

AGENDA

MILWAUKIE PLANNING COMMISSION Tuesday, June 28, 2016, 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: Bob's Red Mill Sign and Restaurant Applicant/Owner: The Bookin Group LLC /Triad Grain Group, LLC Address: 5000 SE International Way File: CU-2016-002, VR-2016-005 Staff: Brett Kelver

6.0 Worksession Items

7.0 Planning Department Other Business/Updates

- 7.1 Planning Commission Notebook Supplemental Pages
- **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:

July 12, 20161.Worksession: Urban Renewal UpdateJuly 26, 20161.TBD

Milwaukie Planning Commission Statement

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

- 1. PROCEDURAL MATTERS. If you wish to speak at this meeting, please fill out a yellow card and give to planning staff. Please turn off all personal communication devices during meeting. For background information on agenda items, call the Planning Department at 503-786-7600 or email planning@ci.milwaukie.or.us. Thank You.
- 2. PLANNING COMMISSION MINUTES. Approved PC Minutes can be found on the City website at www.cityofmilwaukie.org
- 3. CITY COUNCIL MINUTES City Council Minutes can be found on the City website at www.cityofmilwaukie.org
- 4. FORECAST FOR FUTURE MEETING. These items are tentatively scheduled, but may be rescheduled prior to the meeting date. Please contact staff with any questions you may have.
- 5. 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.
- 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 Adams, Chair Shaun Lowcock, Vice Chair Shane Abma Shannah Anderson Adam Argo Scott Barbur Greg Hemer

Planning Department Staff:

Denny Egner, Planning Director David Levitan, Senior Planner Brett Kelver, Associate Planner Vera Kolias, Associate Planner Alicia Martin, Administrative Specialist II



То:	Planning Commission
Through:	Dennis Egner, Planning Director
From:	Keith Liden, Consulting Planner
Date:	June 16, 2016, for June 28, 2016 Public Hearing
Subject:	File: CU-2016-002 / VR-2016-005
	Applicant: Chris Hagerman, The Bookin Group, LLC
	Owner(s): Triad Grain Group LLC (Bob's Red Mill)
	Address: 5000 SE International Way
	Legal Description (Map & Tax Lot): 1S2E31CD 00100
	NDA: Milwaukie Business Industrial District
	File: CU-2016-002 / VR-2016-005 Applicant: Chris Hagerman, The Bookin Group, LLC Owner(s): Triad Grain Group LLC (Bob's Red Mill) Address: 5000 SE International Way Legal Description (Map & Tax Lot): 1S2E31CD 00100

ACTION REQUESTED

Consider approval of the application and the proposed Findings in Support of Approval found in Attachment 1. Approval of this application would result in approval of a Conditional Use (land use file #CU-2016-002) to provide greater flexibility for expansion of the Bob's Red Mill restaurant beyond the current maximum 4,000-sq-ft floor area limitation. In addition, a Sign Adjustment (file #VR-2016-005) would allow for two adjustments to place a second freestanding sign on another street frontage and to exceed the 25-ft maximum height with a height of 40 ft. These two applications require a Type III review by the Planning Commission.

BACKGROUND INFORMATION

The relevant information pertaining to the application is summarized below:

A. Site and Vicinity

The 85,340-sq-ft site is located between International Way and Highway 224. Access is provided by two driveways on International Way. The property does not have direct access to Highway 224. The western portion of the property is subject to Habitat Conservation Area (HCA) and Water Quality Resource (WQR) overlay designations, but this application will not affect these areas.

Planning Commission Staff Report—Triad Grain Group LLC Master File #CU-2016-002— 5000 SE International Way

The property is developed with a 20,900-sq-ft building, and 88-space parking lot, loading area, and landscaping. The applicant indicates there are three primary uses within the building, which are summarized in Table 1. There is one freestanding sign located along the SE International Way frontage.

Table 1 – Existing Uses			
Use	Floor Area (Sq Ft)	Percentage	
Wholesale bakery	12,900	61.0%	
Retail outlet store	4,000*	19.5%	
Restaurant	4,000*	19.5%	
Total	20,900	100.0%	

Table 1 – Existing Uses

* Approximate floor area

The surrounding area features a mix of industrial, office, along with some associated retail activity. The aerial photo in Figure 1 provides a view of the subject property (circled in red) and its surroundings.

Figure 1. Aerial Photo



B. Zoning Designation

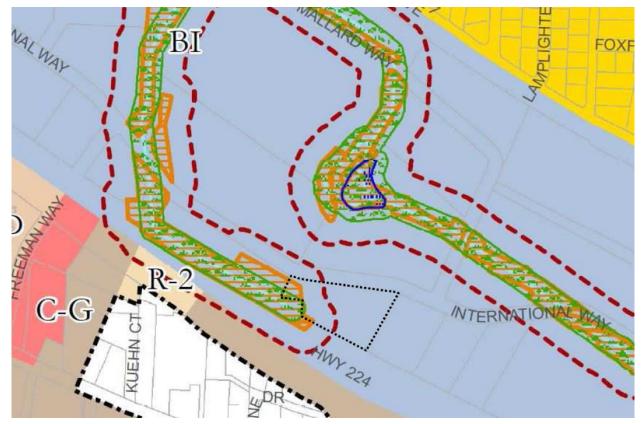
The subject property and the immediately surrounding properties in the vicinity are all zoned Business Industrial (BI) as shown in Figure 2.

C. Comprehensive Plan Designation

Industrial

Page 3 of 8 June 28, 2016

Figure 2. Existing Zoning



D. Land Use History

- **CSO-98-05/NR-98-02/VR-98-03** = Approval of a 100-ft monopole as a Wireless Communication Facility (WCF) at the site. Conditions of approval included requirements related to fencing and landscaping for the WCF, color of the equipment shed, and future co-location of other antennas.
- **TPR-01-06** = Approval of a Transportation Plan Review associated with the construction of the original 15,000-sq-ft building. Conditions were met and Certificate of Occupancy was issued in 2003.
- **CU-07-01** = Conditional use application applied for in 2007 to allow the existing offstreet parking configuration to remain. The application was later withdrawn after the Planning Director determined that the existing uses on the site justified the existing parking configuration. At that time, the Planning Director also allowed for the termination of the shared parking agreement between 5209 SE International Way and 5000 SE International Way as no longer necessary.
- **DEV-13-07/NR-13-02** = Development review for a 2,800-sq-ft addition to rear of the existing building to expand the commercial kitchen. Conditions of approval included requirements to provide a construction management plan, to adequately light pedestrian walkways while limiting light-spill at the property boundary, and to maintain drive aisles for fire access to the rear of the site.

Planning Commission Staff Report—Triad Grain Group LLC Master File #CU-2016-002— 5000 SE International Way

• **DEV-13-08** = Development review for construction of an elevator at the southwest corner of the building, with a minor reconfiguration of space on the first floor where the restaurant intersects with the commercial kitchen and bakery. No significant conditions of approval.

E. Proposal

The applicant is seeking Conditional Use and Sign Adjustment approvals:

Conditional Use

Approval is sought to allow greater flexibility regarding the existing restaurant, which is part of the use mix in the building. The restaurant is currently allowed as a "limited use" in the BI Zone with a 25% limit (or 4,000 sq ft <u>whichever is less</u>) on the total floor area that may be devoted to this use. The building is 20,900 sq ft in size. As a limited use, MMC 19.310.4.A requires the restaurant to "primarily service the needs of BI Zone clients, employees, and businesses, as opposed to the general public." The conditional use application seeks to remove the 25% limitation and to allow more flexibility regarding how the restaurant and building floor area is allocated. The retail outlet store is allowed as an "accessory use" and is also subject to a 4,000-sq-ft maximum floor area.

Sign Adjustment

Although categorized as a variance for City tracking purposes, the applicant is requesting two sign adjustments to: 1) install a second freestanding sign, where only one such sign is allowed, and 2) allow a height of 40 ft where a maximum of 25 ft is permitted. The property has a freestanding along the International Way frontage, and the second freestanding sign is proposed to be located in the southeastern corner of the property, oriented to Highway 224. This second freestanding sign is subject to the sign adjustment criteria in MMC 14.32 Adjustments.

KEY ISSUES

Summary

Staff has identified the following key issues for the Planning Commission's deliberation. Aspects of the proposal not listed below are addressed in the Findings (see Attachment 1) and generally require less analysis and discretion by the Commission.

- A. Would approval of a CU application to allow a "limited use" to exceed the 25% floor area limit support Comprehensive Plan policies regarding industrial districts?
- B. How may additional flexibility be permitted between the floor area allocations for the restaurant and the other uses in the building while continuing to comply with the BI Zone and the relevant Milwaukie Comprehensive Plan policies?
- C. Does the proposed second freestanding sign comply with the relevant adjustment criteria and the use requirements of the BI Zone?

5.1 Page 5

Discussion

A. Would approval of a CU application to allow a "limited use" to exceed the 25% floor area limit support Comprehensive Plan policies regarding industrial districts?

The Milwaukie Comprehensive Plan has policies, which support the maintenance and protection of designated industrial districts in the city for primarily manufacturing, distribution, and office uses. Commercial activities are allowed, but on a limited basis. In particular, commercial uses are intended to serve the needs of the surrounding industrial uses and not to serve larger market beyond the industrial district in which they are located. As a practical matter, this intent regarding limited market area is difficult to near impossible to enforce. Recognizing this, the BI Zone includes floor area limitations to ensure that commercial activities do not become "large-scale retail uses." The Conditional Use application recommendation is for approval to essentially lift the limited use market area restriction but retain some floor area limits in the BI Zone.

B. How may additional flexibility be permitted between the floor area allocations for the restaurant and the other uses in the building while continuing to comply with the BI Zone and the relevant Milwaukie Comprehensive Plan policies?

Bob's Red Mill currently has a retail outlet store $(4,000\pm$ sq ft accessory use) and a restaurant $(4,000\pm$ sq ft limited use). Currently, the combined 8,000 sq ft of restaurant and retail use is the upper limit for non-industrial uses on the site. Note that that the conditional use process only allows an adjustment to the limited use (the restaurant) and does not provide an adjustment process for the accessory use (the retail store).

The CU would set a new limit on how much of the building can be used for the restaurant use while maintaining consistency with the intended industrial and office focus of the BI Zone. The conditional use process allows for a restaurant to exceed 25% of the total building square footage (in this case 25% of the square footage is 5,225 sq ft). To satisfy the overall intent of the zone as an industrial district, it is assumed that a minimum of 50% of the building should remain in industrial use. With the current building size, this would allow 10,450 sq ft to be devoted to a combination of retail and restaurant use, with no more than 4,000 sq ft in retail use based on the limitations on accessory uses in the zone.

If the Commission supports this approach, the following conditions are recommended:

- Retain the 4,000-sq-ft maximum floor area limit for the retail outlet store, continuing it as an accessory use;
- Allow the restaurant to expand as a result of a Conditional Use approval; and
- Condition the approval so that the restaurant and retail outlet store constitute less than 50% of the total building floor area (currently, approximately 10,450 sq ft, but subject to change if the building footprint should be changed in the future).

C. Does the proposed second freestanding sign comply with the relevant adjustment criteria and the use requirements of the BI Zone?

Two options are described below. The first describes the rationale for approval; the second addresses the rationale for denial. Both options include approval of the Conditional Use.

 Option A – Approval of the Proposed Sign – The proposed second freestanding sign satisfies the adjustment criteria to allow a 40-ft-high sign on a second street frontage because: Planning Commission Staff Report—Triad Grain Group LLC Master File #CU-2016-002— 5000 SE International Way

- With both street frontages (International Way and Highway 224) being over 300 ft, either frontage would be entitled to have two freestanding signs on one street frontage, but not one sign on each frontage. Having a sign on each frontage does not increase the allowable sign area or number of signs. It only modifies where the signs may be located.
- Given the significant elevation difference between Highway 224 and the property, which is approximately 20 ft lower, the 15-ft increase in the allowable sign height from 25 to 40 ft is justified.
- Option B Denial of the Proposed Sign The proposed second freestanding sign does not satisfy the adjustment criteria to allow a 40-ft-high sign on a second street frontage because:
 - A number of different sign types are allowed in the BI Zone, and Bob's Red Mill is currently utilizing one freestanding sign and two wall signs to identify the business. As described in the associated findings for the sign adjustment, the applicant has failed to demonstrate how the lack of a second freestanding sign along Highway 224 constitutes a unique situation or hardship warranting a second freestanding sign.

Neighborhood Comments

Paul Hawkins of the Lake Road Neighborhood District Association (NDA) had no comment regarding the Conditional Use for the restaurant, and he supported the additional height for the proposed sign.

CONCLUSIONS

Staff has prepared two options for the Planning Commission's consideration. Both options include approval of the Conditional Use. In either case, the appropriate Findings (Attachments 1A & 1B) and Conditions (Attachments 2A & 2B) must be adopted to justify the option selected.

1. Option A

Approve the Conditional Use application (CU-2015-002) to allow the restaurant use to exceed the 4,000-sq-ft floor area limit, provided the total floor area of the restaurant and retail outlet store are less than 50% of the total building floor area. As an accessory use, the retail outlet store will continue to be limited to a maximum floor area of 4,000 sq ft.

Approve the Sign Adjustment application (VR-2016-005) to allow a second freestanding sign, located on the site's Highway 224 frontage and with a maximum height of 40 ft.

2. Option B

Approve the Conditional Use application (CU-2015-002) to allow the restaurant use to exceed the 4,000-sq-ft floor area limit, provided the total floor area of the restaurant and retail outlet store are less than 50% of the total building floor area. As an accessory use, the retail outlet store will continue to be limited to a maximum floor area of 4,000 sq ft.

Deny the Sign Adjustment application (VR-2016-005).

5.1 Page 7

CODE AUTHORITY AND DECISION-MAKING PROCESS

The proposal is subject to the following provisions of the Milwaukie Municipal Code (MMC).

- MMC 19.1006 Type III Review
- MMC 19.905 Conditional Uses
- MMC 19.310 Business Industrial Zone (B-I)
- MMC 14.16.050 Manufacturing Zone Sign District
- MMC 14.32 Adjustments

This application is subject to Type III review, which requires the Planning Commission to consider whether the applicant has demonstrated compliance with the code sections shown above. In Type III reviews, the Commission assesses the application against review criteria and development standards and evaluates testimony and evidence received at the public hearing.

The Commission has 4 decision-making options as follows:

- A. Approve the application using one of the two options outlined by staff, upon finding that all relevant approval criteria have been met.
- B. Approve the application with modified findings and/or conditions. Such modifications need to be read into the record.
- C. Deny the application upon finding that it does not meet approval criteria.
- D. Continue the hearing to July 12, 2016.

The final decision on these applications, which includes any appeals to the City Council, must be made by September 2, 2016, in accordance with the Oregon Revised Statutes and the Milwaukie Zoning Ordinance. The applicant can waive the time period in which the application must be decided.

COMMENTS

Notice of the proposed zone change was given to the following agencies and persons: City of Milwaukie Building Division and Engineering Department, Historic Milwaukie and Lake Road Neighborhood District Associations (NDAs), Clackamas Fire District #1, Clackamas County, Metro, TriMet, ODOT, and properties within 300 feet of the subject site. The following is a summary of the comments received by the City. See Attachment 4 for further details.

- **Paul Hawkins, Member, Lake Road NDA Land Use Committee:** Comments were submitted by email indicating that he felt the terrain represents a unique situation worthy of a variance to the sign height.
- Agency comments: Agency comments were received from Clackamas Fire District No. 1 (no objection), TriMet (no objection), ODOT (no objection), and the Milwaukie Engineering Department (demonstration of compliance with MMC 19.700 Public Facility Improvements will be required at time of development review).

ATTACHMENTS

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

			Early PC Mailing	PC Packet	Public Copies	E- Packet
1.	Recommended Findings					
	Α.	Option A (Approval of VR-2016-005)		\boxtimes	\boxtimes	\boxtimes
	В.	Option B (Denial of VR-2016-005)		\boxtimes	\boxtimes	\boxtimes
2.	Rec	Recommended Conditions				
	Α.	Option A (Approval of VR-2016-005)		\boxtimes	\boxtimes	\boxtimes
	В.	Option B (Denial of VR-2016-005)		\boxtimes	\boxtimes	\boxtimes
3.		Applicant's Narrative and Supporting Documentation dated February 2016.				
	Α.	Narrative	\boxtimes		\boxtimes	\boxtimes
	В.	Appendices A & B: Pre-Application Summary Notes	\boxtimes		\boxtimes	\boxtimes
	C.	Appendix C: Minutes – Omark Industrial Park Assoc. Architectural Committee	\boxtimes		\boxtimes	\boxtimes
	D.	Appendix D: Neighborhood Meeting Request	\boxtimes		\boxtimes	\boxtimes
	Ε.	Revised Sign Details (rcvd June 16, 2016)		\boxtimes	\boxtimes	\boxtimes
	F.	Memo regarding CU review (rcvd June 20, 2016)		\boxtimes	\boxtimes	\boxtimes
4.	Com	ments Received		\boxtimes	\boxtimes	\boxtimes

Key:

Early PC Mailing = paper materials provided to Planning Commission at the time of public notice 20 days prior to the hearing. PC Packet = paper materials provided to Planning Commission 7 days prior to the hearing.

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-152.

ATTACHMENT 1 – Option A (Variance Approval) Recommended Findings File #s CU-2016-002, and VR-2016-005 Triad Grain Group

Sections of the Milwaukie Municipal Code not addressed in these findings are found to be inapplicable to the decision on this application.

- 1. The applicant, Chris Hagerman on behalf of Triad Grain Group, has applied for:
 - Conditional Use approval to allow greater flexibility in the operation of the existing restaurant within the building, which is currently operating as a "limited use" as provided in the Milwaukie Municipal Code (MMC).
 - Adjustment approval to construct a second freestanding sign with a height of 40 feet where a maximum of one freestanding sign with a maximum 25-foot height is permitted (adjustments are categorized as variance applications).
- The 85,340 square-foot site is located on the west side of SE International Way and immediately east of Highway 224. The entire property is zoned Business Industrial B-I. The land use application master file number is CU-2016-002, with associated file number VR-2016-005.

The proposed components of the proposed redevelopment require different application reviews. The restaurant requires a Conditional Use approval, and the second freestanding sign requires two adjustments pertaining to the maximum number of freestanding signs and the maximum height. The CU and VR components are both subject to a Type III review process,

- 3. The application was referred to the following city departments and agencies on May 18, 2016:
 - Milwaukie Building Department
 - Milwaukie Engineering Department
 - Clackamas Fire District #1
 - Clackamas County
 - Metro
 - Oregon Department of Transportation (ODOT)
 - TriMet
 - Paul Hawkins, Lake Road Neighborhood District Association (NDA) Land Use Committee (LUC)

The comments received are summarized as follows:

- Paul Hawkins of the Lake Road Neighborhood District Association (NDA) had no comment regarding the Conditional Use for the restaurant, and he supported the additional height for the proposed sign.
- Matt Amos, Fire Inspector, Clackamas Fire District #1 indicated the agency had no comments in an email memorandum dated December 31, 2015 (see appendix A of the application).
- Grant O'Connell, TriMet, indicated the agency had no comment regarding the application.

Recommended Findings—Triad Grain Group LLC Master File #CU-2016-002—5000 SE International Way

- ODOT responded and has no objection to the application.
- Alex Roller, Engineering Technician II, Milwaukie Engineering Department, noted that the provisions of MMC Chapter 19.700 Public Facility Improvements are not applicable at this time, as the proposed conditional use is intended to authorize potential future expansion. Compliance with MMC 19.700 will be re-evaluated in conjunction with the Development Review process at such time as a more specific square footage of use is proposed.
- 4. The proposal is subject to the following provisions of the MMC:
 - MMC 19.1006 Type III Review
 - MMC 19.905 Conditional Uses
 - MMC 19.310 Business Industrial Zone (B-I)
 - MMC 14.16.050 Manufacturing Zone Sign District
 - MMC 14.32 Adjustments

MMC 19.1006 applies to the Conditional Use and Adjustment applications. MMC 19.905 and 19.310 apply to the Conditional Use application, and MMC 14.16.050 and 14.32 apply to the Adjustment application.

5. MMC 19.1006 Type III Review

The Conditional Use and Adjustment applications have been processed and public notice provided in accordance with MMC Section 19.1006 Type III Review. A public hearing was held by the Planning Commission on June 28, 2016, as required by law.

The Planning Commission finds that the provisions of MMC 19.1006 are met.

6. MMC Section 19.905 Conditional Uses

MMC 19.905 establishes regulations for conditional use applications to evaluate the establishment of certain uses that may be appropriately located in some zoning districts, but only if appropriate for the specific site on which they are proposed.

- a. MMC 19.905.3 provides that new conditional uses or major modifications of them require a Type III review process. The Planning Commission finds that the application is being processed as a Type III application.
- b. MMC 19.905.4 A lists the relevant approval criteria for a conditional use:
 - (1) The characteristics of the lot are suitable for the proposed use considering size, shape, location, topography, existing improvements, and natural features.

The site is completely developed, and the Conditional Use application involves how the internal floor area may be used. The existing development complies with current city standards. The proposed second freestanding sign, which is subject to separate requirements in MMC Title 14, represents the only exterior change to the existing development.

(2) The operating and physical characteristics of the proposed use will be reasonably compatible with, and have minimal impact on, nearby uses.

The property is within the Omark Business Park, and the surrounding area is devoted primarily to a combination of manufacturing and office uses. The property is fully developed with driveway access and parking to accommodate the existing activities on the properties. The basic activities on the property, as

described in the applicant's narrative and the staff report, include a wholesale bakery, retail outlet store, and restaurant. According to the applicant, the wholesale bakery, which includes, warehouse space and a test kitchen, comprise 61% of the total building floor area. At approximately 4,000 square feet each, the retail outlet store and restaurant account for the remaining floor area. The proposal would allow for some additional flexibility regarding how the building floor area is utilized. The applicant has no immediate plans to expand the building or change its appearance.

(3) All identified impacts will be mitigated to the extent practicable.

As described further under criterion (6) regarding Comprehensive Plan policies, the primary potential adverse impact is the introduction of commercial uses in an industrial district, which have a market area that extends well beyond the district. With the conditions of approval (Attachment 2) to limit the extent of the commercial activities on the site (retail outlet and restaurant), this policy issue will be addressed.

(4) The proposed use will not have unmitigated nuisance impacts, such as from noise, odor, and/or vibrations, greater than usually generated by uses allowed outright at the proposed location.

The current uses within the building and on the property do not currently create any impacts of this type. The proposed Conditional Use application to allow some additional flexibility regarding how floor area is allocated in the building will not change the character of the current use of the property.

(5) The proposed use will comply with all applicable development standards and requirements of the base zone, any overlay zones or special areas, and the standards in Section 19.905.

All the applicable standards in the Milwaukie Municipal Code will continue to be satisfied by the existing development and improvements on the site.

(6) The proposed Conditional Use is consistent with applicable Comprehensive Plan policies related to the proposed use.

The applicant's narrative (Chapter IV Legal Findings, pages IV-10 to IV-14) provides a thorough review of the relevant plan policies. With the exception of the policy findings below, the applicant Comprehensive Plan findings are included by reference.

Objective #4 — Industrial Land Use

To encourage new industries to locate within the three major industrial areas of the City, in order to take maximum advantage of existing access and public facilities serving industry.

Policies

- 1. New industrial uses will be confined to the three major industrial areas in the City: Milwaukie Industrial Park, Omark industrial area, and the Johnson Creek industrial area, as shown on Map 8.
- 3. Lands designated for industrial use as shown on Map 8, Land Use, should be reserved for industrial, manufacturing, distribution, and supporting land uses, except where otherwise indicated in the Tacoma Station Area Plan and the Central Milwaukie Land Use and Transportation Plan.

Recommended Findings—Triad Grain Group LLC Master File #CU-2016-002—5000 SE International Way

4. Lands located in "Employment" and "Industrial" areas shown on the Milwaukie Comprehensive Plan Title 4 Lands Map are reserved for manufacturing, industrial, distribution, and supporting land uses, for the purpose of preserving land supply for industrial uses and ensuring adequate opportunity for uses with high employment density. Development of largescale retail uses is inappropriate on these lands.

The policies under Objective #4 clearly call for the retention of industrially designated land for industrial purposes. The existing development includes the retail outlet store as an accessory use, which is permitted outright with a maximum floor area of 25% of the associated manufacturing building or 4,000 square feet, whichever is less. As a limited use, the restaurant is subject to the same maximum floor area requirements. The proposed Conditional Use application is requesting more flexibility as to how floor area may be assigned for these uses, but the applicant does not specify an area number or limit. The conditional use process permits additional flexibility for only the restaurant (a limited use).

Determining and enforcing the market area for commercial uses is difficult at best, and therefore the MMC utilizes floor area limits to ensure that commercial uses in the BI zone do not become "large-scale retail uses. In addition, MMC 19.905.9 states:

A conditional use shall comply with the standards of the base zone, and any overlay zones or special areas, in which it is located, except as the standards have been modified by the Planning Commission when authorizing the conditional use...

Conditional use approval provides the ability to remove the limited use restriction for the restaurant to only serve the industrial area in which it is located, and instead be able to serve a larger market area, as established by the conditions of approval. The total floor area limit for the combination of the retail outlet store and the restaurant would continue to limit commercial activity in the BI Zone in compliance with the intent of these Comprehensive Plan policies, while allowing conversion of existing floor area to restaurant use.

(7) Adequate public transportation facilities and public utilities will be available to serve the proposed use prior to occupancy pursuant to Chapter 19.700.

The city departments have verified that adequate public facilities and utilities are available to serve the site. In addition, TriMet and ODOT expressed no objection to the application.

As conditioned, the Planning Commission finds that the application meets all applicable standards of MMC 19.905.

