CS, R-1, or R-2 zones.

C. Proposed Amendments

The City is proposing amendments to its existing Central Milwaukie zones and use standards to: establish new, consistent zoning; allow a broader range of residential and mixed use development; establish new design and development standards; and streamline

the review process for development on two key opportunity sites. The amendments are intended to implement the vision of the *Central Milwaukie Land Use and Transportation Plan*.

KEY ISSUES

Summary

The following key issues have been identified for the Planning Commission's deliberation. During the May 12 public hearing, the Planning Commission reviewed the draft amendments and provided direction to staff regarding potential revisions. Staff has highlighted policy choices as key issues on which Commission direction is being requested.

- A. Should flex space development proposed in the Flex Space Overlay be subject to the same design and development standards as development in the General Mixed-Use Zone?
- B. Which corners, for the purposes of design standards, should be considered Key Corners?
- C. Which building facades should be subject to the exterior building materials design standard?
- D. What information should be submitted as part of the Preliminary Circulation Plan?

Analysis

A. Should flex space development proposed in the Flex Space Overlay be subject to the same design and development standards as development in the General Mixed-Use Zone?

In order to implement the project goal to facilitate development of the opportunity sites, a Flex Space Overlay is proposed on the Murphy site at 32nd Ave and Harrison St. The overlay would allow additional employment uses on the Murphy site, such as light industrial and light manufacturing. Public input has been supportive of a wide range of uses in Central Milwaukie; flex space development allows for a wider range of uses on this key opportunity site, which is important to the property owner.

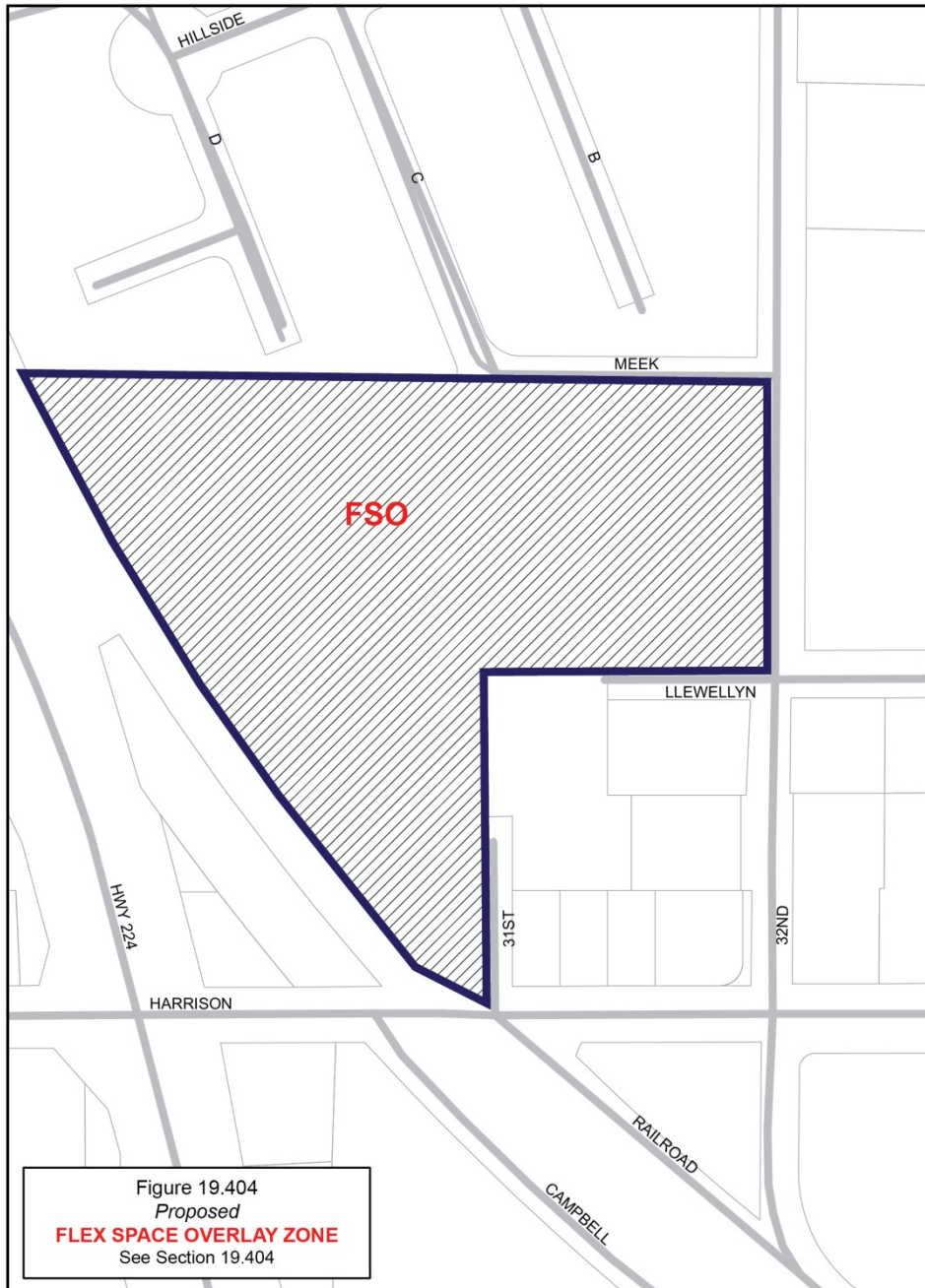
At the May 12 public hearing, the Commission recommended that the boundary of the Flex Space Overlay be revised so that flex space would cover the Murphy opportunity site as shown in Figure 1.