7. MMC Section 19.310 Business Industrial Zone (BI)

The BI Zone supports the Comprehensive Plan policy direction in the purpose statement (MMC 19.310.1), which states: This section is adopted to implement the policies of the Comprehensive Plan for industrial land uses providing a mix of clean, employee-intensive, industrial and office uses, with associated services, in locations supportive of mass transit and the regional transportation network.

- a. MMC 19.310.4 identifies limited uses, which may be allowed in the BI Zone subject to the requirements in MMC 19.310.4 B. The existing restaurant complies with the limited use provisions, but the proposal to potentially allow a restaurant with more than 25% of the building floor area does not. As a result, a conditional use approval is sought.
- MMC 19.310.5 provides the opportunity for limited uses (allowed in MMC 19.310.4) to be approved as conditional uses when they would exceed 25% of the building floor area (MMC 19.310.5. B). MMC 19.310.5 A contains four criteria, which must be satisfied to approve a conditional use in the B-I Zone:
 - (1) Will have minimal adverse impact on the appropriate development of uses permitted outright on abutting properties and the surrounding area considering location, size, design, and operating characteristics of the use;

As noted in the application and staff report, the Bob's Red Mill operation, which includes the retail outlet store and restaurant, is well-established and has not created any adverse impacts on the surrounding area. The proposed ability to allow a more flexible approach regarding space allocation between the retail outlet and restaurant (both currently limited to a maximum of 4,000 sq. ft. each) will not have any discernible effect on the character of the business or the surrounding area. A limit on the amount of restaurant use, as set forth in the conditions of approval, satisfies this criterion.

(2) Is compatible with the character and scale of uses allowed within the district and on a site no larger than necessary for the use and operational requirements of the use;

The building, parking area, and landscaping are very consistent with the type of development found in the Omark Business Park.

(3) Will provide vehicular and pedestrian access, circulation, parking, and loading areas which are compatible with uses on the same site or adjacent sites; and

The property provides for on-site pedestrian circulation, and it has a fully improved street frontage with sidewalk. The parking and loading areas meet current city standards, and no modification of these facilities is proposed. The conditions of approval require development review when floor area is converted to restaurant use. The design review process will ensure that parking standards continue to be met.

(4) Is a needed service/product in the district, considering the mix of potential clientele and the need to maintain high-quality development in a highly visible area.

The retail outlet store and restaurant have been providing a beneficial service to the businesses and employees in the area for several years. As noted, the property is developed in accordance with current city standards, and it satisfies all relevant requirements for access, parking, building design and setbacks, and landscaping. The Conditional Use application represents a more flexible approach for allocating the commercial floor area allocation between the retail outlet store and restaurant. No changes are proposed for the exterior of the building.

- c. MMC 19.310.6 contains the development standards for the BI Zone:
 - (1) Lot size, front yard, side yard, and rear yard.

Recommended Findings—Triad Grain Group LLC Master File #CU-2016-002—5000 SE International Way

The BI Zone has no specific standards, and therefore, the existing development complies with these requirements.

(2) Off-street parking and loading.

This section refers to MMC 19.600. The minimum parking requirement is approximately 36 spaces and a maximum of 100 spaces based upon the following standards:

Use	Min. Spaces/1,000 sq. ft.	Max. Spaces/1,000 sq. ft.
Manufacturing	1	2
Restaurant	4	15
Retail	2	5

The site has 88 parking spaces, meeting these standards.

(3) Site access.

Curb cuts cannot be more frequent than one per 100 feet of street frontage.

The site has two driveways and over 400 feet of frontage on SE International Way, satisfying this standard.

(4) Height restriction.

Buildings are limited to a height of 3 stories or 45 feet.

The existing building is two stories, and this standard is met.

(5) Landscaping.

Sites adjacent to Highway 224 are required to have a minimum landscaped area of 20%.

The property currently has 23% of the site landscaped, meeting this standard.

(6) Screening and outside storage.

Outside storage is not allowed adjacent to International Way, and it is allowed within side and rear yards with sight-obscuring fencing or landscaping.

The site does not include any outdoor storage.

(7) Building siting and design.

The property was fully developed according to the requirements in place at that time. The character of the site continues to satisfy city requirements. Because the applicant does not propose any exterior changes for the site or expansion of the existing building, this section is not relevant.

(8) Nuisances.

Uses are not allowed to produce dust, odor, glare, vibration, and similar objectionable impacts.

The existing use has demonstrated full compliance with this requirement.

The Planning Commission finds that the relevant provisions of MMC 19.310 are satisfied.

8. MMC14.16.050 Manufacturing Zone Sign District

Table 14.16.050 provides standards for a variety of sign types. The applicable portions of this section pertaining to freestanding signs are addressed below:

a. Area.

A freestanding sign may have a maximum of 1.5 square feet of area for every foot of street frontage, and for each foot of frontage over 100 feet, an additional square foot may be added to the maximum allowable. The maximum sign area allowed is 250 square feet per side up to 1,000 square feet total.

The SE International Way frontage is over 400 feet. The applicant did not provide the dimensions of the existing sign, but the staff estimates it to be approximately 120 to 140 square feet per side – well within the 250 square foot maximum. In addition, MMC Table 14.16.050 allows a second freestanding for frontages that exceed 300 feet.

The proposed second sign is along the Highway 224 frontage, which also exceeds 300 feet. Based upon the BI Zone standards, this sign would also be eligible for a maximum size of 250 square feet (if there was no sign on SE International Way). The proposed sign has a total area of approximately 200 square feet per sign face. The sign features a combination of message formats including, internally illuminated clock (8± sq. ft.), Bob's Red Mill identification (54± sq. ft. and externally illuminated with LED bulbs), internally illuminated restaurant/retail store identification panel (34± sq. ft.), an electronic message sign (50± sq. ft.), and directional sign (16± sq. ft.).

b. Height.

A maximum height of 25 feet is permitted.

The existing sign is approximately 20 feet high, meeting this requirement. The proposed sign is 40 feet in height, and is subject to the adjustment criteria. These criteria are addressed in Section 10 below.

c. Location.

Freestanding signs may not be located in any portion of the street, sidewalk, or public right-of-way.

The existing and proposed freestanding signs comply with this standard by being located on the property.

d. Number.

One freestanding sign is allowed. However, where the frontage exceeds 300 feet, a second freestanding is permitted. This code provision is interpreted to mean a single street frontage and not multiple street frontages.

The request to have two freestanding signs where only one is permitted is subject to the adjustment criteria. These criteria are addressed in Section 10 below.

e. Illumination.

Freestanding signs may be illuminated.

As noted above, the sign will be illuminated.

The Planning Commission finds these provisions are met.

9. MMC14.24.020 Sign Lighting

Recommended Findings—Triad Grain Group LLC Master File #CU-2016-002—5000 SE International Way

MMC 14.24.020.G.2 provides standards for electronic display signs. For this location, electronic display signs are required to be a maximum of 50% of the total sign face area or 50 square feet, whichever is less.

In the application materials, the electronic display portion of the sign appears to be approximately 65 square feet. However, the applicant has revised the plans to clarify that the electronic display is actually only 50 square feet. As clarified, the proposed sign complies with this standard.

The Planning Commission finds that this criterion is met.

- 10. MMC Chapter 14.32 Adjustments
 - a. MMC 14.32.010 authorizes the Planning Commission to review sign adjustments. The two aspects of the adjustment application are to: 1) allow a second freestanding sign (referenced by the applicant as "Adjustment #1); and 2) to allow a freestanding with a height of 40 feet where a maximum of 25 feet is permitted (referenced by the applicant as "Adjustment #2). MMC 14.32.010.C provides two criteria of which an adjustment must meet one:
 - (1) Strict application of this chapter would cause an undue or unnecessary hardship.

Adjustment #1

As a conditional use, the restaurant has a reasonable need to be identified along major street frontages. In addition to freestanding signs, the BI Zone allows wall signs (up to 10% of the wall area) and awning signs. The building has wall signs on the second story of the building facing both SE International Way and Highway 224. The signs appear to be significantly less than the 10% maximum size standard. As noted above, the existing freestanding sign on SE International Way appears to be less than 140 square feet.

The MMC would allow a second freestanding sign along the SE International Way frontage, but the applicant would like to place the sign along the Highway 224 frontage instead. This second freestanding sign of approximately 205 square feet would mean that the total freestanding area would be in the neighborhood of 350 square feet per side – about 150 square feet less than what is currently allowed on SE International Way (with 400+ feet of frontage, 2 freestanding signs at a maximum of 250 sq. ft. per side are currently permitted). Because the wall signs are smaller than the maximum allowed, the proposed total sign area would continue to be consistent with what the MMC requires.

The particular way in which the city sign requirements apply to this property make it uniquely difficult to adequately advertise the retail and restaurant services offered when on two street frontages. The sign types – not the sign area – make it more difficult to be effectively visible. Conditions of approval and MMC standards will maintain total sign area to be consistent with the intent of the BI Zone sign requirements.

Adjustment #2

The sign height requirements are based on normal commercial or industrial sites in the city, which are generally flat with minimal difference in elevation, especially between the street and the property. The frontage along Highway 224 is clearly different with a drop in elevation of approximately 20 feet between the roadway and the southeastern corner of the property. The additional 15 feet in height simply compensate for this difference, and strict enforcement of the 25foot height would mean the sign would not be sufficiently visible.

(2) The adjustment serves to protect or enhance significant features such as, but not limited to, trees, historic or culturally significant buildings, or landmark signs.

This criterion is not relevant because this adjustment application is not proposed in response to a need to protect significant features.

- b. MMC 14.32.030 contains five criteria, which must be satisfied:
 - (1) That strict or literal interpretation and enforcement of the specified regulation would result in practical difficulty or unnecessary physical hardship inconsistent with the objectives of the Sign Ordinance.

This criterion is essentially the same as MMC 14.32.010 a. and Adjustment #1 and #2 are addressed above in Finding 10.a.(1).

(2) That there are exceptional or extraordinary circumstances or conditions applicable to the property involved, or to the intended use of the property, which do not apply generally to other properties classified in the same zoning district.

Adjustment #1

The applicant is entitled to two freestanding signs along the SE International Way frontage. With the retail outlet store and restaurant (assumed in this finding as receiving conditional use approval), the property is unique in that it has sufficient frontage to have two freestanding signs. Because of the commercial aspects of the operation, the applicant has a legitimate need to be identified to a broader audience than the majority of businesses in the BI Zone.

Adjustment #2

As noted above in Finding 10.a.(1), the sign height requirements are based upon relatively flat terrain, not a 20-foot drop in elevation between the roadway edge and the property boundary. The additional 15 feet of height simply compensates for this elevation difference. The sign will be perceived as a 25foot high sign from the Highway 224 vantage point.

(3) That strict or literal interpretation and enforcement of the specified regulation would deprive the applicant of privileges enjoyed by the owners of other properties classified in the same zoning district.

Adjustment #1

The overall intent of the sign regulations is to allow for appropriate identification of businesses and prevent an undue proliferation of signs and sign area. As noted above, the total amount of sign area on the property, including the proposed freestanding sign, is well within the limits for the BI Zone. The applicant could place the proposed freestanding along the SE International Way frontage, but is asking for the adjustment to simply place it along the Highway 224 frontage instead. The total sign area on the property is consistent with what is allowed for other properties in the district.

Adjustment #2

Because of the topography issue noted above, the additional height is necessary for the sign to be visible from Highway 224. Requiring a 25-foot

maximum height would greatly compromise the effectiveness of the sign without providing a corresponding visual or aesthetic benefit.

(4) That the granting of the adjustment will not constitute a grant of special privilege inconsistent with the limitations on other properties classified in the same zoning district.

Adjustment #1

As noted above, the property would not be granted a special privilege to have a second freestanding sign. It meets the MMC criteria for two signs, and the only question is whether it can place the second sign on a different street frontage. Both street frontages are greater than 300 feet, being individually qualified to have two, 250 square foot freestanding signs. Allowing the location of the second sign on another street frontage complies with the purpose and intent of the sign requirements for the BI Zone and does not allow for additional signs or sign area than is allowed by right for any property in the BI Zone.

Adjustment #2

The additional 15 feet of height are appropriate given the topographic situation over which the applicant has no control. In the context of its location, the taller sign will not appear more dominant than other signs along Highway 224.

(5) That the granting of the adjustment will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity.

Adjustment #1

As supported in the findings above, the second freestanding sign will not represent an increase in the number of signs or total sign area beyond what is permitted in the BI Zone. The new sign will be appropriately located to not have an adverse impact on nearby properties or other identification signs.

Adjustment #2

With its location adjacent to Highway 224, the modest increase in sign height will not create a distraction for motorists, or have any effect upon adjoining properties. ODOT has no objection regarding the sign.

The Planning Commission finds that the above criteria are met.

ATTACHMENT 1 – Option B (Variance Denial) Recommended Findings File #s CU-2016-002, and VR-2016-005 Triad Grain Group

Sections of the Milwaukie Municipal Code not addressed in these findings are found to be inapplicable to the decision on this application.

- 1. The applicant, Chris Hagerman on behalf of Triad Grain Group, has applied for:
 - Conditional Use approval to allow greater flexibility in the operation of the existing restaurant within the building, which is currently operating as a "limited use" as provided in the Milwaukie Municipal Code (MMC).
 - Adjustment approval to construct a second freestanding sign with a height of 40 feet where a maximum of one freestanding sign with a maximum 25-foot height is permitted (adjustments are categorized as variance applications).
- The 85,340 square-foot site is located on the west side of SE International Way and immediately east of Highway 224. The entire property is zoned Business Industrial B-I. The land use application master file number is CU-2016-002, with associated file number VR-2016-005.

The proposed components of the proposed redevelopment require different application reviews. The restaurant requires a Conditional Use approval, and the second freestanding sign requires two adjustments pertaining to the maximum number of freestanding signs and the maximum height. The CU and VR components are both subject to a Type III review process,

- 3. The application was referred to the following city departments and agencies on May 18, 2016:
 - Milwaukie Building Department
 - Milwaukie Engineering Department
 - Clackamas Fire District #1
 - Clackamas County
 - Metro
 - Oregon Department of Transportation (ODOT)
 - TriMet
 - Paul Hawkins, Lake Road Neighborhood District Association (NDA) Land Use Committee (LUC)

The comments received are summarized as follows:

- Paul Hawkins of the Lake Road Neighborhood District Association (NDA) had no comment regarding the Conditional Use for the restaurant, and he supported the additional height for the proposed sign.
- Matt Amos, Fire Inspector, Clackamas Fire District #1 indicated the agency had no comments in an email memorandum dated December 31, 2015 (see appendix A of the application).
- Grant O'Connell, TriMet, indicated the agency had no comment regarding the application.

Recommended Findings —Triad Grain Group LLC Master File #s CU-2016-002—5000 SE International Way

- ODOT responded and has no objection to the application.
- Alex Roller, Engineering Technician II, Milwaukie Engineering Department, noted that the provisions of MMC Chapter 19.700 Public Facility Improvements are not applicable at this time, as the proposed conditional use is intended to authorize potential future expansion. Compliance with MMC 19.700 will be re-evaluated in conjunction with the Development Review process at such time as a more specific square footage of use is proposed.
- 4. The proposal is subject to the following provisions of the MMC:
 - MMC 19.1006 Type III Review
 - MMC 19.905 Conditional Uses
 - MMC 19.310 Business Industrial Zone (B-I)
 - MMC 14.16.050 Manufacturing Zone Sign District
 - MMC 14.32 Adjustments

MMC 19.1006 applies to the Conditional Use and Adjustment applications. MMC 19.905 and 19.310 apply to the Conditional Use application, and MMC 14.16.050 and 14.32 apply to the Adjustment application.

5. MMC 19.1006 Type III Review

The Conditional Use and Adjustment applications have been processed and public notice provided in accordance with MMC Section 19.1006 Type III Review. A public hearing was held by the Planning Commission on June 28, 2016, as required by law.

The Planning Commission finds that the provisions of MMC 19.1006 are met.

6. MMC Section 19.905 Conditional Uses

MMC 19.905 establishes regulations for conditional use applications to evaluate the establishment of certain uses that may be appropriately located in some zoning districts, but only if appropriate for the specific site on which they are proposed.

- a. MMC 19.905.3 provides that new conditional uses or major modifications of them require a Type III review process. The Planning Commission finds that the application is being processed as a Type III application.
- b. MMC 19.905.4 A lists the relevant approval criteria for a conditional use:
 - (1) The characteristics of the lot are suitable for the proposed use considering size, shape, location, topography, existing improvements, and natural features.

The site is completely developed, and the Conditional Use application involves how the internal floor area may be used. The existing development complies with current city standards. The proposed second freestanding sign, which is subject to separate requirements in MMC Title 14, represents the only exterior change to the existing development.

(2) The operating and physical characteristics of the proposed use will be reasonably compatible with, and have minimal impact on, nearby uses.

The property is within the Omark Business Park, and the surrounding area is devoted primarily to a combination of manufacturing and office uses. The property is fully developed with driveway access and parking to accommodate the existing activities on the properties. The basic activities on the property, as

described in the applicant's narrative and the staff report, include a wholesale bakery, retail outlet store, and restaurant. According to the applicant, the wholesale bakery, which includes, warehouse space and a test kitchen, comprise 61% of the total building floor area. At approximately 4,000 square feet each, the retail outlet store and restaurant account for the remaining floor area. The proposal would allow for some additional flexibility regarding how the building floor area is utilized. The applicant has no immediate plans to expand the building or change its appearance.

(3) All identified impacts will be mitigated to the extent practicable.

As described further under criterion (6) regarding Comprehensive Plan policies, the primary potential adverse impact is the introduction of commercial uses in an industrial district, which have a market area that extends well beyond the district. With the conditions of approval (Attachment 2) to limit the extent of the commercial activities on the site (retail outlet and restaurant), this policy issue will be addressed.

(4) The proposed use will not have unmitigated nuisance impacts, such as from noise, odor, and/or vibrations, greater than usually generated by uses allowed outright at the proposed location.

The current uses within the building and on the property do not currently create any impacts of this type. The proposed Conditional Use application to allow some additional flexibility regarding how floor area is allocated in the building will not change the character of the current use of the property.

(5) The proposed use will comply with all applicable development standards and requirements of the base zone, any overlay zones or special areas, and the standards in Section 19.905.

All the applicable standards in the Milwaukie Municipal Code will continue to be satisfied by the existing development and improvements on the site.

(6) The proposed Conditional Use is consistent with applicable Comprehensive Plan policies related to the proposed use.

The applicant's narrative (Chapter IV Legal Findings, pages IV-10 to IV-14) provides a thorough review of the relevant plan policies. With the exception of the policy findings below, the applicant Comprehensive Plan findings are included by reference.

Objective #4 — Industrial Land Use

To encourage new industries to locate within the three major industrial areas of the City, in order to take maximum advantage of existing access and public facilities serving industry.

Policies

- 1. New industrial uses will be confined to the three major industrial areas in the City: Milwaukie Industrial Park, Omark industrial area, and the Johnson Creek industrial area, as shown on Map 8.
- 3. Lands designated for industrial use as shown on Map 8, Land Use, should be reserved for industrial, manufacturing, distribution, and supporting land uses, except where otherwise indicated in the Tacoma Station Area Plan and the Central Milwaukie Land Use and Transportation Plan.

Recommended Findings —Triad Grain Group LLC Master File #s CU-2016-002—5000 SE International Way

4. Lands located in "Employment" and "Industrial" areas shown on the Milwaukie Comprehensive Plan Title 4 Lands Map are reserved for manufacturing, industrial, distribution, and supporting land uses, for the purpose of preserving land supply for industrial uses and ensuring adequate opportunity for uses with high employment density. Development of largescale retail uses is inappropriate on these lands.

The policies under Objective #4 clearly call for the retention of industrially designated land for industrial purposes. The existing development includes the retail outlet store as an accessory use, which is permitted outright with a maximum floor area of 25% of the associated manufacturing building or 4,000 square feet, whichever is less. As a limited use, the restaurant is subject to the same maximum floor area requirements. The proposed Conditional Use application is requesting more flexibility as to how floor area may be assigned for these uses, but the applicant does not specify an area number or limit. The conditional use process permits additional flexibility for only the restaurant (a limited use).

Determining and enforcing the market area for commercial uses is difficult at best, and therefore the MMC utilizes floor area limits to ensure that commercial uses in the BI zone do not become "large-scale retail uses. In addition, MMC 19.905.9 states:

A conditional use shall comply with the standards of the base zone, and any overlay zones or special areas, in which it is located, except as the standards have been modified by the Planning Commission when authorizing the conditional use...

Conditional use approval provides the ability to remove the limited use restriction for the restaurant to only serve the industrial area in which it is located, and instead be able to serve a larger market area, as established by the conditions of approval. The total floor area limit for the combination of the retail outlet store and the restaurant would continue to limit commercial activity in the BI Zone in compliance with the intent of these Comprehensive Plan policies, while allowing conversion of existing floor area to restaurant use.

(7) Adequate public transportation facilities and public utilities will be available to serve the proposed use prior to occupancy pursuant to Chapter 19.700.

The city departments have verified that adequate public facilities and utilities are available to serve the site. In addition, TriMet and ODOT expressed no objection to the application.

As conditioned, the Planning Commission finds that the application meets all applicable standards of MMC 19.905.

7. MMC Section 19.310 Business Industrial Zone (BI)

The BI Zone supports the Comprehensive Plan policy direction in the purpose statement (MMC 19.310.1), which states: This section is adopted to implement the policies of the Comprehensive Plan for industrial land uses providing a mix of clean, employee-intensive, industrial and office uses, with associated services, in locations supportive of mass transit and the regional transportation network.

- a. MMC 19.310.4 identifies limited uses, which may be allowed in the BI Zone subject to the requirements in MMC 19.310.4 B. The existing restaurant complies with the limited use provisions, but the proposal to potentially allow a restaurant with more than 25% of the building floor area does not. As a result, a conditional use approval is sought.
- MMC 19.310.5 provides the opportunity for limited uses (allowed in MMC 19.310.4) to be approved as conditional uses when they would exceed 25% of the building floor area (MMC 19.310.5. B). MMC 19.310.5 A contains four criteria, which must be satisfied to approve a conditional use in the B-I Zone:
 - (1) Will have minimal adverse impact on the appropriate development of uses permitted outright on abutting properties and the surrounding area considering location, size, design, and operating characteristics of the use;

As noted in the application and staff report, the Bob's Red Mill operation, which includes the retail outlet store and restaurant, is well-established and has not created any adverse impacts on the surrounding area. The proposed ability to allow a more flexible approach regarding space allocation between the retail outlet and restaurant (both currently limited to a maximum of 4,000 sq. ft. each) will not have any discernible effect on the character of the business or the surrounding area. A limit on the amount of restaurant use, as set forth in the conditions of approval, satisfies this criterion.

(2) Is compatible with the character and scale of uses allowed within the district and on a site no larger than necessary for the use and operational requirements of the use;

The building, parking area, and landscaping are very consistent with the type of development found in the Omark Business Park.

(3) Will provide vehicular and pedestrian access, circulation, parking, and loading areas which are compatible with uses on the same site or adjacent sites; and

The property provides for on-site pedestrian circulation, and it has a fully improved street frontage with sidewalk. The parking and loading areas meet current city standards, and no modification of these facilities is proposed. The conditions of approval require development review when floor area is converted to restaurant use. The design review process will ensure that parking standards continue to be met.

(4) Is a needed service/product in the district, considering the mix of potential clientele and the need to maintain high-quality development in a highly visible area.

The retail outlet store and restaurant have been providing a beneficial service to the businesses and employees in the area for several years. As noted, the property is developed in accordance with current city standards, and it satisfies all relevant requirements for access, parking, building design and setbacks, and landscaping. The Conditional Use application represents a more flexible approach for allocating the commercial floor area allocation between the retail outlet store and restaurant. No changes are proposed for the exterior of the building.

- c. MMC 19.310.6 contains the development standards for the BI Zone:
 - (1) Lot size, front yard, side yard, and rear yard.

Recommended Findings —Triad Grain Group LLC Master File #s CU-2016-002—5000 SE International Way

The BI Zone has no specific standards, and therefore, the existing development complies with these requirements.

(2) Off-street parking and loading.

This section refers to MMC 19.600. The minimum parking requirement is approximately 37 spaces and a maximum of 106 spaces based upon the following standards:

Use	Min. Spaces/1,000 sq. ft.	Max. Spaces/1,000 sq. ft.
Manufacturing	1	2
Restaurant	4	15
Retail	2	5

Based upon the existing uses (wholesale bakery - 12,900 sf, retail store - 4,000 sf, and restaurant - 4,000 sf), the site meets these requirements with 88 parking spaces.

(3) Site access.

Curb cuts cannot be more frequent than one per 100 feet of street frontage.

The site has two driveways and over 400 feet of frontage on SE International Way, satisfying this standard.

(4) Height restriction.

Buildings are limited to a height of 3 stories or 45 feet.

The existing building is two stories, and this standard is met.

(5) Landscaping.

Sites adjacent to Highway 224 are required to have a minimum landscaped area of 20%.

The property currently has 23% of the site landscaped, meeting this standard.

(6) Screening and outside storage.

Outside storage is not allowed adjacent to International Way, and it is allowed within side and rear yards with sight-obscuring fencing or landscaping.

The site does not include any outdoor storage.

(7) Building siting and design.

The property was fully developed according to the requirements in place at that time. The character of the site continues to satisfy city requirements. Because the applicant does not propose any exterior changes for the site or expansion of the existing building, this section is not relevant.

(8) Nuisances.

Uses are not allowed to produce dust, odor, glare, vibration, and similar objectionable impacts.

The existing use has demonstrated full compliance with this requirement.

The Planning Commission finds that the relevant provisions of MMC 19.310 are satisfied.