Coupled with the boundary of the Flex Space Overlay is the issue of design and development standards. Based on discussion at both worksessions and previous public hearings, staff understands the following:

- The Planning Commission wants development that faces a public street to be of high quality design and meet the design expectations expressed by public input, with the main issues at hand relating primarily to development standards;
- The Planning Commission wishes to insert some flexibility into the design of flex space building and site development in order to respond to comments submitted by the representative of the Murphy family.

The question from staff is how to address both of these concerns within the code.

Figure 1. Proposed Flex Space Overlay



Applicability for the GMU Zone and FS Overlay

Flex development is typically more industrial in nature than what is expected in most mixed-use areas. The Commission has heard from a representative for the Murphy family that requiring typical commercial storefront standards such as minimum window/storefront

transparency and building entrance location along the street are higher standards than most new flex space projects are subject to. However, the reasons for the design and development standards in Central Milwaukie are to create a pedestrian-friendly environment and encourage high-quality design.

As discussed at the May 12 public hearing and prior worksessions, the proposed code amendments would require that flex space development be subject to the same design and development standards as other types of development in the General Mixed Use zone. Previous staff reports have stated that this "neighborhood" light industrial flex overlay should achieve a higher standard to attract cutting edge businesses. The proposed code amendments provide for flexibility through a Type II variance if a proposal cannot meet the design standards, and also provide for a Type II or III variance to adjust development standards. Staff believes the design of any new flex space development should not have a negative impact on the adjacent residential property and should not hinder any future redevelopment of adjacent sites.

Additional public comment was provided at the May 12 public hearing regarding this issue, with specific recommendations provided in writing on May 15 (see Attachment 1). At this hearing, the Planning Commission requested that staff provide some alternatives for ways that the design and development standards could be applied in the Flex Space Overlay. Staff has refined the proposals presented on May 12 in response to Planning Commission comments and concerns:

- Option 1: Consistent standards with the opportunity for adjustments.

Under Option 1, development permitted in the overlay would be subject to the same design and development standards as development in the GMU Zone; a Type II variance to the design standards would be available for projects that cannot meet these standards. Comments submitted at the April 14 worksession and on May 15 state that conventional flex space development would have difficulty meeting certain standards (typically called "tilt up" construction – a quick and cost-effective construction technique). See Figures 2-3.

Figures 2-3. Conventional "tilt up" flex space development.



Source: Dolan Contractors, Inc., Westampton, NJ



Source: PS Business Parks, Glendale, CA

Although conventional flex space is commonly found in industrial areas, such as the Business Industrial Zone BI, the changing nature of modern flex space and light industrial work (the "creative class") lends itself to higher design standards and greater compatibility with surrounding residential and commercial uses than is commonly required in dedicated industrial areas.

Throughout the public process we have heard that people were willing to allow additional employment uses through flex space, but also that development in Central Milwaukie should be attractive and pedestrian-friendly. The proposed amendments are intended to promote high-quality design and a pedestrian friendly environment with the opportunity for a variance in cases where a project requires a departure from a design standard.