8. MMC14.16.050 Manufacturing Zone Sign District

Table 14.16.050 provides standards for a variety of sign types. The applicable portions of this section pertaining to freestanding signs are addressed below:

a. Area.

A freestanding sign may have a maximum of 1.5 square feet of area for every foot of street frontage, and for each foot of frontage over 100 feet, an additional square foot may be added to the maximum allowable. The maximum sign area allowed is 250 square feet per side up to 1,000 square feet total.

The SE International Way frontage is over 400 feet. The applicant did not provide the dimensions of the existing sign, but the staff estimates it to be approximately 120 to 140 square feet per side – well within the 250 square foot maximum. In addition, MMC Table 14.16.050 allows a second freestanding for frontages that exceed 300 feet.

The proposed second sign is along the Highway 224 frontage, which also exceeds 300 feet. Based upon the BI Zone standards, this sign would also be eligible for a maximum size of 250 square feet (if there was no sign on SE International Way). The proposed sign has a total area of approximately 200 square feet per sign face. The sign features a combination of message formats including, internally illuminated clock ($8\pm$ sq. ft.), Bob's Red Mill identification ($54\pm$ sq. ft. and externally illuminated with LED bulbs), internally illuminated restaurant/retail store identification panel ($34\pm$ sq. ft.), an electronic message sign ($50\pm$ sq. ft.), and directional sign ($16\pm$ sq. ft.).

b. Height.

A maximum height of 25 feet is permitted.

The existing sign is approximately 20 feet high, meeting this requirement. The proposed sign is 40 feet in height, and is subject to the adjustment criteria. These criteria are addressed in Section 10 below.

c. Location.

Freestanding signs may not be located in any portion of the street, sidewalk, or public right-of-way.

The existing and proposed freestanding signs comply with this standard by being located on the property.

d. Number.

One freestanding sign is allowed. However, where the frontage exceeds 300 feet, a second freestanding is permitted. This code provision is interpreted to mean a single street frontage and not multiple street frontages.

The request to have two freestanding signs where only one is permitted is subject to the adjustment criteria. These criteria are addressed in Section 10 below.

e. Illumination.

Freestanding signs may be illuminated.

As noted above, the sign will be illuminated.

Recommended Findings —Triad Grain Group LLC Master File #s CU-2016-002—5000 SE International Way

The Planning Commission finds that with the exception of the proposed sign height and number of signs, which are subject to the adjustment criteria in Section 10 below, these provisions are met.

9. MMC14.24.020 Sign Lighting

MMC 14.24.020.G.2 provides standards for electronic display signs. For this location, electronic display signs are required to be a maximum of 50% of the total sign face area or 50 square feet, whichever is less.

In the application materials, the electronic display portion of the sign appears to be approximately 65 square feet. However, the applicant has revised the plans to clarify that the electronic display is actually only 50 square feet. As clarified, the proposed sign complies with this standard.

The Planning Commission finds that this criterion is met.

- 10. MMC Chapter 14.32 Adjustments
 - a. MMC 14.32.010 authorizes the Planning Commission to review sign adjustments. The two aspects of the adjustment application are to: 1) allow a second freestanding sign (referenced by the applicant as "Adjustment #1); and 2) to allow a freestanding with a height of 40 feet where a maximum of 25 feet is permitted (referenced by the applicant as "Adjustment #2). MMC 14.32.010.C provides two criteria of which an adjustment must meet one:
 - (1) Strict application of this chapter would cause an undue or unnecessary hardship.

Adjustment #1

The BI Zone allows wall signs (up to 10% of the wall area) and awning signs. The building has wall signs on the second story of the building facing both SE International Way and Highway 224. These signs, in combination with the existing freestanding sign on SE International Way currently give adequate identification for Bob's Red Mill. In addition, the application refers to the iconic architecture of the building, which makes the business easily recognizable without an additional freestanding sign.

Adjustment #2

The sign height requirements are based on normal commercial or industrial sites in the city, which are generally flat with minimal difference in elevation, especially between the street and the property. The frontage along Highway 224 is clearly different with a drop in elevation of approximately 20 feet between the roadway and the southeastern corner of the property. If the sign were justified, some increase in height may be appropriate to provide additional visibility.

(2) The adjustment serves to protect or enhance significant features such as, but not limited to, trees, historic or culturally significant buildings, or landmark signs.

This criterion is not relevant because this adjustment application is not proposed in response to a need to protect significant features.

b. MMC 14.32.030 contains five criteria, which must be satisfied:

(1) That strict or literal interpretation and enforcement of the specified regulation would result in practical difficulty or unnecessary physical hardship inconsistent with the objectives of the Sign Ordinance.

This criterion is essentially the same as MMC 14.32.010 a. and Adjustment #1 and #2 are addressed above in Finding 10.a.(1).

(2) That there are exceptional or extraordinary circumstances or conditions applicable to the property involved, or to the intended use of the property, which do not apply generally to other properties classified in the same zoning district.

Adjustment #1

There are several other properties in the BI Zone that similarly have frontages along Highway 224 and a local access street. Bob's Red Mill is not a unique property in need of special signage, which is not allowed for other properties in the district. As noted above, the city's sign requirements provide ample opportunity for appropriate business identification.

Adjustment #2

As noted above in Finding 10.a.(1), the sign height requirements are based upon relatively flat terrain, not a 20-foot drop in elevation between the roadway edge and the property boundary. Although the sign height adjustment may be justified in this case, the rationale for a second freestanding sign is not as described in the findings regarding Adjustment #1.

(3) That strict or literal interpretation and enforcement of the specified regulation would deprive the applicant of privileges enjoyed by the owners of other properties classified in the same zoning district.

Adjustment #1

The sign regulations provide for adequate business identification, which are appropriate for a zoning district that is intended primarily for industrial, manufacturing, and office uses. Other business owners in the BI Zone are also bound by the same sign standards, and the lack of a second freestanding sign does not deprive Bob's Red Mill of any privileges enjoyed by other property owners in the vicinity.

Adjustment #2

Because of the topography issue noted above, the additional height is necessary for the sign to be visible from Highway 224. If the second freestanding sign was justified (Adjustment #1), a maximum sign height of 25feet would limit the effectiveness of the sign.

(4) That the granting of the adjustment will not constitute a grant of special privilege inconsistent with the limitations on other properties classified in the same zoning district.

Adjustment #1

As noted above, the property would be granted a special privilege to have a second freestanding sign. Allowing the location of the second sign on another street frontage does not comply with the purpose and intent of the sign requirements for the BI Zone and would allow for an additional sign that is not allowed by right for other properties in the BI Zone.

Recommended Findings —Triad Grain Group LLC Master File #s CU-2016-002—5000 SE International Way

Adjustment #2

If the second sign was justified, the additional 15 feet of height would be appropriate given the topographic situation over which the applicant has no control. In the context of its location, the taller sign would not appear more dominant than other signs along Highway 224.

(5) That the granting of the adjustment will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity.

Adjustment #1

Although it is not justified for the reason cited above, the second freestanding sign would not necessarily be detrimental to the public welfare.

Adjustment #2

With its location adjacent to Highway 224, the modest increase in sign height would not create a significant distraction for motorists, or have any effect upon adjoining properties.

The Planning Commission finds that the above criteria for the variance are not met.

ATTACHMENT 2A

ATTACHMENT 2 – Option A (Variance Approval) Recommended Conditions File #s CU-2016-002, VR-2016-005 Triad Grain Group

Conditions

- 1. The following shall apply to CU-2016-002:
 - a. The restaurant may exceed 4,000 sq ft of floor area, but the total floor area for both the restaurant and retail outlet store uses shall not exceed 50% of the total floor area of the building. The retail store shall not exceed the 4,000-sq-ft floor area limit, which applies to accessory uses in the BI Zone. Documentation of any change in square footage of either the restaurant or retail outlet store uses shall be provided to the Planning Department at the time of any such change.
 - b. This conditional use is granted exclusively for Bob's Red Mill and its successors. It is not transferrable to restaurants or retailers not associated with the primary industrial use on the property.
 - c. Compliance with MMC 19.600 (Parking) and 19.700 (Public Facilities) will be assessed by the City through the development review process (MMC19.906) if an enlarged restaurant intensifies the use sufficiently to generate a significant projected increase in vehicle trips.
- 2. The following shall apply to VR-2016-005:
 - a. At the time of submittal of the associated sign permit application, the following shall be resolved:
 - (1) Final plans for the proposed new freestanding sign submitted for sign permit review shall be in substantial conformance with plans approved by this action, which are the revised plans stamped received by the City on June 16, 2016.
 - (2) As needed, provide a narrative describing any changes made after the issuance of this land use decision that are not related to these conditions of approval.
 - b. The proposed new freestanding sign shall not exceed 40 ft in height.
 - c. The proposed freestanding sign shall comply with all other relevant standards in MMC Sections 14.16.050 and 14.24.020.
- 3. Expiration of Approval

As per MMC 19.1001.7.E.1.a, proposals requiring any kind of development permit must complete both of the following steps:

- a. Obtain and pay for all necessary development permits and start construction within two (2) years of land use approval.
- b. Pass final inspection and/or obtain a certificate of occupancy within four (4) years of land use approval.

As per MMC 19.1001.7.E.2.b, land use approvals shall expire unless both steps noted above have been completed or unless the review authority specifies a different expiration date in the land use decision to accommodate large, complex, or phased development projects.

ATTACHMENT 2B

ATTACHMENT 2 – Option B (Variance Denial) Recommended Conditions File #s CU-2016-002, VR-2016-005 Triad Grain Group

Conditions

- 1. The following shall apply to CU-2016-002:
 - a. The restaurant may exceed 4,000-sq-ft of floor area, but the total floor area for both the restaurant and retail outlet store uses shall not exceed 50% of the total floor area of the building. The retail store shall not exceed the 4,000-sq-ft floor area limit, which applies to accessory uses in the BI Zone. Documentation of any change in square footage of either the restaurant or retail outlet store uses shall be provided to the Planning Department at the time of any such change.
 - b. This conditional use is granted exclusively for Bob's Red Mill and its successors. It is not transferrable to restaurants or retailers not associated with the primary industrial use on the property.
 - c. Compliance with MMC 19.600 (Parking) and 19.700 (Public Facilities) will be assessed by the City through the development review process (MMC19.906) if an enlarged restaurant intensifies the use sufficiently to generate a significant projected increase in vehicle trips.
- 2. The proposed second freestanding sign (VR-2016-005) is denied.
- 3. Expiration of Approval

As per MMC 19.1001.7.E.1.a, proposals requiring any kind of development permit must complete both of the following steps:

- a. Obtain and pay for all necessary development permits and start construction within two (2) years of land use approval.
- b. Pass final inspection and/or obtain a certificate of occupancy within four (4) years of land use approval.

As per MMC 19.1001.7.E.2.b, land use approvals shall expire unless both steps noted above have been completed or unless the review authority specifies a different expiration date in the land use decision to accommodate large, complex, or phased development projects.

ATTACHMENT 3

BOB'S RED MILL WHOLE GRAIN STORE AND RESTAURANT

APPLICATION FOR A TYPE III CONDITIONAL USE REVIEW AND TYPE III SIGN ADJUSTMENTS



Presented by: Bob's Red Mill Natural Foods Triad Grain Group, LLC

Presented to: City of Milwaukie, Planning Department

Prepared with the Assistance of: Ramsey Signs The Bookin Group LLC, Land Use Planners

April 2016

- I. Summary of Proposal
- II. Curent Conditions
- III. Proposed Plan
- IV. Legal Findings

Appendices

- A. Pre-Application Conference Notes (15-026PA)
- B. Pre-Application Conference Notes (15-012PA)
- C. Omark Industrial Park Architectural Committee Meetings Notes
- D. Neighborhood Meeting Request

<u>Tables</u>

II-1	History of Expansion and	l Use Configuration
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II-2 Existing Campus Utilization

Figures

- II-1 Vicinity
- II-2 Zoning
- II-3 Surrounding Uses Photographs
- II-4 As-Built (2015)
- II-5 Site Condition Photographs
- II-6 Site Plan
- III-1 Examples of Iconic signs and restaurants
- III-2 Proposed Sign Location
- III-3 View from northbound Highway 224
- III-4 Sign Elevations

SUMMARY OF PROPOSAL I.

Applicant:	Triad Grain Group, LLC 13521 SE Pheasant Court Milwaukie, Oregon 97222
Land Use Planner:	Chris Hagerman, PhD The Bookin Group LLC 820 SW Washington Street, Suite 600 Portland, Oregon 97205 Telephone: 503.241.2423 Cell: 503-502-8693 E-Mail: <u>hagerman@bookingroup.com</u>
<u>Request:</u>	Type III Conditional Use approval to re-designate the on-site restaurant from a Limited Use to a Conditional Use, with concurrent Type III Sign Adjustments to allow a second sign on the site that exceeds the height standard of the sign code. The Pre-Application Conference (PAC) notes for the Conditional Use (PAC 15-026PA) and the Sign Adjustments (15-012PA) are contained in Appendix A.
Location:	5000 SE International Way
Site Size:	1.96 acres (85,340 square feet)
Legal Description:	12E31CD00100

Zoning: Business Industrial (BI)

Neighborhood: Milwaukie Business Industrial District, Lake Drive Neighborhood District Association (270 feet away)

Summary: Bob's Red Mill Natural Foods, Inc. (BRM) is a nationally-prominent business located on Highway 224 in Milwaukie, Oregon. The 85,340-square foot (sf) site takes access from its second frontage on SE International Way. Western portions of the site are subject to Habitat Conservation Area (HCA) and Water Quality Resource (WQR) overlays, but no new development is proposed in these natural resource areas. The site is zoned Business Industrial (BI). The existing development on the site includes the iconic Red Mill building, containing allowed industrial-related uses; retail store that features BRM products; restaurant; 88-space surface parking lot; and freestanding sign on SE International Way.

A restaurant use in the BI zone is allowed as a "Limited Use" but restricted to 25% of the floor area up to 4,000 sf (Subsection 19.310.4). As a "Limited Use" the restaurant is limited to "primarily service the needs of BI Zone clients, employees, and businesses, as opposed to the general public" (19.310.4.A). As a practical matter, this creates a situation where existing internal space allocation has to be continuously assigned to one of the Mill's uses to verify that the manufacturing, restaurant and retail uses each stay in compliance with the requirements of the BI zone. The purpose of the proposed Conditional Use procedure is to acknowledge the overlap between the various uses in their current sizes and configurations and to recognize that the restaurant's patronage reaches beyond the immediate area. Additionally, BRM's request for a sign along Highway 224 is hampered by the implication that as a Limited Use, the restaurant should only serve the needs of those already in the industrial district.

Based on the notes from an earlier Pre-Application Conference 6/4/15 (15-012 PA), City of Milwaukie Planning Department staff determined that the proposed sign could not meet the regulations of Standards for Signs in Manufacturing Zones M or BI (Table 14.16.050) to allow a second freestanding sign on the site placed on the Highway 224 frontage. Additionally, the height for the sign is proposed up to 40' so that it can be seen from the adjacent elevated highway, which exceeds the maximum height standard of 25'.

To provide greater flexibility in the re-configuration of the existing Mill's internal space and to expand the draw of the restaurant beyond the restrictions of a Limited Use, the applicant would like to apply for a Conditional Use permit for the restaurant along with concurrent sign adjustments to allow the proposed sign to be visible from Highway 224.

II. CURRENT CONDITIONS

Introduction. Bob's Red Mill (BRM) Whole Grain Store, Restaurant & Bakery is the flagship site for the BRM company, which produces a wide range of healthy whole-grain products. The SE International Way facility provides testing and demonstration facilities, baking for retail and restaurant sales, and warehousing of a full array of Bob's products. Comprised of two main locations in Milwaukie, Oregon, the company employees 397 people, sells 1,100 products domestically and internationally and generates revenues in excess of \$220 million annually.

Given the company's success, many tourists have made their way to BRM from around the world.¹ BRM welcomed 7,500 visitors in 2015, which included 152 pre-planned groups and international delegations hosted by the US State Department, Oregon Department of Agriculture, World-USA-Trade Association, Gresham Kiwanis, and Rose Festival Association.²

The company is heavily invested in supporting the community through financial sponsorships as well as product donations. The following are just a few of the organizations to which BRM donates on a regular basis: Friends of the Milwaukie Center, Zenger Farm, Good Roots Community Food Bank, Oregon Food Bank, Exceed Enterprises, Oregon Future Farmers of America, The Children's Center, Junior Achievement, NW Housing Alternatives, and Mount Hood Search and Rescue, along with many local schools.

<u>History</u>. The Whole Grain Store and Bakery was opened in 2003. The mill and general offices were relocated to 13521 SE Pheasant Court in 2007, which is located approximately a mile southeast. The Whole Grain Store and Bakery remains as a warehouse, mail order facility, wholesale bakery, restaurant and retail location.

As illustrated in Figure II-1 (Vicinity), BRM is located between SE International Way and Highway 224, via SE Freeman Way, in Milwaukie. The site is about two miles from downtown Milwaukie in the Omark Business Park within the Milwaukie Business/Industrial District. It is located within 300' of the Lake Road Neighborhood District Association (NDA), although Highway 224 passes between the BRM site and the residential neighborhood.

¹ Visitor records from 2015 include guests from Scotland, England, Ireland, Denmark, Ukraine, France, Japan, Thailand, South Korea, Indonesia, Australia, New Zealand, India, Ethiopia, South Africa, Nigeria, Morocco, Mexico, Honduras, Brazil, Chile, and Canada.

² Most foreign visitors came with groups like the Wheat Marketing Center; The Gresham Kiwanis Club brought a delegation from Portland's Sister City of Sokcho, Korea; Rose Festival Association brought in visitors from Portland's Sister City, Kaohsiung City, Taiwan; the World-USA-Trade Association (WUSATA) brought customers from Thailand and Mexico; Oregon Department of Agriculture brought buyers from China; US State Department's program for young Entrepreneurs with women from many African countries. This demonstrates the breadth of interest in BRM's model.

Zoning of the Site. The site is located within the Business Industrial (BI) Zone with Habitat Conservation Area (HCA) and Water Quality Resource (WQR) overlays. The zoning map for the vicinity is provided in Figure II-2.

"Warehousing" and "manufacturing" are allowed uses in the BI zone. A "restaurant" use in the BI zone is allowed as a "Limited Use" but restricted to 25% of the floor area up to 4,000 square feet (sf) (Subsection 19.310.4). Further, the restaurant use is limited to "primarily serving the needs of BI Zone clients, employees, and businesses, as opposed to the general public" (19.310.4.A). Retail uses are allowed as an "Accessory Use" and are also restricted to 25% of floor area up to 4,000 sf (Subsection 19.310.3.H). As a practical matter, this creates a situation where building permits for re-configuration of existing internal space have to be continuously assigned to one of the facility's uses to verify that the restaurant and retail uses remain in compliance.

Signs in the BI zone are regulated in Title 14 of the Milwaukie Municipal Code. Table 14.16.050, Standards for Signs in Manufacturing Zones M or BI, contains the development standards that apply to signs. One multi-faced freestanding sign is permitted, unless a frontage exceeds 300'.³ The standard appears to allow a second freestanding sign on the site because it has two frontages that in total exceed 710'; however, staff has interpreted the footnote narrowly to only allow an additional freestanding sign on SE International Way, the frontage with the existing sign, rather than on another frontage. Also, such signs are restricted to a maximum height of 25', which would not be visible from the elevated roadway of Highway 224, as the roadway is located above BRM's property line. To be visible, 40' sign will be required.

Zoning of Surrounding Property. As illustrated in Figure II-2, the surrounding areas north of Highway 224 are also zoned BI, while across the freeway to the southwest, there is a mixture of multi-family and single-family residential and commercial zoning. The properties closest to the BRM site directly across Highway 224 to the south are not within the Milwaukie city limits, instead lying in unincorporated Clackamas County, where they are zoned low-density single-family residential (R10) development.

<u>Surrounding Uses.</u> BRM is located in a multi-use area featuring a mix of office and manufacturing with retail uses. As illustrated in Figures II-3, BRM's immediate neighbors are HVAC to the south and Dave's Killer Bread bakery and retail store across SE International Way to the north. Day Wireless Systems is located directly to the west at the intersection with SE Freeman Way but is separated from BRM by a natural resource area and Blount International's parking lot. Blount's offices are located on the north side of SE International Way. Northwest of SE Freeman Way between Highway 224 and SE International Way there lies a cluster of restaurant and retail uses including a sandwich shop, pharmacy and saloon, which in turn are surrounded by business and industrial uses. Even further to the north/northwest, larger commercial uses predominate. To the south, the business and industrial uses again give way to commercial and retail uses at the

³Footnote 3 of Table 14.16.050 allows one additional freestanding sign as follows: "Where a frontage exceeds 300' in length, one additional freestanding sign is permitted for such frontage." Both the SE International Way and Highway 224 frontages exceed 300' in length, but the second sign is only allowed as a second to the existing sign on the SE International Way frontage, while one is desired for the Highway 224 frontage on the south side of the facility.

intersection with SE Johnson Road. To the southwest, 275' from the site across Highway 224, which is a four-lane elevated freeway at this location, lies the Lake Road Neighborhood, a residential are predominately composed of single-family residences interspersed with agricultural fields.

Land Use

Land Use History. Following the BRM facility's construction in 2003, there have been several additions and reconfigurations of internal space. As documented in Table II-1, there is currently approximately 20,900 sf of floor area. There are several land use cases that pertain to BRM documenting these expansions.

REVIEW	FOOTPRINT*	FLOOR AREA*	MANUFACTURING AND WAREHOUSE*	RESTAURANT*	RETAIL*
TPR 06-01	15,000	17,801	9,821 (55%)	3,990	3,992
DEV-13-07	17,458	20,044	12,062 (60%)	3,990	3,992
DEV-13-08	17,502	20,307	12,320 (61%)	3,995	3,992
2015 AS BUILT	17,289	20,889	12,912 (58%)	3,995	3,992

TABLE II-1 HISTORY OF EXPANSION AND USE CONFIGURATION

Source: City of Milwaukie land use records.

*Expressed in square feet

<u>TPR 06-01.</u> This Transportation Plan Review was associated with the construction of the original 15,000-sf building and associated site improvements.

<u>CU 07-01</u>. A conditional use application was submitted, but the Planning Director determined that this application was not needed.

<u>DEV 13-08</u>. This Type II Development Review added an elevator and reconfigured the interior space resulting in a minor increase in floor area for manufacturing/warehouse uses with the retail and restaurant uses remaining the same. This resulted in the addition of 44 sf to the building footprint.

<u>DEV-13-07/NR-13-02</u>. This Type II Development Review and concurrent Natural Resource Review expanded the building by approximately 2,800 sf, from just under 18,000 sf to just over 20,000 sf, with manufacturing and warehouse uses comprising 12,320 sf (61%) of the building's total square footage and the retail and restaurant uses utilizing about 4,000 sf. (20%) each. The 2,828-sf addition to the footprint was located within 100' of the boundary line for the Habitat Conservation Area (HCA) and accounted for 150 sf of ground disturbance.

<u>2015 – AS-BUILT</u>. This architectural plan (Figure II-4) represents the current and most accurate configuration of uses within the facility, illustrating the 2nd floor office and break room added since the 2013 approval; both of these support the warehouse and wholesale

bakery uses and are assigned to the manufacturing/warehouse category in Table II-1 above.

<u>Current Operational Characteristics.</u> As noted above, the site is a warehouse, wholesale bakery and distribution center with accessory retail outlet and limited-use restaurant. The food-centered tourist economy, which the company exemplifies, accounts for a substantial portion of Oregon's and the Willamette Valley's tourist economy. As a result, BRM plays a major role in bringing local products into the international marketplace. In return, tour groups from all over the world as well as local residents make their way to Milwaukie to take the mill tours that culminate in a visit to the retail store and restaurant to sample healthy whole-grain foods and purchase BRM products. In addition, as a community icon, the restaurant and store has become a gathering spot for a number of organizations and groups that use the site as an informal meeting space.

Total Employees. Currently, BRM employs 50 of its employees on-site, with 40 employees on-site any given day. Approximately one-third of the employees are engaged in activities in the warehouse and wholesale bakery, half work in the restaurant, and the remainder supports the retail store.

Wholesale Bakery. The primary use on the site is warehousing and manufacturing as approximately 12,910 sf of the building is utilized for producing baked goods in two bakeries, one for traditional baking and one for wheat-free production, as illustrated in Figure II-5. The warehouse stores and ships bulk products for mail orders and supplies the wholesale bakery and retail store. A test kitchen provides an opportunity for new product lines to be tested as well as providing a demonstration space; this is counted as part of the manufacturing/warehouse function. Related HVAC, offices, staff rooms and bathrooms also are included in this total, as these would be needed even if the retail uses were not located here.

Retail. Serving as an outlet for goods produced or packaged on-site in the warehouse and wholesale bakery, respectively, the retail store sells a variety of baked goods made with the company's products. The retail store also sells the full range of BRM grain products in varying package sizes, but primarily from over 500 bulk bins. Informational displays about the milling process and the whole-grain products sold by BRM are included in the square footage calculations for this use.

Restaurant. The restaurant also serves as an outlet for baked goods and other items made or packaged on-site. As noted above, the restaurant located within the BRM facility also has come to serve as a key destination for educators, health practitioners and consumers interested in whole-grain products as well as foreign tourists who are interested in the production and distribution process.

Overlapping Uses. Although the wholesale bakery and warehouse functions are the primary uses on the site, comprising 61% of total space, the restaurant and retail spaces serve to sell the product to the public with most consumers making purchases from both in each visit. This explains why many of the common public spaces have been split in the space allocation between the two. For example, the public bathrooms are divided with the men's room allocated to the retail space, and the women's to the restaurant. It is of no

matter because each of these uses comprise only about 20% of total space, less than the maximum of 25% allowed.