This approach requires compliance with minimum design standards when development is located on a public street, in recognition that flex space development can transition to other uses. By maintaining consistent design and development standards, the potential for buildings to accommodate additional uses in the future, such as retail or office, is protected without creating a nonconforming situation. The proposed standards will also improve industrial and residential compatibility.

There has been extensive discussion about what would trigger the requirement for a public street within the development on the Murphy site. A Transportation Impact Study, which would be specific to a development proposal and would include trip generation data, would provide the information necessary to make that determination. High trip generators are projects that include large-scale retail development and multi-family residential development. Light industrial development is not likely to require a public street. Safe pedestrian and bicycle access would still be required.

- Option 2: Different design and site development standards for flex space.

With Option 2, development in the Flex Space Overlay that is located on a public street would be subject to different design and site development standards than development in the GMU Zone.

The proposed language would remove barriers to typical conventional flex development, which would benefit the property owner, but would not implement the stated desires of the broader community. In addition, any new design and site development standards for flex space add a new level of complexity since they would be use-specific.

If the Commission chooses this approach, the code would need to be carefully crafted to ensure that applicants do not use the more lenient flex space development standards as a way to avoid the higher design and site development standards of the GMU Zone, especially for office development or other similar uses that would normally locate in a mixed-use area.

If the Planning Commission prefers Option 2, more time will be needed to develop proposed code language, and additional hearings will be necessary to vet the details. Staff would also seek direction from the Planning Commission as to which design and development standards should be specific to flex space development.

Development Standards for the GMU Zone and FS Overlay

These standards shape the location, size, and massing of new development. The proposed revisions are intended to bring buildings closer to the street to create a pedestrian-friendly environment. This result is achieved by establishing 3 basic urban design standards:

- Maximum setbacks from the street
- Minimum ground floor transparency
- Prohibiting parking between a building and the sidewalk

Representatives of the Murphy family have requested revisions to the proposed development standards in order to allow for the development of conventional flex space development as shown in Figures 2-3.

The overview below reflects specific comments received from Daniel (DJ) Heffernan, the representative for the Murphy family. Differences between staff recommendation and that of Mr. Heffernan are underlined and in **bold**.

Proposed Development Standards			
Standard	Proposed - GMU	Proposed – FS – staff	Proposed – FS – Daniel Heffernan Company
Street setbacks	<ul style="list-style-type: none"> • No minimum street setback • Max = 10 to 20 ft • When building is set back from the sidewalk, landscaping is required. • No vehicle parking permitted between the building and the street. 	<ul style="list-style-type: none"> • No minimum street setback • <u>20 ft</u> • When building is set back from the sidewalk, landscaping is required. • <u>No vehicle parking permitted between the building and the street.</u> 	<ul style="list-style-type: none"> • No minimum street setback • <u>No max</u> • When building is set back from the sidewalk, landscaping is required. • <u>Vehicle parking permitted between the building and the street.</u>
Minimum street frontage	<ul style="list-style-type: none"> • 25 ft 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None
Minimum floor area ratio	<ul style="list-style-type: none"> • 0.5:1 	<ul style="list-style-type: none"> • <u>0.5:1</u> 	<ul style="list-style-type: none"> • <u>0.3:1</u>
Frontage Occupancy (along a street)	<ul style="list-style-type: none"> • 50% 	<ul style="list-style-type: none"> • <u>50%</u> 	<ul style="list-style-type: none"> • <u>None</u>

Staff does not recommend eliminating the requirements for parking to be located to the side and/or rear of a building or for a minimum level of frontage occupancy, as these are basic elements of urban design for a pedestrian-friendly streetscape.

Design standards

These standards are intended to establish a baseline level of design for new development to ensure that new development is attractive and provides ground floor/pedestrian-level interest.

The overview below reflects specific comments received from Daniel (DJ) Heffernan, the representative for the Murphy family. Differences between staff recommendation and that of Mr. Heffernan are underlined and in **bold**.

Proposed Design Standards			
Standard	Proposed - GMU	Proposed – FS Staff	Proposed – FS Daniel Heffernan Company
Primary entrances	<ul style="list-style-type: none"> All new buildings shall have at least one primary entrance facing an abutting public street 	<ul style="list-style-type: none"> All new buildings shall have at least one primary entrance facing an abutting public street 	<ul style="list-style-type: none"> All new buildings shall have at least one primary entrance facing an abutting public street
Corners	<ul style="list-style-type: none"> At identified Key Corners, buildings shall incorporate one specific design feature. 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
Residential edge	<ul style="list-style-type: none"> A minimum setback shall apply. Step back applies to buildings within 50 ft of 37th Ave and Monroe St. 	<ul style="list-style-type: none"> A minimum setback shall apply. Flex space that abuts residential property shall include an 8-ft wide landscaped screening buffer. 	<ul style="list-style-type: none"> A minimum setback shall apply. Flex space that abuts residential property shall include an 8-ft wide landscaped screening buffer.

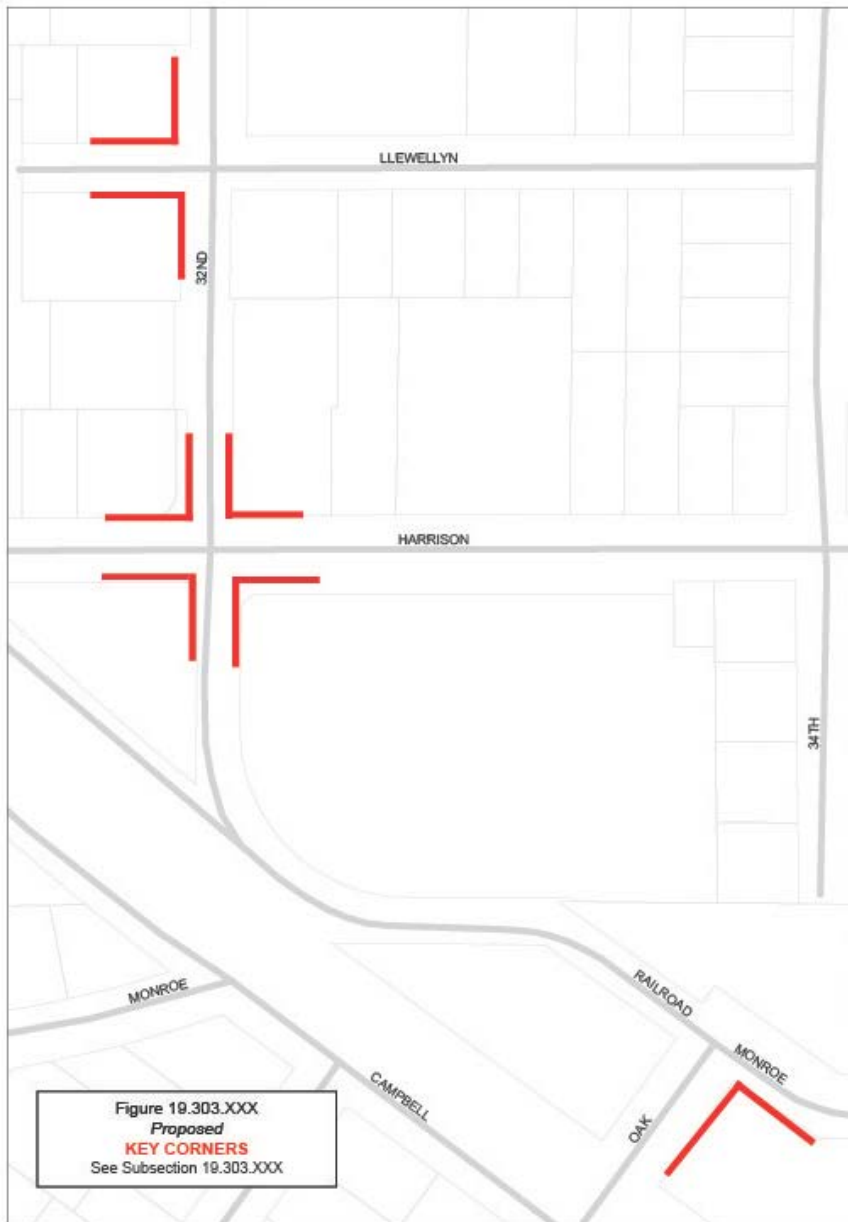
Weather protection	<ul style="list-style-type: none"> All ground floor building entries shall be protected from the weather by canopies, or recessed behind the front building façade at least 3 feet 	<ul style="list-style-type: none"> All ground floor building entries shall be protected from the weather by canopies, or recessed behind the front building façade at least 3 feet 	<ul style="list-style-type: none"> All ground floor building entries shall be protected from the weather by canopies, or recessed behind the front building façade at least 3 feet
Exterior building materials	<ul style="list-style-type: none"> Standards specify primary, secondary and prohibited material types. 	<ul style="list-style-type: none"> Standards specify primary, secondary, and prohibited material types. 	<ul style="list-style-type: none"> Standards specify primary, secondary, and prohibited material types.
Windows and doors	<ul style="list-style-type: none"> For non-residential and mixed-use buildings, 30% of the ground-floor street wall must consist of openings. 	<ul style="list-style-type: none"> For non-residential and mixed-use buildings, 30% of the ground-floor street wall must consist of openings. 	<ul style="list-style-type: none"> For non-residential and mixed-use buildings, 30% of the ground-floor street wall must consist of openings.
Roofs	<ul style="list-style-type: none"> Permitted roof forms are specified. 	<ul style="list-style-type: none"> Permitted roof forms are specified. 	<ul style="list-style-type: none"> Permitted roof forms are specified.
Rooftop equipment and screening	<ul style="list-style-type: none"> Specifies requirements to screen roof-mounted mechanical equipment 	<ul style="list-style-type: none"> <u>Specifies requirements to screen roof-mounted mechanical equipment</u> 	<ul style="list-style-type: none"> <u>Specifies requirements to screen roof-mounted mechanical equipment only if the equipment is visible to a person of average height standing 60 ft from the front property line.</u>
Ground level screening	<ul style="list-style-type: none"> Specifies requirements to screen mechanical equipment, outdoor storage, and outdoor garbage and recycling areas. 	<ul style="list-style-type: none"> Specifies requirements to screen mechanical equipment, outdoor storage, and outdoor garbage and recycling areas. 	<ul style="list-style-type: none"> Specifies requirements to screen mechanical equipment, outdoor storage, and outdoor garbage and recycling areas.