Operating Hours. While warehouse and wholesale bakery activities take place from 4 AM to 6:30 PM, the public portion of the building are open from 6 AM to 6 PM, Monday through Saturday with the restaurant open from 6 AM to 3 PM.

Evening Operations. The restaurant has removed dinner service in 2014 because of a lack of customer awareness of the service, eliminating employment opportunities. At times, there are private catering events in the evening, such as the recent Clackamas Association of Cities, hosted by the City of Milwaukie.

Existing Site Characteristics. As illustrated in Figure II-6, the site slopes from the southern side at SE International Way to the southern property line where it abuts Highway 224. A row of trees buffers the building from Highway 224, although the highway is elevated 20' above adjacent properties including BRM to the north. A wetland area is located to the northwest edge of the site. The base elevation of the highway is 110', while the highest corner of the site is 90' at the southwestern edge.

The site currently contains 1.96 acres, or 85,339 sf, as documented in Table II-2.

	AMOUNT	
USE	SF	%
Building	17,289	20%
Parking/Circulation	48,770	57%
Landscaping	19,280	23%
TOTAL	85,339	100%

TABLE II-2EXISTING CAMPUS UTILIZATION

Source: Dev-13-07 and Raven & Associates

Signage. The site has a small freestanding sign located at the entrance to the parking lot on SE International Way frontage as illustrated in the site photographs in Figure II-5.

Parking. As discussed above in Land Use History section above, the on-site parking supply is 88 spaces. These are accessed via two entry points on SE International Way (Figure II-6). Additionally, on-street parking extends up SE International Way in both directions and on both sides of the street.

Pedestrian Circulation. Access to and within the BRM campus is illustrated in the site photographs in Figure II-5 and the site plan in Figure II-6. The north frontage along SE International Way is developed with sidewalks that terminate at the edges of the property. BRM is the only property in the immediate vicinity with sidewalks. The site has one pedestrian access point from the sidewalk on SE International Way where a concrete pathway leads directly to the front doors of the building. The use of concrete delineates the pedestrian path as it crosses the paved travel aisle of the parking lot. A pedestrian path runs perpendicularly across this main path to serve the parking spaces that range along

the length of the site. Curb stops and the differentiation from asphalt to concrete similarly delineate the pedestrian path here as well.

Loading. The southern vehicle entry point leads directly to a loading space at the rear (south side) of the warehouse that serves for deliveries and shipping.

<u>Public Infrastructure.</u> Water, sanitary sewer and wastewater treatment are all provided and regulated by the City of Milwaukie.

<u>Police/Fire Services.</u> Police protection is provided by the Milwaukie Police Department from its headquarters at 3200 SE Harrison Street. The Clackamas RFPD #1 provides fire protection from its Lake Road Fire Station at 6600 SE Lake Road.

Transportation

Street Network. On the City of Milwaukie's Transportation System Plan (TSP), the functional classification of SE International Way is as a Collector, while Highway 224 is a Regional Route. Bicycle lanes are located on SE International Way, identified as part of the Pedestrian Facilities Master Plan despite the lack of sidewalks, except those along the south side of SE International Way described above.

Although there is no direct access to the BRM site from Highway 224, it is an easy exit at SE Freeman Way, which is a quarter mile north of the site, which leads to SE International Way. Alternately, north-bound automobile traffic on Highway 224 can exit onto SE Lake Road and then access SE International Way from SE Harmony Road.

Transit. TriMet's Line 152-Milwaukie serves the site along the route between the Milwaukie Town Center to the Clackamas Town Center, with day-time service Monday through Friday. Line 29-Lake/Webster also runs between the Milwaukie and Clackamas Town Centers on weekdays but along SE Lake Road instead of SE International Way. The nearest stop is at the intersection of SE Lake Road and SE Harmony Road. Line 30-Estacada runs down Highway 224 adjacent to the site with Monday through Saturday service, but does not stop until SE Webster Road over a mile away. Nevertheless, given its suburban location, BRM is reasonably well-served by transit.

FIGURE II-1: VICINITY



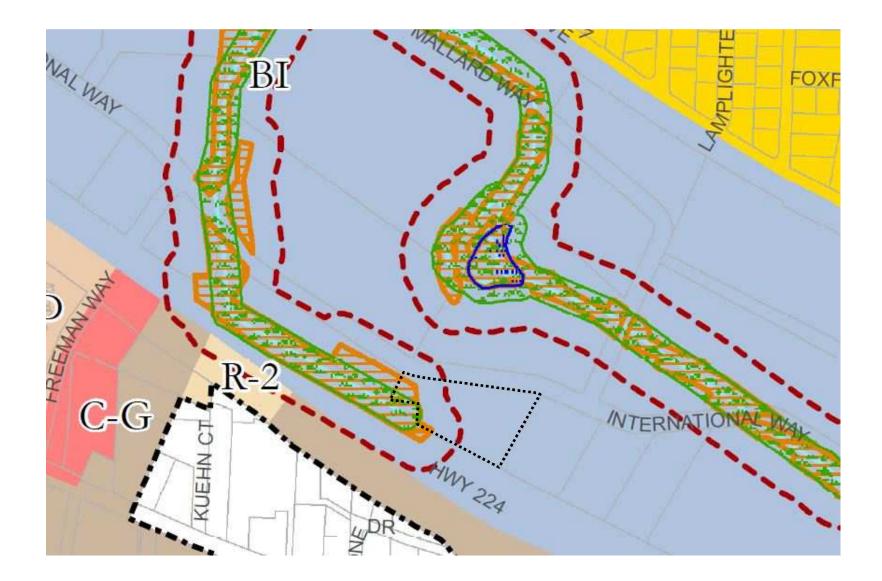


FIGURE II-3: SURROUNDING USES



HVAC – property adjacent to BRM to the southeast.



Looking southeast on SE International Way along the frontage of HVAC.



Day Wireless offices located at SE International Way and SE Freeman Way northwest of the BRM site.



Blount offices located at SE International Way and SE Freeman Way northwest of the BRM site.

FIGURE II-3: SURROUNDING USES



Restaurant located at located at SE International Way and SE Freeman Way northwest of the BRM site (BI zone)



Restaurants located at SE International Way and SE Freeman Way northwest of the BRM site (BI zone).



Elevated freestanding sign located at SE International Way and SE Freeman Way (BI zone).



Highway signs along Highway 224 northeast of the BRM frontage (BI zone)

FIGURE II-4: AS-BUILT (2015)



FIGURE II-5: EXISTING CONDITIONS



Bob's Red Mill, Whole Grain Store, Bakery, and Restaurant as seen from the SE International Way frontage. Existing freestanding sign is at right as indicated by the red arrow.



Existing freestanding sign on SE International Way as seen from sidewalk.



Warehouse, Mill, and parking lot viewed from corner of site.



Warehouse loading dock. The truck is parked in proposed sign location. Note elevation of Hwy 224 roadway is at roof of truck.

FIGURE II-5: EXISTING CONDITIONS



Gluten free bakery separated from general baking area.



General baking area.



Informational displays historic mills and a mill stone alongside the history of Bob's Red Mill.



Seating area and test kitchen that also serves as demonstration space.

FIGURE II-5: EXISTING CONDITIONS



Bob's Red Mill, Whole Grain Store, Bakery, and Restaurant as seen from 2nd level seating area.



Fresh and frozen goods, baked on-site and for sale in the store. Gift baskets are also assembled on-site.

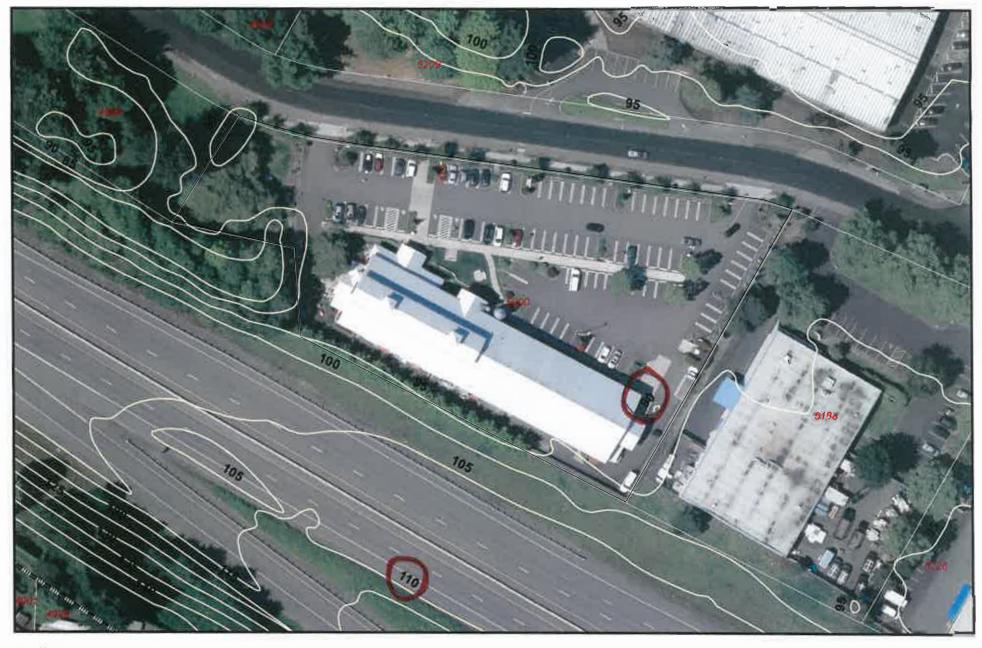


Bulk products for sale, brought in from warehouse.

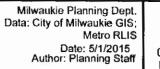


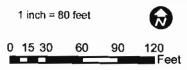
Mill display and storage materials for bulk products.

FIGURE II-6: SITE PLAN









The information depicted on this map is for general reference only. The City of Milwaukie does not accept any responsibility for errors, ornissions or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product.

III. PROPOSED PLAN

Project Description. Bob's Red Mill (BRM) is submitting a Type III Conditional Use application to re-designate the on-site restaurant from a Limited Use to a Conditional Use with two concurrent Type III Sign Adjustments, one to allow a second 40' sign on a second street frontage and the second to allow the sign to exceed the freestanding sign height standard of 25'.

Operational Characteristics. The current level of activity at BRM is described in detail in Chapter II. No proposed renovations and expansions of the building are proposed at this time.

Neighborhood Contact. The sign was discussed by the Architectural Committee of the Omark Industrial Park Association on 5/12/15. The notes from this meeting are reproduced in Appendix C. Representatives from BRM and Ramsey Signs meet with the Lake Neighborhood Association on 3/9/16 to discuss the conditional use and sign adjustments and to answer any questions. The request to be placed on the agenda is included in Appendix D. The association has not yet made their meeting notes available on the Lake Road NDA website.

Proposed Restaurant Use. This application seeks to establish the restaurant on the site as a conditional use that reaches beyond the BI district for general patrons. This is not a request to expand the size of the restaurant use at this time but simply to document the patterns of activity that have evolved over time as documented in Chapter II. This conditional use request is to acknowledge that the restaurant and wholesale bakery uses are integrated with the small retail store and that this combination of functions in the facility that symbolizes the product line. In turn, BRM's product line of natural whole grain agricultural products has become one of Milwaukie's most important and well-known businesses. As described in more detail in Chapter II, the restaurant's customer base is greater than just the immediate industrial district including devoted local residents and tourists. Nevertheless, it is inherently tied into the primary manufacturing and warehousing functions of the building by featuring BRM products.

The granting of a Conditional Use permit for the restaurant will neither reduce the availability of industrial sites nor create a precedent in the BI district. The site will continue to function with warehousing and baking as the primary uses, both allowed by right in the BI zone. Additionally, as documented in Chapter II nearby uses in the district also include freestanding restaurant uses.

Proposed Sign Adjustments

Role of Signage. Generically, sign codes are used to regulate the visual clutter and physical obstacles that in some cases have come to dominate streetscapes. However, in some cases iconic signs and the buildings they advertise have come to symbolize the community in which they are located as much as the products or services that they provide. As illustrated in Figure III-1, the Tillamook Cheese sign and factory that it advertises have come to represent the coastal community of Tillamook far beyond the

reach of this seaside town. Factory tours and resulting purchases in the accessory retail space have become a necessary part of the tourist experience there.

A local example is the Waddle's sign, viewable on I-5 that has become symbolic of the commercial area on Hayden Island. Perhaps the closest example to the BRM situation is how the signage for Pea Soup Anderson's came to stand for the city of Buellton, California representing the historic Danish Community and drawing travelers in to experience other offerings including the local wineries. As demonstrated in Chapter II, BRM already plays this kind of role in Milwaukie. The Applicant is proposing a second freestanding sign, visible from Highway 224 to provide information for travelers passing through the community on this important thoroughfare.

Proposed Site Improvements. As illustrated in Figure III-2, the site has two frontages that exceed 300'. The small existing freestanding sign is located on SE International Way that staff has interpreted in the City's sign standards to allow an additional freestanding sign only on SE International Way. The applicant would like to place a freestanding sign on its frontage with Highway 224 instead, and is, therefore, requesting a Sign Adjustment to the sign standards of subsection 14.16.050. Figure III-3 presents a mock-up of the proposed variable message sign as viewed from the freeway. It is located at the southeast corner of the site, adjacent to the warehouse and loading dock.

Because the elevation at this point is 90' while the roadway is located at 110', the sign specifications are shown in Figure III-4 indicate a sign that is 40' as measured from the ground, but it only appears 20' as viewed from the adjacent roadway. The development standard found in Table 14.16.050 indicates a maximum height of 25' from the ground level. The proposed sign meets the intention of this standard, but as measured from the ground, and not the relative height from the adjacent highway, the sign will exceed this standard. Therefore, the Applicant is requesting a second adjustment to the maximum height standard.

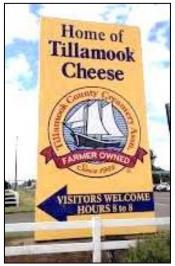
Infrastructure. Besides the proposed sign, there is no new development proposed for this site and, therefore, there are no impacts on utilities or public services.

Transportation

Traffic and Parking. The installation of the sign is not expected to increase dramatically the number of customers that arrive at the BRM facility, but instead is intended to publicize dining hours, events, and community messages. Therefore, no increase in parking or impact on traffic in the area is anticipated.

<u>Proposed Vehicle and Bicycle Parking.</u> There is no change proposed for the on-site vehicle and bicycle parking.

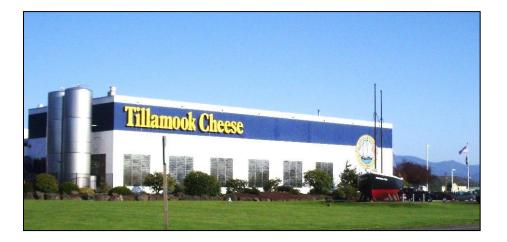
FIGURE III-1: ICONIC SIGNS

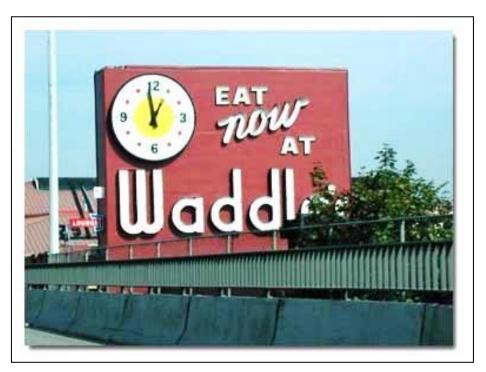


Tillamook Cheese sign and factory in Tillamook, OR.



Pea Soup Andersen's in Buellton, CA.





Waddle's sign in Portland, OR.

FIGURE III-2: SITE FRONTAGES



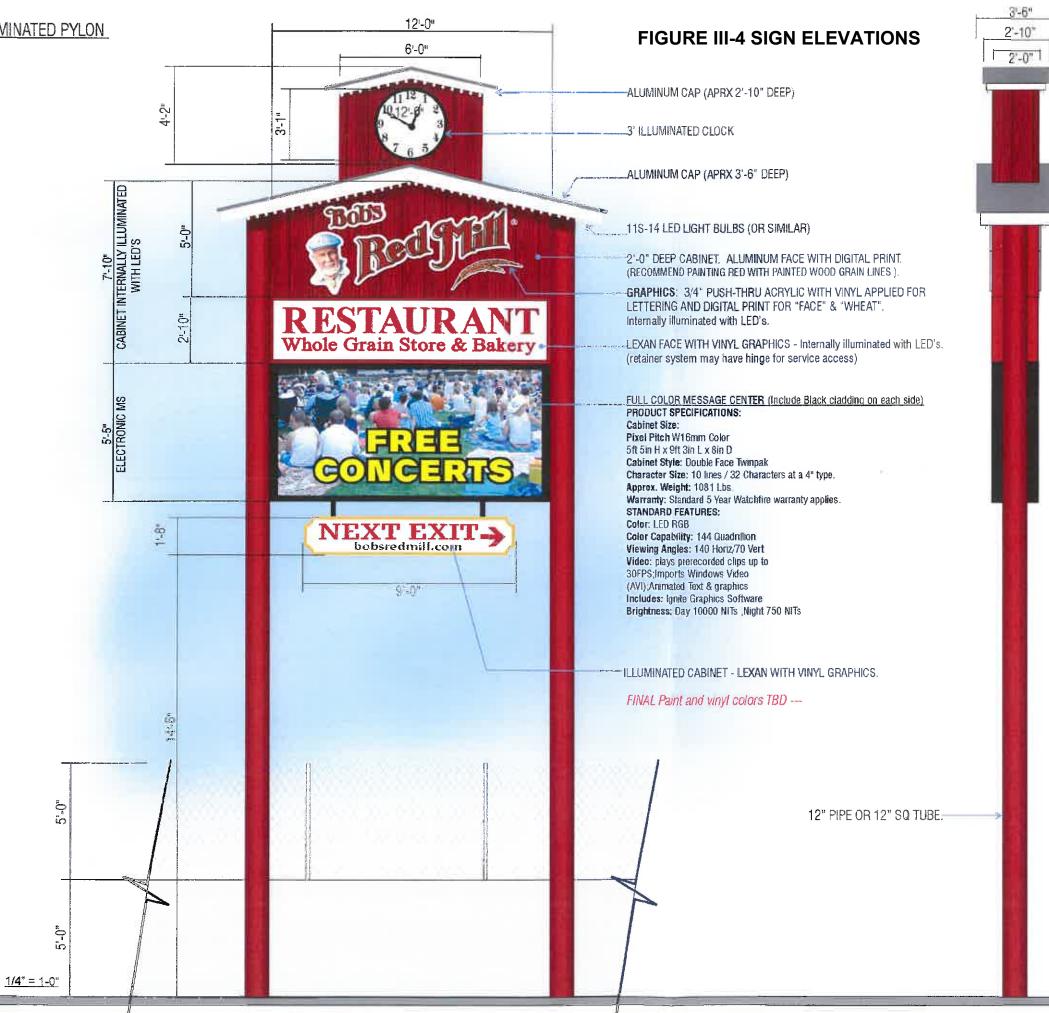
Photo inlay concept

FIGURE III-3 PROPOSED SIGN



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ONE D/F ILLUMINATED PYLON





9166 SE 74th Avenual Fortand, Oregon 97216 503.777.4655 800.613.4555 Fax 503.777.0220 ramsaysigne.com

Date: 4/3/15

Client:

BOB'S RED MILL

Project Manager: ED MERCER

Design : Leslie S

Revisions:

40-0"

R1: Larger MS & Clock. R2: Add photo inlays R3: Add website on lower cabinet. Insert a different photo inlay. R4: Add 5' to OA sign height. R5: Change MS graphic

Client Approval + Date:

Landlord Approval + Date:

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These plans are the exclusive property of Ramsay Signs, Inc. the original work of its design team.

They are submitted to your company (or the sole purpose of your consideration of whether to purchase these plans or to purchase from Ransay Signs, Inc. a sign manufactured according to these purchases.

Distribution or exhibition of these plans to anyone other than employees of your company, or use of these plans to construct a sign similiar to the one embodied herein, is expressly forbidden

In the event that such exhibition occurs, Ramsay Signs Inc expects to be reimbursed 15% of total project value a





The signage indicated in this design is fabricated to seen the exponences & will be leaded according to all UL goodiers.

L73 Grounding and Bonding Statement for each permanently connected sign the following statement or equivalent "This sign is intended offit of blocking advantation of the is intended to be installed in the accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign" should be either directly marked on the sign or label attached to the sign, included in the installation instructions, or provided on a separate sheet or tag shipped with the sign.

PAGE # 1

Number of pages: 5



FIGURE III-2: SITE FRONTAGES AND PROPOSED SIGN LOCATION



IV. LEGAL FINDINGS

Project Summary. As described in detail in Chapter III, the proposed project includes a Type III Conditional Use (CU) to re-designate the on-site restaurant use from a "Limited Use" to a "Conditional Use". In addition, the request includes two Type III Sign Adjustments to:

- Place a second freestanding sign on the site to be located on the Highway 224 frontage to augment the signage on SE International Way.
- Allow the sign to be 40' tall from the ground so it will to be tall enough to be visible from the elevated roadway of Highway 224; this exceeds the maximum allowed height of 25'

Compliance with Previous Conditions of Approval.

The site has been the subject of several previous Development Reviews, most recently in 2008. A discussion of the pertinent conditions of approval is contained below.

<u>DEV-13-08.</u> Development Review to provide an elevator and interior reconfiguration with no conditions of approval.

<u>DEV-13-07/NR-13-02.</u> Development Review with Natural Resources Review for a 2,828 sf addition.

- 1. The applicant shall submit for city approval a Construction Management Plan that meets the requirements of Milwaukie Municipal code (MMC) 19.402.9 Construction Management Plans.
- 2. The applicant shall submit documentation that demonstrates the site lighting provides a minimum of 0.5 foot-candles at ground level for pedestrian walkways and a maximum of 0.5 foot-candles at the boundary of the site.

3. The applicant shall maintain a minimum 26 ft clear drive aisle for fire apparatus access along both sides of the structure for access to the rear of the building. This drive aisle shall be demarked per the standards of Clackamas County Fire District #1 as described below:

- a. "No Parking Fire Lane" signs shall be placed on one or both sides of a fire apparatus access road when road widths are less than 26 feet wide and 26 feet to 32 feet in width. Signs shall be placed on both sides of a fire apparatus access road when roads are less than 26 feet in width and on one side when roads are 26 feet to 32 feet in width. Red painted curbs can be used in lieu of signs.
- 4. The applicant shall provide a narrative describing any changes made after the issuance of this land use decision that are not related to these conditions of approval.

Findings: The proposed addition has since been built and the building permit issued in August 2013, which indicates that these conditions of approval were met at the time of development and continue to be met.

On-going Conditions of Approval

- 1. The applicant shall maintain a clear drive aisle for fire apparatus access per the standards of *Clackamas County Fire District #1*. **Findings**: The fire lane as required by Clackamas County Fire District #1 continues to be kept clear as required.
- 2. *The applicant shall maintain loading areas in compliance with MMC 19.608.4.* **Findings:** The loading areas continue to be maintained in conformance with the standards of Section 19.608.4.

<u>CU-07-01</u>. The Applicant applied for a Conditional Use in 2007, at which time the Planning Director determined that this application was not needed. The Planning Director also allowed the termination of the shared-parking agreement between 5209 SE International Way and 5000 SE International Way at that time.

<u>TPR-01-06</u>. This Transportation Plan Review was associated with the construction of the original 15,000-square foot (sf) building with related site improvements at 5000 SE International Way. Conditions were met and a Certificate of Occupancy was issued.

Uses and Standards of the Business Industrial Zone (BI)

19.310.1 Purpose. This section is adopted to implement the policies of the Comprehensive Plan for industrial land uses providing a mix of clean, employee-intensive, industrial and office uses, with associated services, in locations supportive of mass transit and the regional transportation network.

19.310.2 Uses Permitted Outright

- A. The following business and industrial uses are allowed outright, subject to the standards of Subsection 19.310.6.
 - 1. Experimental, research, film, or testing laboratories, provided no operation shall be conducted or equipment used which would create hazards and/or nuisances off the site;
 - 2. Manufacturing, processing, fabrication, packaging, or assembly of products from previously prepared materials.....
- B. Business and professional offices, including product design, sales, service, packaging; corporate headquarters or regional offices.
- C. Warehousing and distribution.
- *D.* Any other use similar to the above uses but not listed elsewhere.

Findings: The primary uses on the site are warehousing, manufacturing, packaging and distribution. The warehouse and two bakeries make up over 50% of the building area, constituting the "primary" use of the site. These uses are collectively in compliance with those permitted outright as detailed in this code section.

19.310.3 Accessory Uses. Uses accessory to and in conjunction with uses permitted outright may include the following:

A. Employee lounges and dining rooms, employee day-care facilities, conference rooms for tenant use, newsstands, central mail room and self-service postal and banking facilities, and product information and display areas;...Findings: The following spaces are accessory to the primary use on the site: restrooms, janitor closet, locker room, test kitchen, mechanical equipment room, offices, and break room. In addition, displays of product information, history of Bob's Red Mill, and educational materials on milling and whole grains also are accessory to the primary use. These accessory uses comply with the accessory uses permitted outright as detailed in this code section.

- B. Executive, administrative, design, or product showroom offices provided in conjunction with uses listed under Subsection 19.310.2 of this section;
- H. Retail outlets associated with manufacturing uses as outlined in Subsection 19.310.A.2 of this section. Products sold at the accessory retail outlet shall be primarily those assembled or manufacture onsite. The accessory retail outlet shall be located within the associated manufacturing building and occupy up to a maximum of 25% of the floor area of the associated manufacturing building or 4,000 sq ft, whichever is less.