Staff recommends the proposed rooftop screening standards in order to maintain consistency with standards in other zoning districts and because it provides a clear and objective standard for regulation.

B. Which corners, for the purposes of design standards, should be considered Key Corners?

The purpose of this design standard is to reinforce intersections as an important place for people to gather as well as a visual cue that one is entering a certain district or area of the City. As discussed at the May 12 public hearing, not every corner is a critical location where gatherings should be emphasized. Figure 4 reflects the discussion at the May 12 public hearing and shows the proposed Key Corners to be included in the code.

Figure 4. Proposed Key Corners



Staff is seeking direction from the Commission as to the key corners where development would be subject to specific design standards regarding entrances and/or architectural elements.

C. Which building facades should be subject to the exterior building materials design standard?

As proposed, the exterior building materials design standard applies to the street-facing facades of buildings (buildings may not use prohibited materials at all). Previous discussions with the Planning Commission seemed to suggest that other facades ought to meet these standards as well. Staff is seeking direction from the Commission on this standard – should other facades also meet the building materials design standard?

D. What information should be submitted as part of the Preliminary Circulation Plan?

As discussed at the March 24 worksession and the May 12 public hearing, a new supplementary development regulation is proposed, the intent of which is to guide commercial, industrial, and mixed-use site development on large sites by establishing a conceptual plan for multimodal access, connectivity, and circulation.

For development sites of 3 acres or more, such as the Murphy and McFarland sites, the proposal requires a conceptual "master plan" which focuses on access and circulation so that the skeleton of the site's transportation system (streets, pedestrian, and bike) is reviewed. This is to ensure that the policies of the TSP are considered and implemented, particularly multimodal transportation, even in development without public streets. As discussed at previous meetings, public streets may or may not be required depending on the specific development proposal and the results of a Transportation Impact Study.

After researching other communities' requirements, including the City of Portland and the City of Happy Valley, as well as discussions with Oregon Department of Transportation planning staff, staff has identified the following items that may be included to further clarify required submittal information:

- The Preliminary Circulation Plan shall include a site plan, showing land uses, building envelopes and other structures, the pedestrian, bicycle, and vehicle circulation system, vehicle and bicycle parking areas, open areas, existing trees to be preserved, and utility connections. The site plan must also include:
 - All existing improvements that will remain after development of the proposed use;
 - All improvements planned in conjunction with the proposed use;
 - Conceptual plans for possible future uses; and
 - Pedestrian and bicycle facilities including safe pedestrian and safe bicycle circulation between:
 - Major buildings, activity areas, and transit stops within the site plan boundaries and adjacent streets, pathways and adjacent transit stops; and
 - Adjacent developments and the proposed development.