Findings: The retail space in the site primarily sells fresh and frozen baked goods produced in the two on-site bakeries. In addition, bulk products constitute a large volume of the goods sold on site. Other products such as gift baskets are assembled and packaged on site for sale in the retail space. As illustrated in Figure II-4, the retail space is 3,992 sf, 19% of the building's total floor area of 20,889 sf. Therefore, the retail space qualifies as an accessory use to the primary manufacturing and warehouse uses and is in compliance with the maximum size requirement.

19.310.4 Limited Uses

- A. Limited retail or service uses may be allowed that primarily service the needs of BI Zone clients employees, and businesses, as opposed to the general public. These uses, subject to the provisions of Subsection 19.310.4.B below, shall include:
 - 1. A restaurant or deli, offering at least breakfast and/or lunch items, without a drive-in or drive-through services......Findings: The on-site restaurant serves breakfast and lunch and does not provide drive-in or drive-through service. However, the restaurant no longer just serves the needs of BI zone clients but a broader public, primarily those who are otherwise on site. For this reason, the Applicant seeks Conditional Use status as discussed later in this chapter.
- B. Limitations and conditions on the development of the limited uses itemized above shall be as follows:
 - 1. All limited uses shall be located, arranged, and integrated within the district to serve primarily the shopping and service needs of clients, businesses, and employees of the district. Findings: The on-site restaurant is located within the district and arranged in a manner to take vehicle, pedestrian, and bicycle access from SE International

Way, the main access road within the district and service the needs of clients, businesses, and employees of the district. However, the restaurant no longer just serves the needs of BI zone clients and, therefore, Conditional Use status is sought as discussed later in this chapter.

- 2. Limited uses may occupy up to a maximum of 25% of the square footage of a building. A limited use that is to be located in a building and exceeds 25% of the building's square footage shall be reviewed as a conditional use; **Findings:** The limited use occupies 3,985 sf of building area, which is 19% of the building's total square footage.
- 3. *Maximum floor area of a limited use shall be 4,000 sq ft;....***Findings:** The on-site restaurant contains 3,985 sf of building area, which is 19% of the building's total square footage. As discussed in Chapter III, there is significant overlap between the restaurant, bakery, and retail uses. The Conditional Use status that the Applicant seeks in this application reflects recognition of this integration. In addition, areas outside the building are on occasion used for eating and picnicking on the site. Although not part of the building's square footage, the Conditional Use request will also seek approval for this use of exterior improvements to support the restaurant use.

Development Standards

19.310.6 Standards. *In the BI district, the following standards shall apply to all uses:*

- A. Lot size. None, except that lots created shall be of a size sufficient to fulfill the applicable standards of this district. **Findings:** No change in lot size is included in this application and, therefore, it will continue to be sufficient to fulfill the applicable standards of this district. This standard is met.
- B. Front yard. A front yard shall be at least 20 ft unless additional setback is required in Subsection 19.501.2.A. Findings: There are no changes proposed for the front yard, which is greater than 20'. Neither SE International Way nor Highway 224 is subject to the additional requirements listed in Subsection 19.501.2.A. This standard is met.
- C. Side yard. No side yard shall be required except on corner lots where a side yard shall be at least 10 ft on the side abutting the street, unless additional setback is required in Subsection 19.501.2.A. Findings: The site is not a corner lot; therefore, no side yard is required. There are no changes proposed for the side yard. Neither SE International Way nor Highway 224 is subject to the additional requirements listed in Subsection 19.501.2.A. This standard is met.
- D. Rear yard. No rear yard shall be required except as provided in Subsection 19.501.2A. **F Findings:** There are no changes proposed for the rear yard, which is 6' deep. A 3'-4' tall keystone wall contains a planting area. Neither SE International Way nor Highway 224 is subject to the additional requirements listed in Subsection 19.501.2.A. This standard is met.
- *E. Off-street parking and loading. As specified in Chapter 19.600.* **Findings:** Compliance with Chapter 19.600 is discussed below.

- F. Site Access. One curb cut (45 ft maximum) per 150 ft of street frontage, or fraction thereof, for industrial uses; and 1 curb cut per 100 ft of street frontage or fraction thereof, for business park, limited or conditional uses. Findings: There are two curb cuts on the SE International Way frontage, which exceeds 410'. No changes to site access are proposed. Therefore, this standard is met.
- *G. Height restriction. Maximum height of a structure shall be 3 stories or 45 ft, whichever is less.* **Findings:** The existing structure is 25.5' in height. No changes to the building are proposed. This standard is met.
- H. Landscaping. 15% of the site must be landscaped, except for sites adjacent o Hwy. 224, which shall provide landscaping to 20% of the site. This should consist of a variety of lawn, trees, shrubbery, and ground cover. Street trees must be provided along street frontages and within required off-street parking lots to help delineate entrances, provide shade, and permeable areas for stormwater runoff. A bond or financial guarantee for landscape completion shall be required. Findings: The site is 85,339 sf. of which 19,280 sf, or 22.5% is landscaped. This standard is met.
- I. Screening and Outside Storage. Outside storage adjacent to International Way, Freeman Way, 37th Ave., Lake Road or Hwy. 224 is prohibited. Outside storage in side or rear yards is allowed, provided it is enclosed by a sight-obscuring fence or vegetative screen. **Findings:** There is no outdoor storage on the site and none is proposed. This standard is met.
- J. Building Siting and Design. Buildings and sites shall be designed using the following principles:
 - 1. Sites shall be developed to the maximum extent practicable, so that buildings have solar access and utilize other natural features in their design.
 - 2. Assure that building placement and orientation and landscaping allow ease of security surveillance.
 - 3. Design buildings with shapes, colors, materials, textures, lines, and other architectural design features which enhance the character of the district and complement the surrounding area and development, considering, but not limited to, the following techniques:
 - a. Use color, materials, and architectural design to visually reduce the scale and impact of large buildings;
 - *b.* Use building materials and features that are durable and consistent with the proposed use of the building, level of exposure to public view, and exposure to natural elements.
 - 4. To the extent possible, screen or mask roof-mounted mechanical equipment, except solar collection apparatus, from view.
 - 5. Orient major service activity areas (e.g., loading, delivery, and garbage collection, etc.) of the development away from major streets.

- 6. Arrange use and buildings to maximize opportunities for shared circulation, access, parking, loading, pedestrian walkways and plazas, recreation areas, and transit-related facilities.
- 7. Provisions for bus shelters, bike racks, street furniture, kiosks, drinking fountains, art sculptures, and/or other pedestrian and transit amenities as required by Chapter 19.700.

Findings: This application includes no proposed changes to the building. A new sign is proposed that will be located on the rear frontage of the site adjacent to Highway 224. The sign is proposed to be approximately 40' from the rear of the nearest building on an adjacent property. This improvement will not have any effect on solar access, the landscaped areas or other natural areas on the site. Security surveillance will not be affected by the sign, and the shape, color, and lines of the sign are intended to mimic the shape of the existing building. The sign will serve to mask views of the loading area at the rear of the warehouse. There will be no effect on circulation and transportation in the area. Existing bike racks and other pedestrian and transit amenities will not be changed. These standards are met.

K. Nuisances. The use shall not be of a type or intensity which produces dust, odor, smoke, fumes, noise, glare, heat, or vibrations which are incompatible with other uses allowed in this zone; and the use does not produce off-site impacts that create nuisance as defined by the Oregon D.E.Q. and the City Noise Ordinance. Findings: No nuisance uses exist or are proposed. This standard is met.

19.310.7 Validity of Uses. In the BI Zone, uses that are subject to the provisions of this zone and were legally established/occupied on or prior to the effective date of the zone shall be considered as legally approved permitted, limited, or conditional uses as described by the BI Zone. Findings: The BI Zone appears to have been added to the Milwaukie Zoning Code as Section 324 in Ordinance #1769 was adopted on 7/19/94. It may have been in the Code in another section or under a different name prior to that date. In 2001, the entire Zoning Code was subsequently incorporated in the Municipal Code as Title 19 and the BI Zone section was renumbered to Section 19.316 in 2011, and then to Section 19.310 in 2012. The Certificate of Occupancy for the Applicant's operation was issued in 2003; therefore, the uses were not established prior to the effective date of the zone. Conditional Use status for the site was requested in 2007, with the Planning Director determining that one was not necessary according to the findings of DEV-13-08.

Habitat Conservation Area

19.402.3 Applicability

- A. The regulations in Section 19.402 apply to all properties that contain, or are within 100 ft of a WQR and/or HCA (including any locally significant Goal 5 wetlands or habitat areas identified by the City of Milwaukie) as shown on the Milwaukie Natural Resource Administrative Map (hereafter "NR Administrative Map).
- B. For Properties that do not contain, but are within 100 ft of, a WQR and/or HCA, as shown o the NR Administrative Map, and where an activity not listed as exempt in Subsection

19.402.4.A will disturb more than 150 sq ft, a construction management plan is required in accordance with Subsection 19.402.9 (see also Table 19.402.3).

J. Nonexempt activates outside of WQR and HCA, but within 100 ft of WQR or HCA that disturb more than 150 sq ft requires a construction management plan.

Findings: Existing development is within the 100' compliance line but no new development or ground disturbance is proposed within this distance of the HCA. Therefore, the requirements of Chapter 19.402 are not applicable to this project.

<u>**Conditional Use.**</u> Per 19.905.3 Review Process, a new conditional use is evaluated through a Type III review per 19.1006. The approval criteria are found in 19.905.4.A.

Approval Criteria (19.905.4)

- *A.* Establishment of a new conditional use, or major modification of an existing conditional use, shall be approved if the following criteria are met:
 - 1. The characteristics of the lot are suitable for the proposed use considering size, shape, *location, topography, existing improvements, and natural features.* Findings: The lot as described in Chapter II of this application is of suitable size, shape, location, topography, and natural features to support the re-designation of the existing restaurant from a Limited Use to a Conditional Use. As described in Chapter III, the building and site improvements are appropriate for the continued operation of a warehouse and bakery facility, with an accessory retail store and conditional use restaurant. This criterion is met.
 - 2. The operating and physical characteristics of the proposed use will be reasonably compatible with, and have minimal impact on, nearby uses. Findings: As noted in Chapter II, the site is a warehouse, wholesale bakery and distribution center with accessory retail outlet and limited-use restaurant. The food-centered tourist economy, which the company exemplifies, accounts for a substantial portion of Oregon's and the Willamette Valley's tourist economy. As a result, BRM plays a major role in bringing local products into the international marketplace. In return, tour groups from all over the world as well as local residents make their way to Milwaukie to take the mill tours that culminate in a visit to the retail store and restaurant to sample healthy whole-grain foods and purchase BRM products. In addition, as a number of organizations and groups that use the site as an informal meeting space.

Currently, BRM employs 50 of its nearly 400 employees on site, with 40 employees on-site any given day. Approximately one-third of the employees are engaged in activities in the warehouse and wholesale bakery, half work in the restaurant, and the remainder supports the retail store.

The primary use on the site is warehousing and manufacturing as approximately 12,910 sf of the building is utilized for producing baked goods in two bakeries, one for traditional baking and one for wheat-free production, as illustrated in the photographs in Figure II-5. The warehouse stores and ships bulk products for mail

orders and supplies the wholesale bakery and retail store. A test kitchen provides an opportunity for new product lines to be tested as well as providing a demonstration space; this is counted as part of the manufacturing/warehouse function. Related HVAC, offices, staff rooms and bathrooms also are included in this total, as these would be needed even if the retail uses were not located here.

Serving as an outlet for goods produced or packaged on-site in the warehouse and wholesale bakery, the retail store sells a variety of baked goods made with the company's products. The retail store also sells the full range of BRM grain products in varying package sizes, but primarily from over 500 bulk bins. Informational displays about the milling process and the whole-grain products sold by BRM are included in the square footage calculations for this use, since these are meant for visitors.

The restaurant also serves as an outlet for baked goods and other items made or packaged on-site. As noted above, the restaurant located within the BRM facility also has come to serve as a key destination for educators, health practitioners and consumers interested in whole-grain products as well as foreign tourists who are interested in the production and distribution process.

Although the wholesale bakery and warehouse functions are the primary uses on the site, comprising 61% of total space, the restaurant and retail spaces serve to sell the product to the public with most consumers making purchases from both in each visit. This explains why many of the common public spaces have been split in the space allocation between the two. For example, the public bathrooms are divided with the men's room allocated to the retail space, and the women's to the restaurant. It is of no matter because each of these uses comprises only about 20% of total space, less than the maximum of 25% allowed.

While warehouse and wholesale bakery activities take place from 4 AM to 6:30 PM, the public portion of the building are open from 6 AM to 6 PM, Monday through Saturday with the restaurant open from 6 AM to 3 PM. The restaurant removed dinner service in 2014 because of a lack of customer awareness of the service, eliminating employment opportunities. At times, there are private catering events in the evening, such as the recent Clackamas Association of Cities, hosted by the City of Milwaukie.

No expansion of the restaurant is proposed at this time. Re-establishing dinner service may occur in the future. This shift would not affect the other uses on the site and off-site impact from this expansion of restaurant operating hours would be minimal to non-existent. Trip generation and parking demand would occur at off-peak times for the district and would make use of the parking that currently is not utilized during the evening hours. This criterion is met.

3. All identified impacts will be mitigated to the extent practicable. Finding: The shift to a Conditional Use status for the restaurant will not change the existing operations in a manner that would increase impacts on surrounding properties. Any future increase in restaurant operations would occur at off-peak times when traffic and parking in the district are underutilized. This criterion is met.

- 4. The proposed use will not have unmitigated nuisance impacts, such as from noise, odor, *and/or vibrations, greater than usually generated by uses allowed outright at the proposed location.* Finding: No nuisance impacts will occur from this conditional use, particularly give the range of industrial uses allowed by right in the BI zone. This criterion is met.
- 5. The proposed use will comply with all applicable development standards and requirements of the base zone, any overlay zones or special areas, and the standards in Section 19.905. Finding: As documented in the Land Use History section of Chapter II, the existing development has met all applicable development standards and requirements of the BI base zone and the HCA area and remains in compliance with applicable conditions of approval. This criterion is met.
- 6. *The proposed use is consistent with applicable Comprehensive Plan policies related to the proposed use.* **Finding:** Discussed below, the proposed conditional use redesignation for the restaurant is consistent with applicable Comprehensive Plan policies. This criterion is met.
- 7. Adequate public transportation facilities and public utilities will be available to serve the proposed use prior to occupancy pursuant to Chapter 19.700. Finding: As described in Chapter II, the site is well served by transit, pedestrian and bicycle facilities, and roadway capacity. The utilities that serve the existing development are sufficient to continue to meet the needs of the restaurant once re-designated as a Conditional Use. This criterion is met.

<u>Conditional Uses in the BI Zone.</u> The site is located on the edge of an area of Business Industrial zoning (BI) in which conditional uses are also subject to Section 19.310.5.

19.310.5 Conditional Uses

- A. Conditional uses may be established in a Business Industrial district subject to review and action on the specific proposal, pursuant to Section 19.905 Conditional Uses. Approval shall not be granted unless the proposal satisfies the criteria in Section 19.905; and, in addition, the proposed use:
 - 1. Will have minimal adverse impact on the appropriate development of uses permitted outright on abutting properties and the surrounding area considering location, size, design, and operating characteristics of the use; **Finding:** The existing development is consistent with that permitted outright in the district, including that on abutting properties, in terms of scale, location, and design. The building occupies only a small portion of the lot, the design of the structure evokes a historic mill, and sufficient parking and pedestrian site improvements are provided. Re-designation of the restaurant as a Conditional Use will not have any impact on the development or operation of abutting properties. This criterion is met.
 - 2. Is compatible with the character and scale of uses allowed within the district and on a site no larger than necessary for the use and operational requirements of the use; **Finding:** The site size, 1.95 acres, is consistent with other properties in the district and is

compatible with the character and scale of surrounding uses. As documented in the section on surrounding uses in Chapter II, there is a broad range of uses nearby also zoned BI including larger-scale office buildings, industrial facilities of similar scale, and even stand-alone restaurants of various sizes. This criterion is met.

- 3. Will provide vehicular and pedestrian access, circulation, parking, and loading areas which are compatible with uses on the same site or adjacent sites; and Finding: As discussed in Chapter II, the site has a well-developed frontage with sidewalks and bike lanes in the public right-of-way. There is a robust on-site pedestrian circulation system, integrating the sidewalk and parking areas and leading patrons to the building's entrance in a direct and safe manner. Street parking is available along SE International Way for employees and customers of all surrounding businesses. There is adequate bike parking on site. The on-site loading area is situated so as to avoid interfering with movement by other users. This criterion is met.
- 4. Is a needed service/product in the district, considering the mix of potential clientele and the need to maintain high-quality development in a highly visible area. Finding: The iconic building defines the area and surrounding community, presenting a high-quality development adjacent to Highway 224. The baked goods and other products, produced largely on site, is needed in the district as it has a high number of business and industrial employees. Further, it reinforces the business and industrial identity of the district through prominent displays and information on the milling and food production process. This criterion is met.
- B. Uses allowed subject to the above conditions are:
 - 1. Public and private community buildings, indoor and outdoor recreational facilities, such as swimming pools, racquetball clubs, athletic clubs, health and exercise spas, gymnasiums, tennis courts, playground, and other similar uses, developed to serve primarily the recreational needs of clients and employees of the district; **Finding:** None of these uses are present or proposed on the site.
 - 2. *Mini-warehousing, mini-storage, public storage, and similar commercial facilities that lease storage space to the general public;* **Finding:** None of these uses are present or proposed on the site.
 - 3. A limited use or uses that exceed 25% of the building's square footage as per Subsection 19.310.4.B.2 above. Finding: This proposal is to re-designate the Limited Use restaurant as a Conditional Use as allowed in this section. At this time the restaurant is not proposed for expansion beyond 25% of the building's square footage. However, the conditional use designation acknowledges that many of the internal spaces of the site's uses are shared.

<u>**Comprehensive Plan Goals.**</u> As required in criterion 19.905.4(A)(6) above the following discusses how the proposed Conditional Use is consistent with applicable Comprehensive Plan goals, objectives, and policies. Only those goals relevant to this proposal are included.

Comprehensive Plan Chapter 4 – Land Use. Economic Base and Industrial/Commercial Land Use Element

GOAL STATEMENT: To continue to support and encourage the development of a broad industrial base in the City, and to encourage the expansion of service facilities in the community.

<u>Background and Planning Concepts.</u> Milwaukie is a major industrial center in the Portland metropolitan area, containing one of the largest concentrations of warehousing and distribution industries in the region. The Milwaukie Industrial Park, Omark Industrial Park, and the Johnson Creek industrial area comprise over 300 acres of industrial land within the City. These areas, however, are nearing capacity, and very little land within the City is currently available for new industrial development. For this reason, redevelopment and business retention are as important to the City as attracting new businesses to maintain employment and industrial tax base. The undeveloped industrially zoned area to the west of the Omark Industrial Park contains about 55 acres, but is hampered by poor soil conditions which pose problems for industrial development and contains some wetland areas. [Emphasis added.]

Less than 20% of Milwaukie residents in the labor force are employed in Clackamas County. Milwaukie is part of a much larger metropolitan labor market. Local jobs are important, however, for energy cost savings by reducing commuting and stimulation of the local economy by employees in the area. Industry is very important to the City, not only in providing local jobs, but in paying a large portion of local property taxes relative to the services required. The high level of local industrial activity is one of the reasons the City has such a low tax rate. Tax income from industrial lands is almost three times greater than City costs for providing police, fire, sewer and water services, which offsets costs for service of residential uses. In 1987, over 125 residents also conducted businesses from their homes. Home occupations provide local employment opportunities but must be subject to neighborhood quality standards.....[Emphasis added.]

Findings: The planning concepts stress business and employee retention as important priorities as well as maximizing the use of existing industrial land, in the face of potential shortages. BRM already is a developed site that is diversifying its activities in a manner that still supports the primary industrial use and retains employees. The request for making the restaurant a Conditional Use does not alter the purpose of the industrial area or preclude further industrialization there.

<u>OBJECTIVE #1 – ECONOMIC DEVELOPMENT.</u> The City will encourage an increase in the overall economic development activity within the City, will strive to retain existing businesses as well as actively attract new businesses, particularly those identified as having growth potential.

<u>Planning Concepts.</u> Milwaukie relies on a strong industrial tax base to keep residential tax rates low. The outlook for continued growth in industrial development, given the present City boundaries, is limited, as much of the vacant industrial land may be difficult to develop. Some opportunities for redevelopment exist in the Johnson Creek Industrial Area. The City will strive to ensure that existing industrial facilities continue to be adequately served by roads, drainage, water and sewer. The following economic development policies are derived from recommended policies found in the Lord and LeBlanc report and recommendations from the City's Comprehensive Plan Review Committee. Policy 10 is derived from the Town Center Master Plan and supporting documentation such as the Hovee report cited above.

Policies

- 2. The City will review national, state and local trends for major categories of commercial and industrial uses that could be expected to locate in the City, identify local businesses which may expand and types of sites that are likely to be needed. This review will be conducted on the same schedule as the major plan review and interim plan review. (See Chapter 2, Plan Review and Amendment Process.) Findings: BRM has diversified within its existing building by augmenting its primary industrial use with two secondary commercial activities a restaurant and retail store that meet the requirements of the underlying BI zone, in the spirit of this policy.
- 6. The City will ensure that public services now serving industrial areas are adequately maintained to serve industrial needs. Public services and facilities will be upgraded as necessary. **Finding:** BRM has a full complement of public services to support its current utilization. This policy is met.
- 7. The City will ensure, through the provision of public services and facilities, that existing businesses are retained and enhanced within the City. When the needs of businesses or industries cannot be met at their present location, the City may provide assistance in identifying alternative sites and relocating the enterprise elsewhere within the City. Finding: See Policy #6 above.
- 8. The City will lobby strongly for roadway and other improvements outside of the City that bear heavily on the community's industrial complex, such as efforts to reduce congestion on McLoughlin Boulevard and Hwy. 224, improvement of public transit service, improved access for the Johnson Creek Industrial Area to I-205 and improved connections between Milwaukie and downtown Portland. Finding: The City's commitment to maintaining transportation capacity, particularly on Highway 224 is helpful to BRM and other nearby industrial companies in maintaining the integrity of their businesses. This is especially the case for BRM, which is an international leader in whole--grain products and as identified in Chapter II has become an iconic company for the City of Milwaukie, the Willamette Valley, and Oregon. With nearly 400 employees in the Milwaukie area, supporting the continued operation of this BRM site through the re-designation of the restaurant as a Conditional Use is consistent with the policies of the Economic Development Objective.

<u>OBJECTIVE #2 – EMPLOYMENT OPPORTUNITY.</u> To continue to support a wide range of employment opportunities for Milwaukie citizens.

<u>Policies</u>

1. The City will give a high priority, first, to the retention of existing businesses and, second, to the recruitment of new businesses which provide long-term employment opportunities.

Findings: As embodied in this first policy, retention of existing businesses is the City's highest priority. BRM provides a variety of employment opportunities at the site including service-oriented positions associated with the restaurant. Therefore, re-designating the restaurant as a Conditional Use is consistent with the policies of the Employment Opportunity objective.

<u>OBJECTIVE #4 – INDUSTRIAL LAND USE.</u> To encourage new industries to locate within the three major industrial areas of the City, in order to take maximum advantage of existing access and public facilities serving industry.

Policies

- 1. New industrial uses will be confined to the three major industrial areas in the City: Milwaukie Industrial Park, Omark industrial area, and the Johnson Creek industrial area, as shown on Map 7.
- 3. Lands designated for industrial use as shown on Map 7, Land Use, should be reserved for industrial, manufacturing, distribution, and supporting land uses, except where otherwise indicated in the Tacoma Station Area Plan.
- 4. Lands located in "Employment" and "Industrial" areas shown on the Milwaukie Comprehensive Plan Title 4 Lands Map are reserved for manufacturing, industrial, distribution, and supporting land uses, for the purpose of preserving land supply for industrial uses and ensuring adequate opportunity for uses with high employment density. Development of large-scale retail uses is inappropriate on these lands.

Findings: The BRM site is located within the Omark Industrial Area, and, as noted throughout, the facility at this location continues to operate primarily as in industrial use with secondary and complementary commercial uses. As documented above, the restaurant use supports the industrial and warehousing uses and, by serving food made of BRM products, promotes the BRM's brand and supports its sales. The store sells products primarily manufactured and packaged on-site and at less than 4,000 sf is not a large-scale retail use. By retaining existing industrial activities on lands designated for industrial and employment use, the re-designation of the restaurant from a Limited Use to a Conditional Use is consistent with the policies of Objective #4.

<u>OBJECTIVE #5 – INDUSTRIAL IMPACTS.</u> To minimize the adverse effects of industrial and employment center development and operation on surrounding areas.

<u>Policies</u>

- 1. Industrial development adjacent to existing or planned residential areas will be conditioned to ensure that:
 - The specific proposed use will be compatible with adjacent uses,
 - The design of the facility and its site will not place visual or physical burdens on the surrounding areas,
 - The operational characteristics of the facility will be compatible with surrounding uses and include consideration of: 1) hours of operation, 2) delivery and shipping characteristics, 3) noise, 4) lighting, and 5) other use characteristics.
- 2. Policies in the Air, Water and Land Resources Quality Element are particularly relevant to industrial facility operation, and will be considered when reviewing economic development proposals.

Findings: The BRM site is separated from the Lake Road Neighborhood by Highway 224. The existing uses on the site are compatible with this adjacent residential area due to the

physical separation created by the highway, which provides a visual and physical barrier to activities in the industrial park. Moreover, the restaurant and retail store already are in operation – no changes in size are proposed – so continued operation within the BRM building has no undue negative impacts associated with traffic/parking, noise, litter, or glare. The proposal is consistent with the applicable policies.

<u>OBJECTIVE #6 – COMMERCIAL LAND USE.</u> To encourage new commercial uses to locate within designated commercial areas of the City, in order to take maximum advantage of existing access and public facilities serving these areas.

<u>Planning Concepts.</u> Commercial land use policies are based on the assumption that most comparison goods purchases will be made at major regional shopping centers, day-to-day shopping needs will be met by local shopping centers, and that small convenience commercial centers will provide for frequent, one-stop shopping needs......

<u>Policies</u>

- 1. New commercial developments or redevelopments shall be located in designated areas unless expansion or creation of a new commercial designated area is justified as per Policy 2, below.
- 2. Expansion or creation of commercial designated areas will be evaluated against the following criteria: (a) those having an historical commitment to commercial use, (b) access to a transportation network appropriate for the scale of development proposed, (c) significant traffic increase shall not result on streets of collector or less status serving low density residential areas, (d) that no more suitable location(s) exist within the City for this designation, (e) that zoning allowed by the designation is compatible with adjacent uses, and (f) compliance with all applicable Plan policies, including the Town Center Master Plan.

Findings: Although the restaurant use is a commercial use, it is secondary to the Industrial and Warehousing uses on the site. Currently, restaurants are allowed by the underlying zoning as a Limited Use, which limits both patronage to others in nearby businesses and size. Re-designating the restaurant as a Commercial Use does not expand its size or impact. The restaurant use has been on the site since its development in 2006, where it provides reinforcement of the BRM brand and aids sales in the on-site retail store, much more so that if in a free-standing location. Due to its small size, less than 4,000 sf, the restaurant has no external impacts associated with parking/traffic, noise and the like.. Redesignating the restaurant as a Conditional Use will not result in a significant traffic increase on any streets that serve the nearby low-density residential area across Highway 224, because virtually all traffic uses this major thoroughfare for ingress and egress. Thus, this location is suitable for the restaurant as it supports the industrial and warehouse uses on the site. The site is outside of the Town Center Master Plan area and is in compliance with all applicable Plan policies.

<u>Sign Adjustments</u>. The applicant is proposing to construct a freestanding sign that will require approval of two adjustments to the sign regulations of 14.16.050 as follows:

• Allow installation of a second freestanding sign on the site's Highway 224 frontage, as the code recognizes that a site that has over 710' of frontage, in this case, on its two right-of-ways, SE International Way and Highway 224, is eligible for a second sign.

• Allow this new sign to be 40' high from the ground so that it is tall enough to be seen from the elevated roadway of Highway 224. Normally, such a sign can only be 25' tall.

Adjustment (14.32.010; 14.32.020; 14.32.030; 14.16.050)

14.32.010 Authorization to Grant or Deny Adjustments

- A. The Planning Commission may authorize adjustments to the requirements of this chapter per Section 19.1006 Type III Review where it can be shown that, owing to special and unusual circumstances related to a specific piece of property, strict application of this chapter would cause an undue or unnecessary hardship. The cost of meeting the standard shall not be a basis for granting an adjustment. In granting an adjustment, the Planning Commission, in addition to the time limitations of Section 14.32.040, may attach conditions which it finds necessary to protect the welfare of the City and otherwise achieve the purposes of this chapter.
- B. The Design and Landmarks Committee shall hold a public meeting and prepare a report for adjustment applications that require Planning Commission review per Section 19.1011 Design Review Meetings. The Planning Commission shall consider the findings and recommendations contained in the report during the public hearing on the proposal.
- C. Adjustments may be granted where it can be shown that there are special and unusual circumstances related to the specific property or sign, the adjustment is consistent with the guiding principles of the Downtown Design Guidelines, and the adjustment meets either of the following criteria:
 - 1. Strict application of this chapter would cause an undue or unnecessary hardship. The cost of meeting the standard shall not constitute a hardship; or
 - 2. The adjustment serves to protect or enhance significant features such as, but not limited to, trees, historic or culturally significant buildings, or landmark signs.

In granting an adjustment, the Planning Commission, in addition to the time limitations of Section 14.32.040, *may attach conditions which it finds necessary to protect the welfare of the City and otherwise achieve the purposes of this chapter.*

14.32.020 Adjustment Procedure. The following procedures shall be followed in applying for and acting on an adjustment:

- A. A property owner may initiate a request for an adjustment by filing an application with the City Manager, using forms required by the City Manager or duly authorized agent. The application shall be accompanied by a site plan drawn to approximate scale showing the condition to be adjusted and the dimensions and arrangement of the proposed sign, support structure, buildings and real property. The review authority may request other drawings or material essential to an understanding of the adjustment request.
- B. The review authority shall hold a public hearing for any adjustment request which is 25% or more of the required standard per the provisions of Section 19.1006 Type III Review. Adjustment requests of less than 25% from the required standard shall be reviewed by the

Planning Director per the provisions of Section 19.1005 Type II Review. Within 5 days after a decision has been rendered with reference to a request for an adjustment, the City Manager or duly authorized representative shall provide the applicant with notice of the decision of the review authority.

14.16.050 Manufacturing Zone. No sign shall be installed or maintained in an M or BI Zone, except as allowed under Section 14.12.010 Exempted Signs, or as otherwise noted in Table 14.16.050.

Table 14.16.050 Standards for Signs in Manufacturing Zones M or BI					
Sign Type	Area	Height	Location	Number	Illumination ¹
Freestanding signs	1.5 SF per lineal ft. of street frontage and 1 additional SF for each lineal ft. of frontage over 100 ft. ²	Max. 25 ft. from ground level; min. clearance below lowest portion of a sign is 14 ft. in any driveway or parking area.	Not permitted on any portion of a street, sidewalk, or public right- of-way.	1 multifaced sign permitted. ³	Permitted
Wall signs	Max. 10% of building face. ⁴	Not above roofline or top of parapet wall, whichever is higher.	NA.	No limit.	Permitted
Roof signs	Max. 1 SF per lineal ft. of street frontage.	Max. 8 ft. above highest point of building. ⁵	Pending approval by fire marshal ⁶ ; may not project over parapet wall.	Permitted instead of, not in addition to, projecting or freestanding signs.	Permitted

¹When fluorescent tubes are used for interior illumination of a sign within 500 feet of any residentially zoned property, such illumination shall not exceed illumination equivalent to 425 milliamperes rating tubes behind a Plexiglas face with tubes spaced at least 7 inches apart, center to center. No exposed incandescent lamp which exceeds 15 watts shall be used on the exterior surface of any sign so as to expose the face of such bulb or lamp to any public street or public right-of-way. Par spot or reflective-type bulbs may be used for indirect illumination of the display surface if properly shielded from direct glare onto streets or other property. See Section 14.24.020.

²Not to exceed 250 square feet of sign area per display surface for each sign, or a total of 1,000 square feet for all display surfaces.

³Where a frontage exceeds 300 feet in length, one additional freestanding sign is permitted for such frontage. No freestanding sign shall be permitted on the same premises where there is a roof sign.

⁴Includes signs painted directly on the building surface. In addition to the sign size limitations of this chapter, if an original art mural permitted under Title 20 occupies a wall where a wall sign has been proposed, the size of the wall sign shall be limited such that the total area of the original art mural plus the area of the wall sign does not exceed the maximum allowed.

⁵All roof signs shall be installed in such a manner that there shall be no visible angle iron or similar sign support structure.

⁶Only approved by the fire marshal after a finding that the site, type, and location of the sign will not substantially interfere with fire fighting.

⁷*Measured in vertical distance times length.*

⁸Regardless of the existence of a parapet wall

⁹A daily display sign may be allowed within the public right-of-way subject to the standards of Section 14.20.040.

<u>Adjustment #1:</u> Allow the second freestanding sign to be placed on the Highway 224 frontage.

Discussion. As described in Chapter III and illustrated in Figure III-2, the site has two frontages that each exceed 300', for a total of 720' of frontage. A small existing freestanding sign is located on SE International Way. Footnote #3 of Table 14.16.050 (reproduced above) allows "one additional freestanding sign" where a frontage exceeds 300' in length. Planning staff has interpreted this standard to allow an additional freestanding sign only on SE International Way and not on Highway 224. To gain visibility for the business and provide a means to communicate information to the broader community, the Applicant proposes to place a second freestanding sign on its Highway 224 frontage instead.

Adjustment #2: Allow this second sign to be 40' instead of the maximum height of 25'.

Discussion. Because the elevation at the corner of the site adjacent to Highway 224 is 90', while the adjacent roadway is at 110', the Applicant proposes a sign that is 40' as measured from the ground. The sign will appear only 20' high as viewed from the adjacent roadway, given the 25' difference in elevation. The development standard found in Table 14.16.050 indicates a maximum height of 25' from the ground level. The proposed sign meets the intention of this standard, but as measured from the ground, and not the relative height from the adjacent highway, the sign will exceed this standard. Therefore, the Applicant is requesting an adjustment to the maximum height standard.

Findings: As outlined in Section 14.32.010, Authorization to Grant or Deny Adjustments, adjustments can be granted where "there are special and unusual circumstances related to the specific property or sign". In this case, the adjustments are sought to provide a variable message sign that can support the restaurant use within the BRM building, a use that would ordinarily not be apparent to the outside visitor. This would reinforce the already successful breakfast and lunch service, but also facilitate a return to a dinner service, when the industrial district has lower numbers of workers and customers, therefore, utilizing traffic and parking capacity that otherwise would not be utilized. If the restaurant is

approved as a Conditional Use as proposed earlier in this application, the Applicant will be allowed to advertise the restaurant to patrons outside the immediate BI district. The frontage on Highway 224 that runs through the heart of Milwaukie provides the opportunity to present the company to a broader public. The BRM symbolizes the broader Bob's Red Mill brand and is an iconic feature of the Milwaukie's industrial area. Further, the height adjustment is necessary given the specific differences in topography between the location of the sign and the roadway from which it is designed to be visible. This is a unique, site-specific situation for which adjustments are designed to address.

14.32.030 Circumstance for Granting an Adjustment. *The review authority shall consider and make findings with respect to each of the following:*

- A. That strict or literal interpretation and enforcement of the specified regulation would result in practical difficulty or unnecessary physical hardship inconsistent with the objectives of the Sign Ordinance. Findings: The provisions of Table 14.16.050 allow a second sign for sites with long frontages, but do not specifically allow the second freestanding sign to be placed on the second frontage. In this case, the BRM site has two long frontages and it is reasonable to place a freestanding sign on both to alert passing motorists of the company's presence. The literal interpretation of the regulation to only allow a second sign on the frontage that already has a one results in a practical difficulty for the Applicant as much of its business comes to the site via Highway 224. Moreover, the Sign Ordinance fails to recognize that some businesses have more than one frontage on a main thoroughfare. Furthermore, the literal interpretation of the height standard measures the sign height from the ground level without consideration of topographical conditions, that in this case is the "functional height" as viewed by pedestrians, bicyclists and motorists. The functional height of the sign after considering the lower elevation of the property will be within the intended height limitations of the Sign Code. This criterion is met.
- B. That there are exceptional or extraordinary circumstances or conditions applicable to the property involved, or to the intended use of the property, which do not apply generally to other properties classified in the same zoning district. Findings: The multi-use nature of the site is both exceptional within the district and its status as the symbolic center of the Bob's Red Mill Company. Thus, the stature of the business and the relationship of the restaurant to the other functions within the building support the argument that this property should be treated differently from other properties in the same zoning district. The height adjustment is necessary given the specific differences in topography between the location of the sign and the roadway from which it is designed to be visible. This criterion is met.
- C. That strict or literal interpretation and enforcement of the specified regulation would deprive the applicant of privileges enjoyed by the owners of other properties classified in the same zoning district. Findings: As documented in the photographs of surrounding used in Figure II-3, there are freestanding restaurants within the BI district not associated with a primary industrial or business use. While their conditional use status is unknown, they do have signage along Highway 224 to market their business. The Applicant requests the same consideration while being able to maintain the small sign on SE International Way to allow deliveries and patrons to identify the parking lot entrances. As the height differential between the roadway and surrounding properties varies, so

does the need for a sign that exceeds the literal interpretation of height contained in the Sign Code. The functional height of the sign for travelers on Highway 224 will remain consistent with other properties within the district. This criterion is met.

- D. That the granting of the adjustment will not constitute a grant of special privilege inconsistent with the limitations on other properties classified in the same zoning district. Findings: Granting a second freestanding sign to be placed on Highway 224 will not grant a special privilege because the two signs will never be viewable at the same time. From Highway 224, the small sign on SE International Way will be behind and below the BRM building, while the highway sign will similarly by screened by the building. The height adjustment is a practical accommodation for the unique topography of the site and it remains consistent with the intent of the Sign Code.
- E. That the granting of the adjustment will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity. Findings: The proposed sign will only be viewable by traffic on Highway 224 and will not present a threat to public health, safety, welfare, or other properties. The Oregon Department of Transportation oversees signs placed adjacent to the state highways and regulates lighting, imagery, and sign changes to maintain safe automobile traffic. The variable message system will provide benefits in allowing the dissemination of community information and news and can be used for emergency alerts as needed.



December 31, 2015

Chris Hagerman The Bookin Group 813 SE Alder St Suite 320 Portland OR 97205

Re: Preapplication Report

Dear Chris:

Enclosed is the Preapplication Report Summary from your meeting with the City on December 17, 2015, concerning your proposal for action on property located at 5000 SE International Way.

A preapplication conference is required prior to submittal of certain types of land use applications in the City of Milwaukie. Where a preapplication conference is required, please be advised of the following:

- Preapplication conferences are valid for a period of 2 years from the date of the conference. If a land use application or development permit has not been submitted within 2 years of the conference date, the Planning Director may require a new preapplication conference.
- If a development proposal is significantly modified after a preapplication conference occurs, the Planning Director may require a new preapplication conference.

If you have any questions concerning the content of this report, please contact the appropriate City staff.

Sincerely,

Ume B Stachly

Joyce B Stahly Administrative Specialist II

Enclosure

cc: Laura Mather File

COMMUNITY DEVELOPMENT BUILDING • ECONOMIC DEVELOPMENT • ENGINEERING • PLANNING 6101 SE Johnson Creek Blvd., Milwaukie, Oregon 97206 P) 503-786-7600 / F) 503-774-8236 www.milwaukieoregon.gov

PreApp Project ID #: 15-026PA

10:00am

CITY OF MILWAUKIE PreApp Project ID #: PRE-APPLICATION CONFERENCE REPORT

This report is provided as a follow-up to a meeting that was held on 12/17/2015 at

Applicant Name: Company:	Chris Hagerman The Bookin Group LLC		
Applicant 'Role':	Other		
Address Line 1:	812 SW Washington Ave Suite 600		
Address Line 2: City, State Zip:	Portland	OR	97205
Project Name:	Conditional Use		
Description:	Conditional Use with two concurrent Sign Adjustments		
ProjectAddress:	5000 SE International Way		
Zone:	Business Industrial BI		
Occupancy Group:			
Construction Type:			
Use:	Manufacturing with Accesso	ory Use 1	retail outlet and Limited Use restaurant
Occupant Load:		1	
AppsPresent:	Chris Hagerman, Laura Mat		
Staff Attendance:	Li Alligood, Chrissy Dawso	n	

BUILDING ISSUES

ADA:	
Structural:	Sign must be engineered for structural integrity.
Mechanical:	
Plumbing:	
Plumb Site Utilities:	
Electrical:	
Notes:	

Please note all drawings must be individually rolled. If the drawings are small enough to fold they must be individually folded.

FIRE MARSHAL ISSUES

Fire Sprinklers:	
Fire Alarms:	
Fire Hydrants:	
Turn Arounds:	
Addressing:	
Fire Protection:	
Fire Access:	
Hazardous Mat.:	
Fire Marshal Notes:	The Fire District has no comments for this proposal.
	PUBLIC WORKS ISSUES
Water:	N/A
Sewer:	Currently, the wastewater System Development Charge (SDC) is comprised of two components. The first component is the City's SDC charge of \$893.00 and the second component is the County's fee for treatment of \$5,970 that the City collects and forwards to the County. Both charges are per wastewater unit. The wastewater SDC is assessed using a plumbing fixture count from Table 7-3 of the Uniform Plumbing Code. The wastewater SDC units are calculated by dividing the fixture count of new plumbing fixtures by sixteen. The wastewater SDC will be assessed and collected at the time the building permits are issued for any expansion which requires installation of additional plumbing fixtures
Storm:	N/A
Street:	N/A
Frontage:	N/A
Right of Way:	N/A
Driveways:	N/A
Erosion Control:	N/A
Traffic Impact Study:	N/A
PW Notes:	In the event the applicant chooses to expand retail or restaurant operations within the facility, the change in use will trigger the following SDC's:
	TRANSPORTATION SDC A Transportation SDC will be charged based on the increase in trips generated by any change in use per
Dated Completed. 12/21/	

Dated Completed: 12/31/2015

City of Milwaukie DRT PA Report

Page 2 of 7

the Trip Generation Handbook from the Institute of Transportation Engineers. The SDC for transportation is \$1,920 per trip generated. Credits will be given based upon the existing use of the structure.

PARKS & RECREATION SDC

The parks & recreation System Development Charge (SDC) is collected for the North Clackamas Parks and Recreation District and is calculated based on employee count per square foot depending upon type of use.

See http://www.clackamas.us/engineering/sdc.html for more information.

PLANNING ISSUES

Setbacks:	Business Industrial Zone BI: Front yard 20 ft. All other yards are 0 ft/ no setback required.
Landscape:	15% of the site must be landscaped, except for sites adjacent to Hwy. 224, which shall provide landscaping to 20% of the site. This should consist of a variety of lawn, trees, shrubbery, and ground cover. Street trees must be provided along street frontages and within required off-street parking lots to help delineate entrances, provide shade, and permeable areas for stormwater runoff. A bond or financial guarantee for landscape completion shall be required.
Parking:	Site has 88 parking spaces. Current parking requirement is for 31-33 spaces minimum, 100 spaces maximum.
	Manufacturing uses - 1 space per 1,000 sq ft floor area minimum, 2 spaces per 1,000 sq ft floor area
	maximum. Restaurant uses – 4 spaces per 1,000 sq ft floor area minimum, 15 spaces per 1,000 sq ft floor area
	maximum Retail uses - 2 spaces per 1,000 sq ft floor area minimum, 5 spaces per 1,000 sq ft floor area maximum
Transportation Review	in MMC 19 700. See 'Public Works' for additional
Application Procedure	s: The applicant has proposed 3 separate actions:
	1. Expand the existing restaurant use beyond the current area of approximately 4,000 sq ft. A restaurant use is a limited use and is limited to 4,000 sq ft or 25% of the building area, whichever is less. The existing building area is approximately 20,890 sq ft, and the maximum permitted size of the restaurant as a limited use is 4,000 sq ft. The size of the restaurant can be increased through approval as a Conditional Use.
	2. Expand the existing retail use beyond the current area of approximately 4,000 sq ft. A retail use is permitted as an accessory use to an industrial use and must sell products produced on site. A retail use is limited to 4,000 sq ft or 25% of the building area, whichever is less. The existing building area is approximately 20,890 sq ft, and the maximum permitted size of the retail use as an accessory use is 4,000 sq ft. The size of the retail can be increased through approval of a Use Exception.
	3. Construct a second freestanding sign of 40 ft in height along the rear property line. There is 1 freestanding sign permitted on each site in the BI Zone, and freestanding signs are limited to 25 ft in height. Because the proposed sign would exceed the maximum height by more than 25%, a Type III adjustment is required. Because the proposal would exceed the maximum number of signs on the site, a
Dated Completed: 12	2/31/2015 City of Milwaukie DRT PA Report Page 3 of 7

Type III adjustment is required.

The notes describe the application procedures for each request below. A combination of requests would require submittal of the applications listed for each. The sign adjustment application should be submitted concurrently with the conditional use application for expansion of the restaurant.

Application procedures are described below.

1. Expand the existing restaurant use

The following applications must be submitted and approved prior to submittal of a development permit:

Conditional Use (Type III): The application is reviewed through a Type III review per MMC 19.1006, and the application fee is \$2,000. The following sections of the Milwaukie Municipal Code apply to a Conditional Use review: 19.905.4 Approval Criteria; 19.310.5 Conditional Uses; 19.310 Business Industrial Zone BI; Comprehensive Plan Chapter 4 – Economic Base and Industrial/Commercial Land Use Element: Objective 4 – Industrial Land Use and Objective 6 – Commercial Land Use . Note that a Conditional Use permit must be recorded with the Clackamas County Recorder upon approval of the application.

Depending on the scale of the expansion, the following applications may need to be submitted prior to or concurrent with a development permit:

Development Review (Type I): The application is reviewed through a Type I review per MMC 19.1004, and the application fee is \$200. The following sections of the Milwaukie Municipal Code apply to development review: 19.906.4 Approval Criteria; 19.310 Business Industrial Zone BI.

2. Expand the existing retail use

Use Exception (Type III): The application is reviewed through a Type III review per MMC 19.1006, and the application fee is \$2,000. The following sections of the Milwaukie Municipal Code apply to a use exception review: 19.911.5 Use Exceptions; 19.310 Business Industrial Zone BI.

Depending on the scale of the expansion, the following applications may need to be submitted prior to or concurrent with a development permit:

Development Review (Type I): The application is reviewed through a Type I review per MMC 19.1004, and the application fee is \$200. The following sections of the Milwaukie Municipal Code apply to development review: 19.906.4 Approval Criteria; 19.310 Business Industrial Zone BI.

3. Construct a second freestanding sign of 40 ft in height along the rear property line.

Adjustment Review (Type III): The application is reviewed through a Type III review per MMC 19.1006, and the application fee is \$2,000. The following sections of the Milwaukie Municipal Code apply to a sign adjustment review: 14.32.010 Authorization to Grant or Deny Adjustments; 14.32.020 Adjustment Procedure; 14.32.030 Circumstances for Granting Adjustment; and 14.16.050 Manufacturing Zone.

The following applications must be submitted prior to or concurrent with a development permit:

Development Review (Type I): The application is reviewed through a Type I review per MMC 19.1004, and the application fee is \$200. The following sections of the Milwaukie Municipal Code

Dated Completed: 12/31/2015

City of Milwaukie DRT PA Report

Page 4 of 7

apply to development review: 19.906.4 Approval Criteria; 19.310 Business Industrial Zone BI.

Application fees are based on the current fee schedule. Fees are typically updated on July 1st of each year.

For the City's initial review, the applicant should submit 5 complete copies of the application, including all required forms and checklists. A determination of the application's completeness will be issued within 30 days. If deemed incomplete, additional information will be requested. If deemed complete, additional copies of the application will be required for referral to other departments, the Neighborhood District Association (NDA), and other relevant parties and agencies. City staff will inform the applicant of the total number of copies needed.

Land use application submission materials are listed below for your convenience. Please refer to the handouts distributed at the pre-application conference for more detailed information.

1. All applicable land use applications forms with signatures of property owners.

2. All applicable land use application fees.

3. Completed and signed "Submittal Requirements" form.

4. 5 copies of an existing conditions and a proposed conditions site plan, both to scale. These two site plans can be combined onto one site plan.

Once the application is deemed complete, additional copies will be requested for distribution to City departments, applicable governmental agencies, and the neighborhood district association for review.

Type III applications are quasi-judicial in nature and are decided by the Planning Commission at a public hearing. The Planning Commission hears land use applications on the second and fourth Tuesdays of every month, and completed applications need to be submitted to the Planning Department no later than 45 days prior to the target Planning Commission hearing. In general, staff recommends that applications be submitted one to two weeks before the 45-day deadline in order to ensure that there is time to make the applications complete if they are initially deemed incomplete. Once the Planning Commission renders a decision, there is a fifteen calendar-day appeal period. Building permits will be accepted for review only after the appeal period for all land use decisions has expired.

Type III sign adjustment applications are also reviewed by the Design and Landmarks Committee at a public meeting. The Design and Landmarks Committee meets on the first Monday of each month and makes a recommendation to the Planning Commission.

Type I applications are administrative in nature and are decided by the Planning Director. Review time is 2-4 weeks from receipt of a complete application. Once the Planning Director renders a decision, there is a fifteen calendar-day appeal period. Building permits will be accepted for review only after the appeal period for all land use decisions has expired.

The western portion of the site includes a Habitat Conservation Area (HCA) and Water Quality Natural Resource Review: Resource area (WQR). The proposed sign would be located outside of the natural resource areas.

Approximately 85,335 sq ft, rectangular lot. Lot backs onto ODOT ROW for Hwy 224, and fronts Lot Geography: International Way.

1. The preapplication conference is valid for purposes of submitting future land use applications as described in MMC 19.1002.4. A preapplication conference is valid for 2 years. **Planning Notes:**

> 2. The site is located within 300 ft of the Lake Road Neighborhood District Association (NDA) boundary, and the Lake Road NDA will receive notice of this request. Staff strongly encourages the applicant to present any proposed land partition to the NDA and/or its Land Use Committee, as well as

12/31/2015 Dated Completed:

City of Milwaukie DRT PA Report

Page 5 of 7

to the immediate property owners. The NDA's webpage is on-line at www.milwaukieoregon.gov/citymanager/lake-road-nda. Their meetings are held at 6:30pm on the second Wednesday of the month at Rowe Middle School, 3606 SE Lake Rd. The NDA Chairperson is Debby Patten (503-506-5860, debby.patten@gmail.com). Please contact the Chair to coordinate a meeting to discuss the proposal.

3. The burden of demonstrating compliance with the approval criteria rests on the applicant. Staff will make a recommendation to the Planning Commission based on the strength of the argument presented by the applicant.