- The Preliminary Circulation Plan shall include a public right-of-way/easement plan depicting the following:
 - reservation, dedication, or use of the proposed site for public purposes, including, but not limited to: rights-of-way showing the name and location of all existing and proposed public and private access drives within or on the boundary of the proposed site, the right-of-way and paving dimensions, and the ownership and maintenance status, if applicable, and the location, width and construction material of all existing and proposed sidewalks; pedestrian access ways and trails; and bicycle access ways and trails

Staff is seeking direction from the Commission about whether these components are appropriate and adequate.

CONCLUSIONS

A. Staff recommendation to the Planning Commission is as follows:

Reach consensus on the recommended draft amendments and agreement on recommended actions in advance of the adoption hearing for a vote on the full amendment package.

If the Planning Commission prefers specific flex space design and site development standards, or more substantial language changes, more time will be needed to develop proposed code language, and additional hearings will be necessary to vet the details.

COMMENTS

See the April 28, 2015, staff report for a summary of comments received as of April 28, 2015. One additional comment was received on May 15 and is included in Attachment 2.

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. Comments received	<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-127> .

DANIEL HEFFERNAN COMPANY

May 15, 2015

Sine Bone, Chair
Planning Commission
City of Milwaukie
10722 SE Main Street
Milwaukie, OR 97222

Subject: Public Hearing Comments on the proposed Central Milwaukie Plan and Code Amendments; File # CPA-2015-001, ZA-2015-001

Dear Chair Bone:

I am writing as the representative of the Murphy Plywood property that is located between SE Harrison Street, the railroad, SE Meek Street and SE 32nd Avenue in Milwaukie. Our property is within the proposed Central Milwaukie Land Use Plan area, which we have actively participated in the plan update process. We offer the following comments and concerns about the proposed land use regulations for the Murphy property. These written comments expand on the comments I provided in public testimony at the Planning Commission public hearing on May 12, 2015.

We support the City's efforts to encourage development of the Murphy opportunity site by adopting a new base zone and overlay zone for the site and to streamline the City's land development review procedures. The proposed General Mixed Use (GMU) base zone and the Flex Space (FS) overlay zone will provide a clearer pathway for redevelopment of the property. We appreciate and support the flexibility that is being designed into the development review process, with most applications subject to Type 1 review and the option of Type 2 review for consideration of variances to development and building design requirements. We have concerns, however, with the following recommendations in the draft development code, and with some of regulatory approaches that are outlined in the 5 May 2015 Staff Report.

Comments on 19.303 - General Mixed Use (GMU) Zone

19.303.2 – Uses; Table 19.303.2 – Manufacturing and Production

Footnote 4 to the table limits manufacturing and production uses in the GMU to 5,000 sq. ft. in floor area per use on the ground floor when association with other non-manufacturing uses. Our concern here is whether or not this limitation might be interpreted to apply to uses in the FS overlay zone. The FS overlay zone says in 19.404.3 that the GMU is the base zone for properties in the FS overlay and that all the base zone requirements apply unless otherwise noted in 19.404. Table 19.404.4 lists allowed uses in the FS zone, which are in line with a light industrial/flex employment district, but the table does not expressly provide an

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alternative limit to the amount of floor area that may be devoted to FS manufacturing uses. We ask that the Planning Commission and City Council address this concern either by declaring in its findings that the manufacturing size limitation in the GMU is not intended to apply to the FS overlay zone, or by adding a second footnote to Table 19.404.4 that says there is no limit on the occupied floor area for manufacturing uses in the FS zone.

19.303.3 – Development Standards; Table 19.303.3 – Summary of Development Standards

Section B. of the staff report, beginning on page 10, devotes considerable attention to the different ways the city could regulate development of flex space uses within the GMU district. Three options are presented:

1. Require flex space uses to adhere to the GMU site development and building material standards;
2. Adopt separate development standards for the FS zone that would supersede some of the GMU standards; or
3. Require that flex uses be approved through a conditional use process.

We strongly oppose Options 1 and 3. Option 1 would impose site development and building design costs that would make it difficult if not impossible to build a conventional light industrial/flex product on the Murphy site. Option 3 violates one of the core tenants of the project to streamline the development review process. It adds time, cost, and uncertainty to the development review and approval process and would make light industrial/flex development an unappealing option.

We prefer to see the City follow Option 2 and adopt the alternative FS site design and building standards that we previously submitted in comments to the Planning Commission. We recommend adding a two-part table in *19.404.5 – Design and Building Standards* that would list the FS standards that differ from the GMU standards. Differences would include altering the building set-back requirement (to allow parking in front of FS buildings), altering the building frontage requirement, altering the FAR minimum (from .5 to .3), and altering the frontage occupancy requirement. Our recommendations on building design standards are covered later in this letter.

If the Planning Commission takes this approach, we defer to the Commission's judgement on the FS overlay boundary. We recognize that the City wants an attractive pedestrian-friendly building environment fronting SE 32nd Avenue and SE Harrison Street and that FS development under the design standards we propose may not deliver the desired urban design environment for those frontages. That may mean the FS overlay boundary is pulled back from these primary streets. We ask that if pulled back the distance be 100 linear feet from the edge of right of way.

At the public hearing on 12 May 2015 City Staff put forward another alternative, which they referred to as Option 1A. That option would exempt FS overlay uses from requirement 19.303.3.A.2 – Minimum Street Frontage (25 ft.). We assume that a footnote would be added to the table to this effect. Exempting FS uses from this requirement has the effect of “short-circuiting” other design requirements in the GMU zone from taking effect but only when that development is able to take access from an access way on private property rather than from a public street. Examples of regulations that would not be applicable under this scenario include 19.304.4.C – Street Setbacks, 19.304.4.D – Frontage Occupancy, 19.303.4.G – Primary Entrances, and 19.505.7.C – Building Design Standards.

While this approach could provide significant flexibility for development in the FS overlay, the development standards applicable to a project would depend on a determination by Milwaukie Public Works whether or not a public street is needed to serve the proposed development. This determination would be made through Type 2 review and approval of a Preliminary Circulation Plan, which would establish the development



program for at least 3-acres of the property. The problem we see for this approach is that it more or less commits the development of flex industrial to a master planned program for the site. Short of that, development would be subject to GMU standards and require access from public streets.

We also would point out that Option 1A may not be in the City's interest because it could exempt future development in the FS Overlay from site and building design standards that the City wants to see in the GMU district, including in the FS overlay area albeit with a somewhat different character from the design standards followed elsewhere in the district. By exempting FS uses from the Minimum Street Frontage requirement, the City would then need to adopt other development standards for flex to ensure the quality of those sites. It appears little would be gained from this if at the end of the day you still need/want standards for flex development. Option 2 appears to offer a simpler solution.

Comments on 19.404 – Flex Space (FS) Overlay Zone

19.404.6 – Additional Provisions for Off-Site Impacts

E. Illumination – the standard is that on-site illumination may not cause illumination on other properties in excess of 0 (zero) foot candles. This is an extremely rigorous standard and is inconsistent with off-site illumination used in the City's other light industrial and business park zones. We ask that the City apply a consistent standard and adopt a 0.5 foot candles standard for the FS zone.

Comments on 19.504.11 – Preliminary Circulation Plan

We support the recommended three-acre project threshold for preparing a preliminary circulation plan (PCP), and the Type 2 approval process for the plan. We ask that the City provide more guidance for a PCP so that applicants know what is expected of them. City Staff expressed concerns for the safety of pedestrians and cyclists entering a large development site without public streets, which is understandable. We suggest the City look to Metro, Puget Sound, Boise, and the Denver MPO for guidance in this field. The term "micro-pathway" is used in Boise for these routes, which the city may wish to be located in their own tracts or easements.

Comments on 19.505.7.C – Building Design Standards

In regulation 4. Windows and Doors, we would like to see the glazing standard for flex buildings set at 30% for the ground floor street fronting façade to promote building frontage transparency while also keeping structural reinforcing costs at a reasonable level.

In regulation 6. Rooftop Equipment and Screening, we would like the city to add a provisions that allows rooftop equipment to not be screened when it is set back far enough that it is not visible to a person of average height standing 60' from the street-fronting property line.

Thank you for your consideration of these comments. We look forward to continuing to work with the City to conclude adoption of plan and code amendments in Central Milwaukie.

Sincerely,

DJ Heffernan
Principal
Daniel Heffernan Company