4. The narrative for a conditional use application should provide an overview of existing uses on the site and how those uses will be affected by a potential expansion of the restaurant. In addition, the narrative should describe the products sold through the retail outlet and confirm that they are primarily those assembled and/or manufactured on site as required by the BI Zone.

5. The criteria for a use exception are difficult to meet. The narrative should provide a thorough overview of any exceptional circumstances that exist on the property and are beyond the property owner's control and were circumstances of which the property owner did not have prior knowledge. The narrative should also provide data to demonstrate that none of the allowed or conditionally allowed uses in the BI Zone are practicable.

6. Staff suggests that MMC 14.32.010.C.1 is the approval criteria that would be most relevant to the application for the sign adjustment. It may be difficult to frame an argument that the inability to have an additional sign that exceeds the maximum height constitutes an "undue or unnecessary hardship." Given the fact that Bob's Red Mill has discontinued dinner service for the time being, the narrative should focus on how a new sign would either increase demand for that service or support the successful breakfast and lunch service. Note that any work approved by an adjustment must begin within 6 months of approval to avoid expiration of the approval.

7. For proposals requiring any kind of development permit, the development must complete both of the following steps: Obtain and pay for all necessary development permits and start construction within 2 years of land use approval; Pass final inspection and/or obtain a certificate of occupancy within 4 years of land use approval. For proposals not requiring development permits, the development must utilize its approvals within 4 years of land use approval. An extension may be granted pursuant to Section 19.908.

8. The Milwaukie Municipal Code is located online at http://www.qcode.us/codes/milwaukie/.

9. Land use application forms are located online at http://www.milwaukieoregon.gov/planning/land-use-application.

ADDITIONAL NOTES AND ISSUES

County Health Notes: Other Notes:

Dated Completed: 12/31/2015

City of Milwaukie DRT PA Report

This is only preliminary preapplication conference information based on the applicant's proposal and does not cover all possible development scenarios. Other requirements may be added after an applicant submits land use applications or building permits. City policies and code requirements are subject to change. If you have any questions, please contact the City staff that attended the conference (listed on Page 1). Contact numbers for these staff are City staff listed at the end of the report.

Sincerely,

City of Milwaukie Development Review Team

BUILDING DEPARTMENT

Sam Vandagriff - Building Official - 503-786-7611 Bonnie Lanz - Permit Specialist - 503-786-7613

ENGINEERING DEPARTMENT

Chuck Eaton - Engineering Director - 503-786-7605 Vacant - Civil Engineer - 503 -786-7609 Chrissy Dawson - Engineering Tech II - 503-786-7610 Stacy Stubblefield - Civil Engineer - 503-786-7602 Alex Roller - Engineering Tech I - 503-786-7695

COMMUNITY DEVELOPMENT DEPARTMENT

Alma Flores - Com Dev Director - 503-786-7652 Marcia Hamley - Admin Specialist - 503-786-7656 Joyce B Stahly -Admin Specialist - 503-786-7600 Alicia Martin -Admin Specialist - 503-786-7600

PLANNING DEPARTMENT

Denny Egner - Planning Director - 503-786-7654 Li Alligood - Senior Planner - 503-786-7627 Brett Kelver - Associate Planner - 503-786-7657 Vera Kolias - Associate Planner - 503-786-7653

CLACKAMAS FIRE DISTRICT Mike Boumann - Lieutenant Deputy Fire Marshal = 503-742-2673 Matt Amos - Fire Inspector - 503-742-2661

Dated Completed: 12/31/2015

City of Milwaukie DRT PA Report

Clackamas County Fire District #1 Fire Prevention Office



E-mail Memorandum

To:	City of Milwaukie Planning Department
From:	Matt Amos, Fire Inspector, Clackamas Fire District #1
Date:	12/31/2015
Re:	Conditional Use 5000 International Way. 15-026PA

This review is based upon the current version of the Oregon Fire Code (OFC), as adopted by the Oregon State Fire Marshal's Office. The scope of review is typically limited to fire apparatus access and water supply, although the applicant must comply with all applicable OFC requirements. When buildings are completely protected with an approved automatic fire sprinkler system, the requirements for fire apparatus access and water supply may be modified as approved by the fire code official. The following items should be addressed by the applicant:

COMMENTS:

1. The Fire District has no comments for this proposal.



June 18, 2015

Edward Mercer Ramsay Signs 9160 SE 74th Ave Portland, OR 97206

Re: Preapplication Report

Dear Edward:

Enclosed is the Preapplication Report Summary from your meeting with the City on June 4, 2015, concerning your proposal for action on property located at 5000 SE International Way.

A preapplication conference is required prior to submittal of certain types of land use applications in the City of Milwaukie. Where a preapplication conference is required, please be advised of the following:

- Preapplication conferences are valid for a period of 2 years from the date of the conference. If a land use application or development permit has not been submitted within 2 years of the conference date, the Planning Director may require a new preapplication conference.
- If a development proposal is significantly modified after a preapplication conference occurs, the Planning Director may require a new preapplication conference.

If you have any questions concerning the content of this report, please contact the appropriate City staff.

Sincerely,

Blanca Marston Administrative Specialist II

Enclosure

cc: File

COMMUNITY DEVELOPMENT BUILDING • ECONOMIC DEVELOPMENT • ENGINEERING • PLANNING 6101 SE Johnson Creek Blvd., Milwaukie, Oregon 97206 P) 503-786-7600 / F) 503-774-8236 www.milwaukieoregon.gov

CITY OF MILWAUKIE PreApp Project ID #: 15-012PA PRE-APPLICATION CONFERENCE REPORT

This report is provided as a follow-up to a meeting that was held on 6/4/2015 at 10:00 AM					
Applicant Name:	Edward Mercer				
Company:	Ramsay Signs				
Applicant 'Role':	Contractor				
Address Line 1:	9160 SE 74th Avenue				
Address Line 2:					
City, State Zip:	Portland OR 97206				
Project Name:					
Description:					
ProjectAddress:	5000 SE International Way				
Zone:	Business Industrial BI				
Occupancy Group:					
ConstructionType:					
Use:	Manufacturing with Accessory Use retail outlet and Limited Use restaurant				
Occupant Load:					
AppsPresent:	Edward Mercer				
Staff Attendance:	Li Alligood, Stefan Heisler, Chrissy Dawson				
	BUILDING ISSUES				
ADA:					
Structural:	Stamped engineering will be required for the footings for the proposed sign.				
Mechanical:					
Plumbing:					
Plumb Site Utilities:					

Electrical:

Electrica

Notes:

Dated Completed: 6/18/2015

City of Milwaukie DRT PA Report

Page 1 of 6

Please note all drawings must be individually rolled. If the drawings are small enough to fold they must be individually folded.

FIRE MARSHAL ISSUES

Fire Sprinklers:		
Fire Alarms:		
Fire Hydrants:		
Turn Arounds:		
Addressing:		
Fire Protection:		
Fire Access:		
Hazardous Mat.:		
Fire Marshal Notes:	See attached.	

PUBLIC WORKS ISSUES

Water:	N/A
Sewer:	N/A
Storm:	N/A
Street:	N/A
Frontage:	N/A
Right of Way:	N/A
Driveways:	N/A
Erosion Control:	N/A
Traffic Impact Study:	N/A
PW Notes:	Please submit a copy of final sign design and location to Gail Curtis at ODOT for review/comment.
	Gail.E.Curtis@odot.state.or.us

PLANNING ISSUES

Setbacks:	Business I	ndustrial Zone BI: Front yard 20 ft. All other yards are 0 ft/	no setback required.
Landscape:	15% of the site must be landscaped, except for sites adjacent to Hwy. 224, which shall provide		
Bated Completed:	6/18/2015	City of Milwaukie DRT PA Report	Page 2 of 6

	landscaping to 20% of the site. This should consist of a variety of lawn, trees, shrubbery, and ground cover. Street trees must be provided along street frontages and within required off-street parking lots to help delineate entrances, provide shade, and permeable areas for stormwater runoff. A bond or financial guarantee for landscape completion shall be required.
Parking:	Site has 88 parking spaces. Current parking requirement is for 31-33 spaces minimum, 100 spaces maximum.
	Manufacturing uses - 1 space per 1,000 sq ft floor area minimum, 2 spaces per 1,000 sq ft floor area maximum.
	Restaurant uses – 4 spaces per 1,000 sq ft floor area minimum, 15 spaces per 1,000 sq ft floor area maximum maximum Retail uses - 2 spaces per 1,000 sq ft floor area minimum, 5 spaces per 1,000 sq ft floor area maximum
Transportation Rev	
Application Procedu	Ires: The applicant proposes to construct a freestanding sign of 40 ft in height along the rear property line. This height exceeds the maximum height of 25 ft, and sites in the BI Zone are limited to one freestanding sign. Because the proposed sign would exceed the maximum height by more than 25%, a Type III adjustment is required. Because the proposal would exceed the maximum number of signs on the site, a Type III adjustment is required.
	Application procedures are described below.
	The following applications must be submitted and approved prior to submittal of a development permit:
	Adjustment Review (Type III): The application is reviewed through a Type III review per MMC 19.1006, and the application fee is \$2,000. The following sections of the Milwaukie Municipal Code apply to a sign adjustment review: 14.32.010 Authorization to Grant or Deny Adjustments; 14.32.020 Adjustment Procedure; 14.32.030 Circumstances for Granting Adjustment; and 14.16.050 Manufacturing Zone.
	The following applications must be submitted prior to or concurrent with a development permit:
	Development Review (Type I): The application is reviewed through a Type I review per MMC 19.1004, and the application fee is \$200. The following sections of the Milwaukie Municipal Code apply to development review: 19.906.4 Approval Criteria; 19.310 Business Industrial Zone BI.
	Application fees are based on the current fee schedule. Fees are typically updated on July 1st of each year.
	For the City's initial review, the applicant should submit 5 complete copies of the application, including all required forms and checklists. A determination of the application's completeness will be issued within 30 days. If deemed incomplete, additional information will be requested. If deemed complete, additional copies of the application will be required for referral to other departments, the Neighborhood District Association (NDA), and other relevant parties and agencies. City staff will inform the applicant of the total number of copies needed.
	Land use application submission materials are listed below for your convenience. Please refer to the handouts distributed at the pre-application conference for more detailed information.
	1. All applicable land use applications forms with signatures of property owners.
Dated Completed:	5/18/2015 City of Milwaukie DRT PA Report Page 3 of 6

	3. Completed or "Final Play 4. 5 copies of plans can be will be reques	able land use application fees. and signed "Submittal Requirements" and "Prelin Checklist and Procedures" forms. an existing conditions and a proposed conditions combined onto one site plan. Once the application sted for distribution to City departments, applicable district association for review.	site plan, both to scale. These two site is deemed complete, additional copies
	public hearing Tuesdays of e no later than that application is time to mak Commission	ications are quasi-judicial in nature and are decide g. The Planning Commission hears land use applic every month, and completed applications need to b 45 days prior to the target Planning Commission h ons be submitted one to two weeks before the 45-d te the applications complete if they are initially de renders a decision, there is a fifteen calendar-day a eview only after the appeal period for all land use	cations on the second and fourth be submitted to the Planning Department earing. In general, staff recommends lay deadline in order to ensure that there emed incomplete. Once the Planning appeal period. Building permits will be
	public meetin makes a recor Type I applica is 2-4 weeks f there is a fifte	adjustment applications are also reviewed by the I g. The Design and Landmarks Committee meets o nmendation to the Planning Commission. ations are administrative in nature and are decided rom receipt of a complete application. Once the Pl en calendar-day appeal period. Building permits w iod for all land use decisions has expired.	n the first Monday of each month and by the Planning Director. Review time lanning Director renders a decision.
Natural Resource Rev	F	ortion of the site includes a Habitat Conservation (WQR). The proposed sign would be located out	Area (HCA) and Water Quality tside of the natural resource areas.
Lot Geography:	Approximately International V	y 85,335 sq ft, rectangular lot. Lot backs onto OD Way.	OOT ROW for Hwy 224, and fronts
Planning Notes:	1. The preappl described in M	lication conference is valid for purposes of submit IMC 19.1002.4. A preapplication conference is va	ting future land use applications as alid for 2 years.
	boundary, and applicant to pr to the immedia www.milwauk second Wedne Debby Patten (ocated within 300 ft of the Lake Road Neighborho the Lake Road NDA will receive notice of this re- esent any proposed land partition to the NDA and the property owners. The NDA's webpage is on-lin ieoregon.gov/citymanager/lake-road-nda. Their m sday of the month at Rowe Middle School, 3606 S (503-506-5860, debby.patten@gmail.com). Please cuss the proposal.	quest. Staff strongly encourages the /or its Land Use Committee, as well as ne at eetings are held at 6:30pm on the SE Lake Rd. The NDA Chairperson is
	suggests that M application. It	of demonstrating compliance with the approval cri IMC 14.32.010.C.1 is the approval criteria that we may be difficult to frame an argument that the inal ximum height constitutes an "undue or unnecessar	ould be most relevant to this bility to have an additional sign that
	to the lesser of 4,000 sq ft/25%	are not reviewed for content, staff understands that the Bob's Red Mill restaurant. The restaurant is a 4,000 sq ft or 25% of the floor area of the develop of the area through Type III Conditional Use rev banding the restaurant in the future, it may be efficient	a limited use on this site and is limited oment. The restaurant could exceed view. If the property owner is
Dated Completed:	6/18/2015	City of Milwaukie DRT PA Report	Page 4 of 6

with the sign adjustment.

5. Note that any work approved by an adjustment must begin within 6 months of approval to avoid expiration of the approval.

6. The Milwaukie Municipal Code is located online at http://www.qcode.us/codes/milwaukie/. Land use application forms are located online at http://www.milwaukieoregon.gov/planning/land-use-application.

ADDITIONAL NOTES AND ISSUES

County Health Notes:

Other Notes:

Dated Completed: 6/18/2015

This is only preliminary preapplication conference information based on the applicant's proposal and does not cover all possible development scenarios. Other requirements may be added after an applicant submits land use applications or building permits. City policies and code requirements are subject to change. If you have any questions, please contact the City staff that attended the conference (listed on Page 1). Contact numbers for these staff are City staff listed at the end of the report.

Sincerely,

City of Milwaukie Development Review Team

BUILDING DEPARTMENT

Samantha Vandagriff - Building Official - 503-786-7611 Bonnie Lanz - Permit Technician - 503-786-7613

ENGINEERING DEPARTMENT

Jason Rice - Engineering Director - 503-786-7605 Brad Albert - Civil Engineer - 503-786-7609 Vacant - Civil Engineer - 503-786-7602 Chrissy Dawson - Engineering Technician II - 503-786-7610 Alex Roller - Engineering Technician 1 - 503-786-7695

COMMUNITY DEVELOPMENT DEPARTMENT

Alma Flores - Community Develop. Dir. - 503-786-7652 Marcia Hamley - Admin Specialist II - 503-786-7656 Alicia Martin -Admin Specialist II - 503-786-7600 Blanca Marston -Admin Specialist II - 503-786-7600

PLANNING DEPARTMENT

Dennis Egner - Planning Director - 503-786-7654 Li Alligood - Senior Planner - 503-786-7627 Brett Kelver - Associate Planner - 503-786-7657 Vera Kollas - Associate Planner - 503-786-7653

CLACKAMAS FIRE DISTRICT Mike Boumann - Lieutenant Deputy Fire Marshal - 503-742-2673

City of Milwaukie DRT PA Report

Clackamas County Fire District #1 Fire Prevention Office



E-mail Memorandum

To:	City of Milwaukie Planning Department
From:	Matt Amos, Fire inspector, Clackamas Fire District #1
Date:	5/26/2015
Re:	5000 International Way 15-012PA

This review is based upon the current version of the Oregon Fire Code (OFC), as adopted by the Oregon State Fire Marshal's Office. The scope of review is typically limited to fire apparatus access and water supply, although the applicant must comply with all applicable OFC requirements. When buildings are completely protected with an approved automatic fire sprinkler system, the requirements for fire apparatus access and water supply may be modified as approved by the fire code official. The following items should be addressed by the applicant:

COMMENTS:

1. The Fire District has no comments for this proposal.

Page | of 1-5000 International Way 15-012PA

Minutes of the Omark Industrial Park Association

Architectural Committee

A meeting of the Omark Industrial Park Association (OIPA) Architectural Committee was convened on Wed 5-12-15 at 1:00 pm by Mr. John Arand to review a proposed sign installation at Bob's Red Mill. The meeting was held in the Administration Building of Blount International in the Omark Industrial Park, Milwaukie, OR. The following members of the Association were present and a quorum was in attendance:

John Arand	Blount International
Joe Laski	5188 LLC
Dennis Vaughn	Bob's Red Mill/Trian Grain Group
Traci McCauley	Standard Finance/Norris Beggs & Simpson

A rendition of the sign proposed to be placed in the SE corner of the Bob's Red Mill property was distributed at the meeting and the Omark Industrial Park Covenants & Restrictions were distributed in advance by email. Dennis Vaughn gave an overview of the sign details.

The group discussed the proposed sign and no issues were noted by the Architectural Committee members. A motion was proposed, seconded and the sign installation was unanimously approved by the Architectural committee. No further business was noted and the group adjourned at 1:30 pm.



THE BOOKIN GROUP LLC

APPENDIX D: NEIGHBORHOOD MEETING REQUEST

February 29, 2016

Debby Patten, Chair Lake Road Neighborhood District Association Milwaukie, Oregon

gather your feedback, and answer any questions.

RE: BOB'S RED MILL CONDITIONAL USE AND SIGN ADJUSTMENTS

Land Use & Institutional Planning

Policy Analysis

Project Management

Group Facilitation Debby: The Bookin Group is representing Bob's Red Mill as they prepare to apply for several land use reviews for their Whole Grain Store and Restaurant at 5000 SE Industrial Way, which is directly across from the Lake Road neighborhood (see Figure II-1). We wanted to request an opportunity to come to your next neighborhood meeting on March 9th, present information about the requests,

Bob's Red Mill is a nationally-prominent business located along Highway 224 and SE International Way in the Milwaukie Business Industrial District and is zoned BI (Business Industrial) (see Figure II-2). The existing development on the site includes the Mill building, containing a warehouse and bakery, a retail store that features BRM products, a restaurant, and an 88-space surface parking lot (see Figure II-3). There is a small freestanding sign on SE International Way.

To provide greater flexibility in the re-configuration of the existing building and to expand the draw of the restaurant beyond the restrictions of a "limited use", Bob's Red Mill would like to apply for a Conditional Use permit for the restaurant. There isn't any plan to expand the restaurant but instead we want to formally acknowledge that the iconic building represents the company and that the restaurant, store, and bakery are integrated, serving as a destination that draws regional and even international visitors to Milwaukie.

Bob's Red Mill would like to place a variable message sign along Highway 224 that would have the ability to provide information about the Whole Grain Store and Restaurant as well as messages of neighborhood importance. The attached drawings (Figures III-1, III-2, and III-3) show the length of the property's two frontages, the proposed sign design, and a visualization of what it would look like from Highway 224. To gain approval for this sign, Bob's Red Mill must request a Conditional Use review to move the restaurant from a "limited" to a "conditional" use, as well as Sign Adjustments to allow a second sign on the site and a sign that is high enough to be visible for the drivers on the elevated highway.

The technical zoning information is as follows:

A restaurant use in the BI zone is allowed as a "Limited Use" but restricted to 25% of the floor area, or 5,000 sf, whichever is greater (Subsection 19.310.4). Further, the restaurant use is limited to "primarily service the needs of BI Zone clients, employees, and businesses, as opposed to the general public" (19.310.4.A). Retail uses are allowed as an "Accessory Use" and are also restricted to 25% of floor area or 4,000 sf, whichever is greater (Subsection 19.310.3.H). As a practical matter, this creates a situation where building permits for re-configuration of existing internal space have to be continuously assigned to one of the Mill's uses to verify that the restaurant and retail uses each stay in compliance. Additionally, Bob's Red Mill's request for a

813 SW Alder Street Suite 320 Portland, Oregon 97205

Telephone 503.241.2423 sign along Highway 224 to increase dinner-time traffic is hampered by the implication that as a Limited Use, the restaurant should only serve the needs of those already in the industrial district. City of Milwaukie staff determined that the proposed sign could not meet the sign standards of Table 14.16.050 (Standards for Signs in Manufacturing Zones M or BI) to allow a second freestanding sign on the site.¹ Additionally, the proposed height for the sign of up to 40 feet so that it can be seen from the adjacent highway exceeds the maximum height standard of 25 feet.

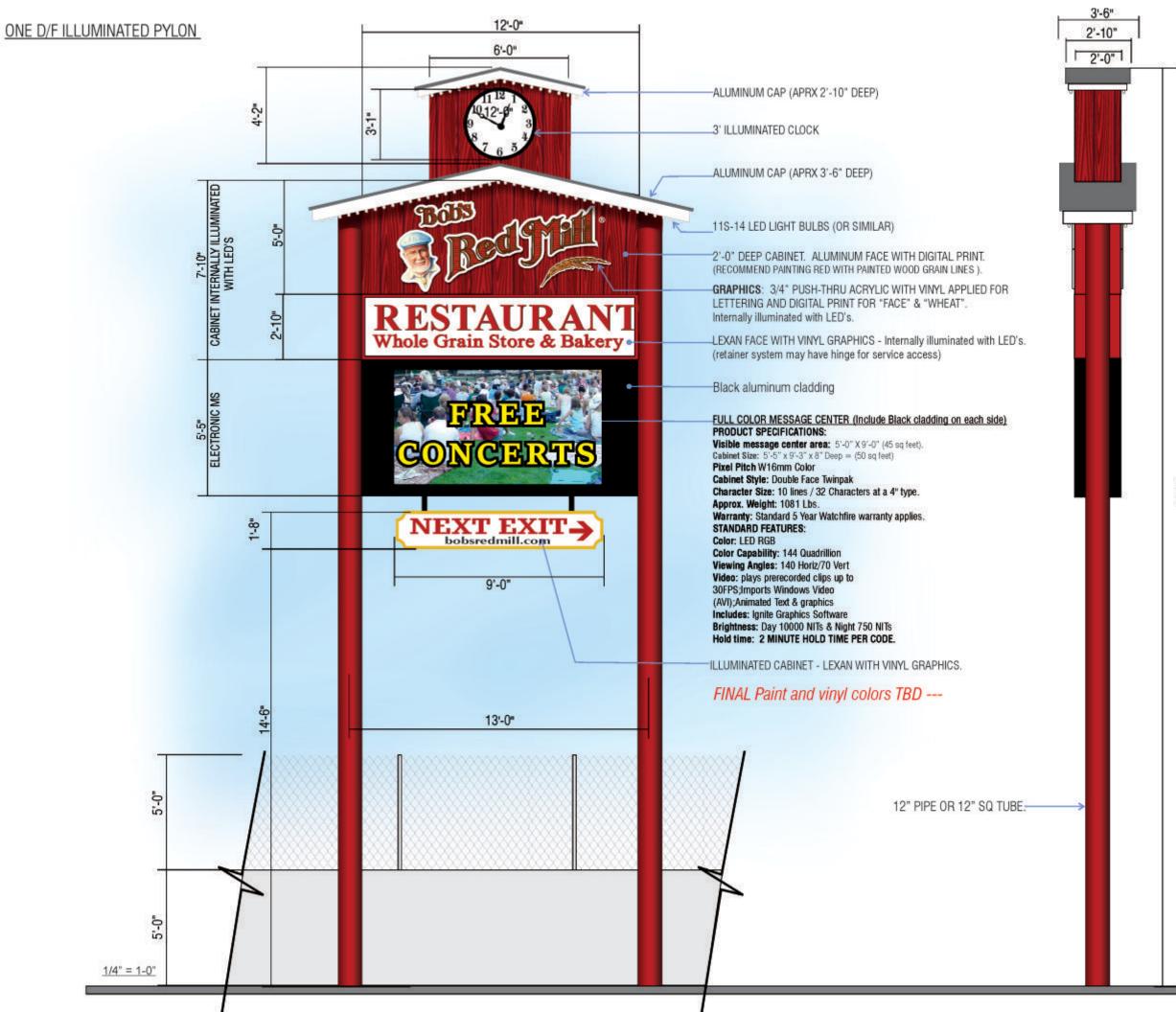
We look forward to meeting with you on the 9th.

Sincerely,

Chin Hageruro

Chris Hagerman, PhD, Partner The Bookin Group LLC 503.502.8693

¹Footnote 3 of Table 14.16.050 allows one additional freestanding sign as follows: "Where a frontage exceeds 300 feet in length, one additional freestanding sign is permitted for such frontage." The SE International Way frontage exceeds 300 feet in length, but the second sign is desired for the Highway 224 frontage.







Established 1911

9160 SE 74th Avenue Portland, Oregon 97206 503.777.4555 800.613.4555 Fax 503.777.0220 ramsaysigns.com

Date: 4/3/15

Client:

BOB'S RED MILL

Project Manager: ED MERCER

Design: Leslie S

Revisions:

R1: Larger MS & Clock. R2: Add photo inlays R3: Add website on lower cabinet. Insert a different photo inlay. R4: Add 5' to OA sign height. R5: Change MS layout R6: Add site plan R7: Correct EMC specs & V.O.

Client Approval + Date:

Landlord Approval + Date:

© Copyright, 2015 Ramsay Signs, Inc

These plans are the exclusive property of Ramsay Signs, Inc. the original work of its design team.

They are submitted to your company for the sole purpose of your consideration of whether to purchase these plans or to purchase from Ramsay Signs, Inc. a sign manufactured according to these plane. plans

Distribution or exhibition of these plans to anyone other than employees of your company, or use of these plans to construct a sign similar to the one embodied herein, is expressly forbidden.

In the event that such exhibition occurs, Ramsay Signs Inc expects to be reimbursed 15% of total project value in compensation for time and effort entailed in creating these plans



The signage indicated in this design is fabricated to meet UL requirements & will be leabeled according to all UL guidlines.

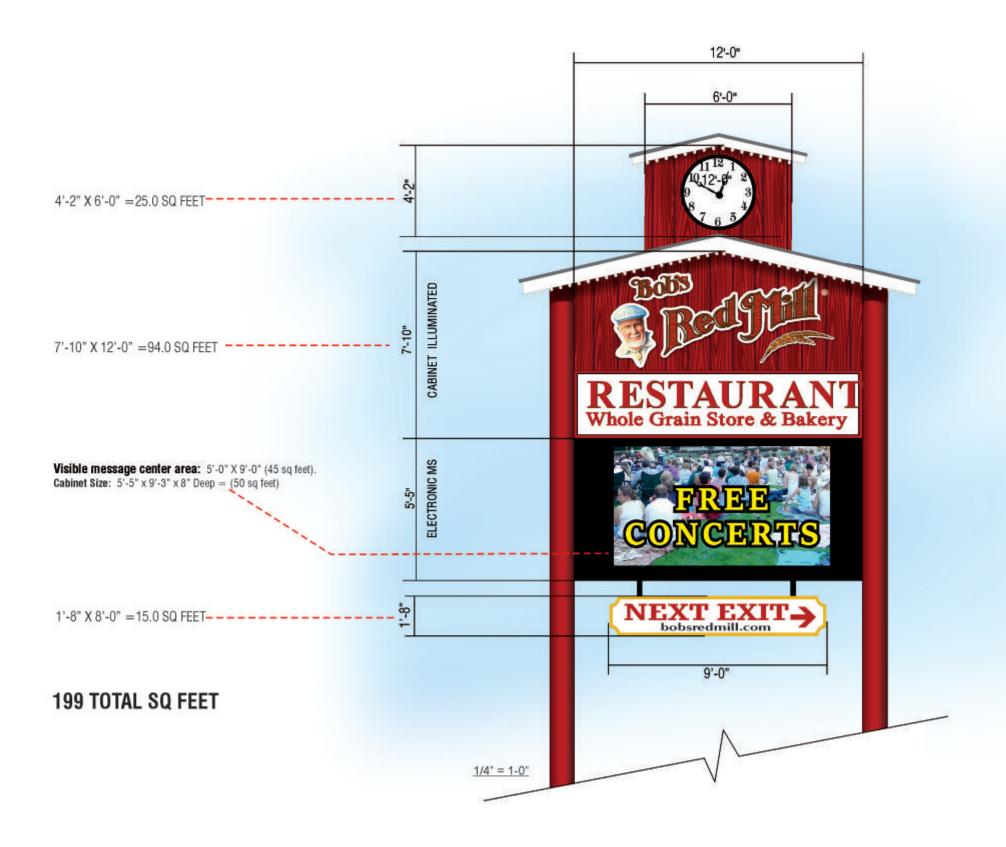
L73 Grounding and Bonding Statement for each permanently connected sign the following statement or equivalent "This sign is intended to be installed in the accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign" should be either directly marked on the sign or label attached to the sign, included in the installation instructions, or provided on a separate sheet or tag shipped with the sign.

PAGE # 1

Number of pages: 6

15-352-R7

40'-0"





9160 SE 74th Avenue Portland, Oregon 97206 503.777.4555 800.613.4555 Fax 503.777.0220 ramsaysigns.com

Date: 4/3/15

Client:

BOB'S RED MILL

Project Manager: ED MERCER

Design: Leslie S

Revisions:

R1: Larger MS & Clock.
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Insert a different photo inlay.
R4: Add 5' to OA sign height.
R5: Change MS layout
R6: Add site plan
R7: Correct EMC specs & V.O.

Client Approval + Date:

Landlord Approval + Date:

© Copyright, 2015 Ramsay Signs, Inc

These plans are the exclusive property of Ramsay Signs, Inc. the original work of its design team.

They are submitted to your company for the sole purpose of your consideration of whether to purchase these plans or to purchase from Ramsay Signs, Inc. a sign manufactured according to these plans.

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In the event that such exhibition occurs, Ramsay Signs Inc. expects to be reimbursed 15% of total project value in compensation for time and effort entailed in creating these plans.





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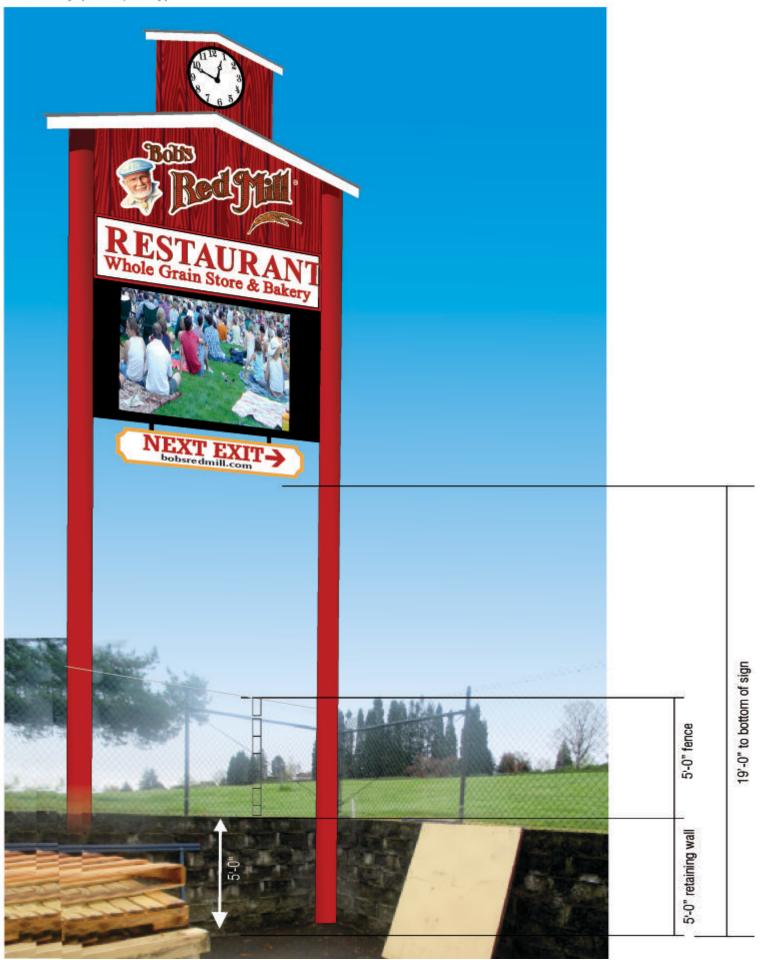
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PAGE # 2

Number of pages: 6

15-352-R7

Photo inlay (concept only)





9160 SE 74th Avenue Portland, Oregon 97206 503.777.4555 800.613.4555 Fax 503.777.0220 ramsaysigns.com

Date: 4/3/15

Client:

BOB'S RED MILL

Project Manager: ED MERCER

Design: Leslie S

Revisions:

R1: Larger MS & Clock.
R2: Add photo inlays
R3: Add website on lower cabinet.
Insert a different photo inlay.
R4: Add 5' to OA sign height.
R5: Change MS layout
R6: Add site plan
R7: Correct EMC specs & V.O.

Client Approval + Date:

Landlord Approval + Date:

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The signage indicated in this design is fabricated to meet UL requirements & will be leabeled according to all UL guidlines.

L73 Grounding and Bonding Statement for each permanently connected sign the following statement or equivalent "This sign is intended to be installed in the accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign" should be either directly marked on the sign or label attached to the sign, included in the installation instructions, or provided on a separate sheet or tag shipped with the sign.

PAGE # 3

Number of pages: 6

15-352-R7

Photo inlay concept - for aprx sign placement -



(This is aprx scale only- due to camera distortion and photo resolution) <u>3/32" = 1-0"</u> Account representative to mark final placement - see permit



9160 SE 74th Avenue Portland, Oregon 97206 503.777.4555 800.613.4555 Fax 503.777.0220 ramsaysigns.com

Date: 4/3/15

Client:

BOB'S RED MILL

Project Manager: ED MERCER

Design: Leslie S

Revisions:

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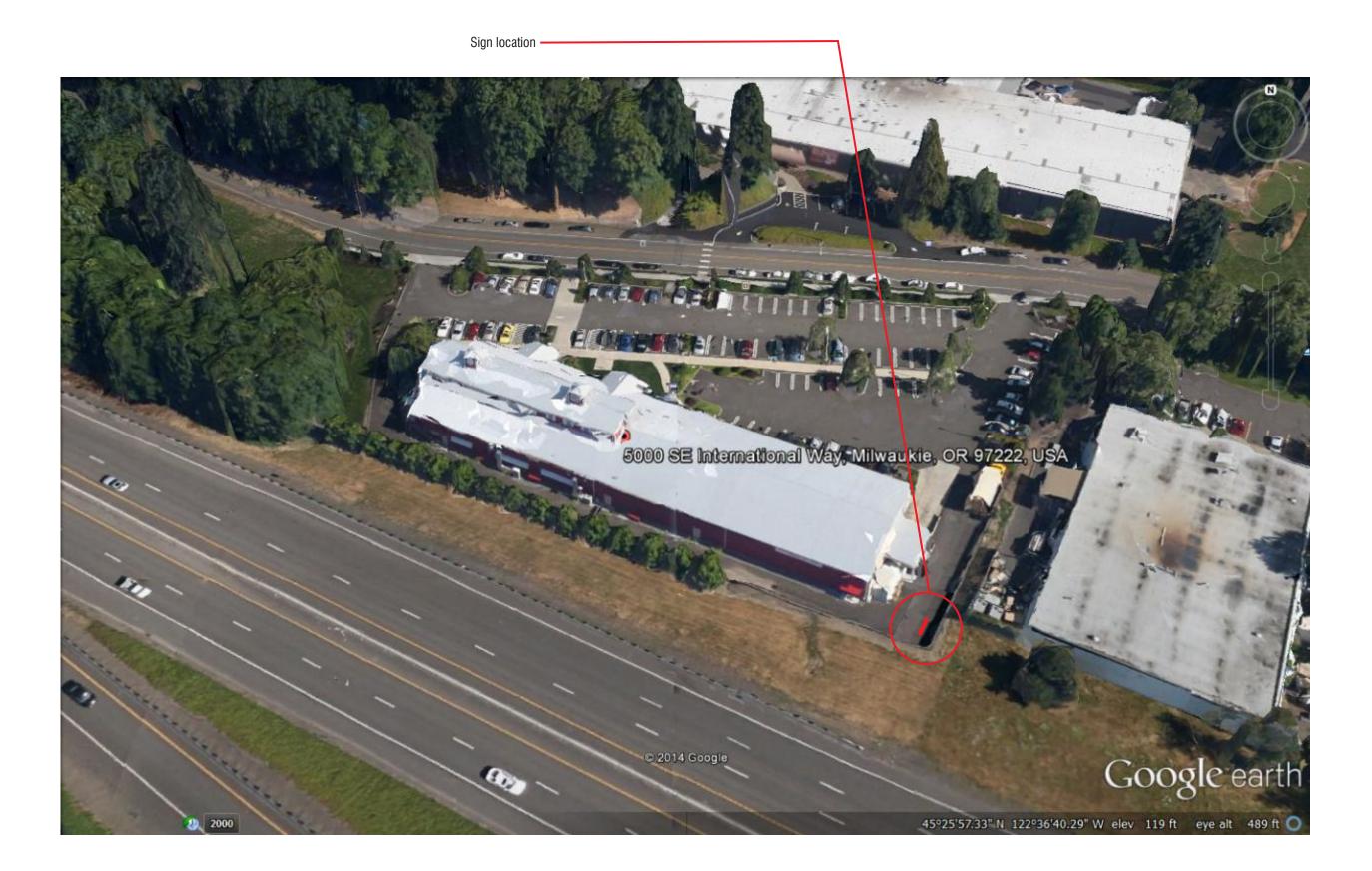
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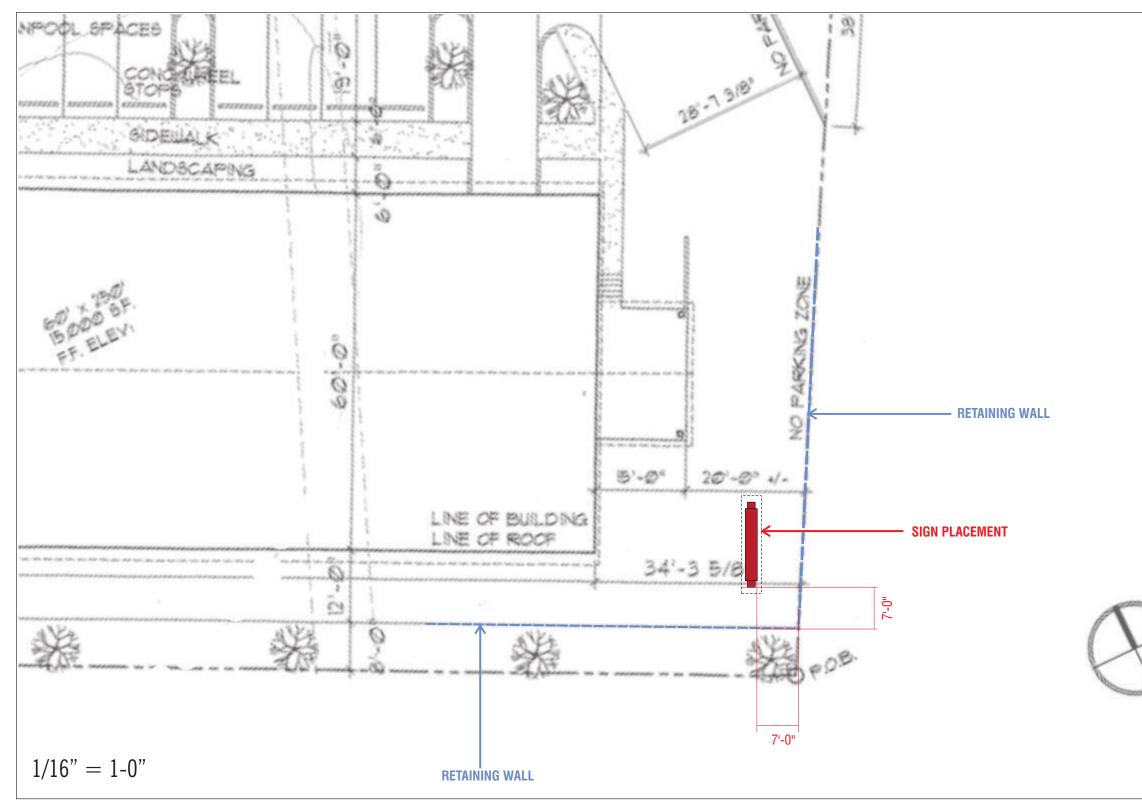
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PAGE # 5

Number of pages: 6

15-352-R7

CORNER SECTION OF SITE PLAN - SIGN LOCATION





9160 SE 74th Avenue Portland, Oregon 97206 503.777.4555 800.613.4555 Fax 503.777.0220 ramsaysigns.com

Date: 4/3/15

Client:

BOB'S RED MILL

Project Manager: ED MERCER

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PAGE # 6

Number of pages: 6

15-352-R7



ATTACHMENT 3F



THE BOOKIN GROUP LLC

Land Use & Institutional Planning

Policy Analysis

Project Management

Group Facilitation

<u>MEMORANDUM</u>

DATE: June 20, 2016

TO: Brett Kelver, Associate Planner, City of Milwaukie Keith Liden, Contract Planner, City of Milwaukie

FROM: Chris Hagerman, PhD, The Bookin Group LLC

SUBJECT: Conditional Use Review for Bob's Red Mill Restaurant in BI Zone

The purpose of the memorandum is to present cogent arguments that the Conditional Use review (CU-2016-002) for Bob's Red Mill's (BRM) restaurant is the appropriate legal vehicle to free it from the Limited Use restrictions in Section 19.310.4.B, which, in turn, further supports the request for two concurrent sign adjustments. This memorandum makes several interrelated arguments:

- 1) The limitation that retail and service uses serve only the clients, employees and businesses of the BI Zone (19.310.4.B.1) is difficult to apply and it cannot be assumed that proposed signage is directed specifically at either those inside or outside the district.
- 2) The establishment of a Conditional Use replaces the limitations found in Section 19.310.4.B with those adopted as part of the conditions of approval of the Conditional Use decision.
- 3) The suggestion that the access to a Conditional Use review for a Limited Use is only for the purpose of exceeding the 25% building area limitation is erroneous.
- 4) City of Milwaukie Planning staff has repeatedly advised BRM to establish the restaurant as a Conditional Use over the course of several years as documented in the staff notes from the 12/31/15 and 6/8/15 Pre-Application Conferences (PAC). This suggestion by staff has been to allow the restaurant to exceed 4,000 sf, 25% of the building area, and to draw patrons from beyond the district.

Discussion. In the Milwaukie Zoning Code, the Business Industrial (BI) Zone contains a list of uses that are permitted outright (Section 19.310.2) followed by Section 19.310.3 that details accessory uses that are permitted in conjunction with permitted uses. Section 19.310.4, Limited Uses, lists specific retail and service uses allowed in the BI Zone subject to the limitations and conditions of Section 19.310.4.B. These limitations include: 1) requirement to serve primarily the clients, businesses, and employees of the district; 2) limited to 25% of the square footage of a building; 3) maximum floor area is 4,000 square feet (sf); and 4) all limited uses shall comply with Section 19.310.6 that contains site-specific standards for building and site design.

<u>Argument 1</u>. As a discretionary standard, it is difficult to apply limitation #1. Highway 224 is a primary transportation corridor for clients and employees of the district. If BRM wishes to communicate its retail and restaurant offerings to those groups as stipulated in #1, a sign on Highway 224 is still appropriate. The clients and employees of the district do not only use local service streets to access the businesses within it. The sign is a means for communicating with existing patrons of the company's on-site restaurant and retail uses as to product availability and operating hours along the most visible roadway adjacent to the site

812 SW Washington Suite 600 Portland, Oregon 97205

Telephone 503.241.2423 <u>Argument 2.</u> For Limited Uses, standards and qualifications dictate the intensity within the BI zone. The owners of proposed uses that seek to exceed these limitations have recourse to the Conditional Use process and the section outlines those uses that may apply for this consideration. The purpose of a Conditional Use review is to apply discretionary criteria to allow or acknowledge uses that do not meet numerical standards, as described below:

19.905.1 Purpose. The purpose of the Conditional Use regulation is to evaluate the establishment of certain uses that may be appropriately located in some zoning districts, but only if appropriate for the specific site on which they are proposed....The Conditional Use review process allows for the establishment of Conditional Uses when they have minimal impacts or when identified impacts can be mitigated through conditions of approval.

The establishment of a Conditional Use removes the use from the Limited Use category replacing the limitations and conditions of Section 19.310.4.B with those established through the discretionary Conditional Use review.

<u>Argument 3.</u> Limited Uses are specifically called out in Section 19.315.B.3 as having access to the Conditional Use process to exceed the limitations of the Limited Use category. The Conditional Use review provides the mechanism to allow uses to exceed the limitations of the Limited Use standards and to mitigate any effects through conditions of approval. Although exceeding the 25% maximum size standard (limitation #2) is mentioned in the list of uses that can qualify for the Conditional Use review, it does not suggest that this is the only standard that can be so modified. It is just an example, not a narrowing of access to the Conditional Use process for the Limited Use case. If we accept the premise that the list of uses subject to the establishment of a Conditional Use is narrowly delimited to only allow a Limited Use to exceed the 25% of building size and not those listed in items #1, #3, or #4 of Section 19.310.4.B, then not only must an established Conditional Use remain in service of clients, employees and businesses of the BI zone, but with a maximum floor area of 4,000 sf. As the restaurant at BRM is already at this size, the history of City staff recommendations that the applicant apply for a Conditional Use makes no sense.

<u>Argument 4.</u> The PAC notes reproduced below specifically state that the Conditional Use would be a vehicle for modifying the limitations on size, percentage, and most significantly, appealing to customers outside the district. PAC NOTES (15-012PA) completed 6/18/15. Under Planning Notes, item #4:

While signs are not reviewed for content, staff understands that the purpose of the sign is to draw more visitors to the Bob's Red Mill restaurant. The restaurant is a limited use on this site and is limited to the lesser of 4,000 sf or 25% of the floor area of the development. The restaurant could exceed 4,000 sq ft/25% of the area through a Type III Conditional Use review. If the property owner is considering expanding the restaurant in the future, it may be efficient to combine a CU application with the sign adjustment.

Based on these notes and discussions with staff during and subsequent to this PAC, the Applicant proceeded with this Conditional Use application in good faith as the Applicant has the right to assume that the City will honor its interpretations of code. Narrowing the possibilities of the Conditional Use to only change limitation #2 (25% of building area) runs counter to staff recommendations and would make the current Conditional Use request meaningless.

For this reason, we ask that the planning staff continue to process the application with the understanding that the establishment of a Conditional Use modifies all of the limitations associated with a Limited Use through the review process.

Kelver, Brett

From:	Keith Liden <keith.liden@gmail.com></keith.liden@gmail.com>
Sent:	Wednesday, June 01, 2016 11:12 AM
То:	paul.hawkins@daimler.com
Subject:	RE: Bob's Red Mill / 14.16.050
-	

Paul,

Thank you for your comments. As you may know, I'm assisting the city on a temporary basis (this is my last month) with the review of land use and development applications. As you appropriately point out, terrain is clearly a factor in this case. The Milwaukie Municipal Code (MMC) does provide an outlet for providing flexibility to adjust specific development and design standards. MMC 14.32 Adjustments provides such criteria regarding signs that don't comply with the standards in Title 14 Signs. Bob's is requesting two adjustments to allow a 2nd freestanding sign (only 1 is permitted) and a 40' height where a maximum of 25' is allowed.

If you read the adjustment criteria, you'll see there's plenty of room for interpretation. My sense is that the staff is generally comfortable with this proposal, but I have not discussed the specifics of this case with them yet. Before I begin the staff report, I'll be having that conversation about how the adjustment criteria have been interpreted for similar cases and how they should be applied here. As a "newbie" I will be seeking staff guidance to be consistent with city's past application of the adjustment criteria.

Keith Liden, AICP 503.757.5501

From: <u>paul.hawkins@daimler.com</u> [<u>mailto:paul.hawkins@daimler.com</u>] Sent: Monday, May 23, 2016 7:04 AM To: <u>lidenk@milwaukieoregon.gov</u> Subject: Bob's Red Mill / 14.16.050

Keith,

Though the City of Milwaukie sign criteria is concise; what option is there for allowances regarding differences in terrain height? In the nearby Oak Street Business District, it's basically flat. I believe that the natural slope placing Bob's Red Mill below grade of the Expressway qualifies this as a unique situation regarding sign height regulations.

Thank you for your time, Paul Hawkins, Lake Road Neighborhood Land Use

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Clackamas County Fire District #1 Fire Prevention Office



E-mail Memorandum

To:	City of Milwaukie Planning Department
From:	Matt Amos, Fire Inspector, Clackamas Fire District #1
Date:	12/31/2015
Re:	Conditional Use 5000 International Way. 15-026PA

This review is based upon the current version of the Oregon Fire Code (OFC), as adopted by the Oregon State Fire Marshal's Office. The scope of review is typically limited to fire apparatus access and water supply, although the applicant must comply with all applicable OFC requirements. When buildings are completely protected with an approved automatic fire sprinkler system, the requirements for fire apparatus access and water supply may be modified as approved by the fire code official. The following items should be addressed by the applicant:

COMMENTS:

1. The Fire District has no comments for this proposal.

Kelver, Brett

From: Sent: To: Subject: Attachments: O'Connell, Grant <oconnelg@trimet.org> Tuesday, May 24, 2016 4:17 PM Liden, Keith CU-2016-002, VR-2016-005 Grant O'Connell.vcf

Thank you for the opportunity to comment on the referenced application. TriMet has no comment on the proposal.



GO► GRANT O'CONNELL

Planner II TriMet Capital Projects 1800 SW 1st Ave., Suite 300, Portland, OR 97201 Office: 503-962-6478 Email: <u>o'connelg@trimet.org</u>





Grant O'Connell Planner II Capital Projects TriMet (503) 962-6478 Work (503) 250-1644 Mobile (503) 962-2281 Fax o'connelg@trimet.org

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Kelver, Brett

From: Sent:	BROOKING Joshua C <joshua.c.brooking@odot.state.or.us> Wednesday, June 08, 2016 4:03 PM</joshua.c.brooking@odot.state.or.us>
То:	Liden, Keith
Subject:	ODOT Case # 7195 Bob's Mill Restaurant - Free-standing Sign
Attachments:	07195_08106_RESPCFORM.docx

Keith,

Please find attached ODOT's comments regarding the proposal at the Bob's mill Restaurant site (5000 SE International Way). Please let me know if you have any questions! Thank you!

Joshua Brooking Planner ODOT Region 1, Development Review (503)-731-3049 joshua.c.brooking@odot.state.or.us

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MEMORANDUM

TO:	Community Development Department
THROUGH:	Chuck Eaton, PE, Engineering Director
FROM:	Alex Roller, Engineering Technician II
RE:	CU-2016-002, VR-2016-005 - 5000 SE International Way
DATE:	June 17, 2016

Proposal to alter conditional use.

1. MMC Chapter 19.700 - Public Facility Improvements

The application of 19.700 is dependent on the eventual proposal that is offered. If new restaurant space has a higher trip generation than current floor space, then Chapter 19.700 is triggered under 19.702.1.E, "an intensification of use that results in...any projected increase in vehicle trips." The specific proposal's compliance with 19.700 will be evaluated at the time of the change to the use.

Advisory Notes

Development review application is required at the time of the change to use. Assessment of SDC requirements will be determined under the development review application.