

KELLOGG CREEK Milwaukie, Oregon

A Land Use Application for:

**Planned Development
Type III Variance
Type IV Zone Change**

Revised and Submitted:
June 2017

Applicant:
Brownstone Development, Inc.
47 South State Street
Lake Oswego, OR 97934

Prepared by:
DOWL
720 SW Washington Street, Suite 750
Portland, Oregon 97205
(971) 280-8641

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- A. Development Plan Set
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- C. City Planning Process Memo
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- J. Natural Resource Review
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Project team

Applicant

Brownstone Development, Inc.
47 South State Street
PO Box 2375
Lake Oswego, OR 97934
Contact: Randy Myers
503.358.4460
randy@brownstonehomes.net

Property Owner

Turning Point Church
13333 Rusk Road
Milwaukie, OR 97222
Contact: Pastor Bob Mihuc
503.305.8704

Planning/Civil Engineering

DOWL
720 SW Washington Street, Suite 750
Portland, OR 97221
Contact: Serah Breakstone, AICP
503.280.8661
sbreakstone@dowl.com

Traffic Engineering

Kittelson & Associates, Inc.
610 SW Alder Street, Suite 700
Portland, OR 97205
Contact: Chris Brehmer, PE
503.535.7433
cbrehmer@kittelson.com

Natural Resources

Pacific Habitat Services
9450 SW Commerce Circle, Suite 180
Wilsonville, OR 97070
Contact: John van Staveren
503.570.0800
jvs@pacifichabitat.com

Arborist

Morgan Holen & Associates
3 Monroe Parkway, Suite P220
Lake Oswego, Oregon 97035
Contact: Morgan Holen
971.409.9354
morgan.holen@comcast.net

I. INTRODUCTION

Summary of Proposal

Brownstone Development (the applicant) is proposing a new residential subdivision located at 13333 Rusk Road in the City of Milwaukie (see Figure 1, Vicinity Map). The development site is approximately 13.8 acres and will consist of 92 new lots intended for single-family attached (rowhouse) dwelling units and associated public streets. The attached homes will be in groupings of four units and will be accessed from rear alleys or front-facing driveways. The development will also include new public local streets, private alleys and a soft-surface pedestrian trail to provide connectivity throughout the site. Open spaces and natural areas will surround the homes and connect to the adjacent North Clackamas Park west of the site.

The subject property currently consists of four tax lots all owned by the Turning Point Church, which is located at the corner of Rusk Road and Kellogg Creek Drive. A property line adjustment application has been submitted to the City of Milwaukie in order to consolidate and reconfigure the four tax lots into two lots. One lot (13.8 acres) will be the development site and the other lot (3.7 acres) will be the church lot. The Turning Point Church and its associated parking areas will remain.

Access to the site will be taken from SE Kellogg Creek Drive, as shown on the Preliminary Plat, Sheet C201 in Exhibit A. In order to ensure the Turning Point Church continues to have safe ingress and egress to the church site, a connection between the two sites will be provided to allow church visitors to exit through the development site onto Kellogg Creek Drive (exit from the church site onto Rusk Road is not permitted; that access is entrance only).

Zoning & Land Uses

The subject site currently has split zoning, with the western portion of the site zoned R-3 and the eastern portion of the site zoned R-10. See Figure 2 and the Existing Conditions Plan (Sheet C100) in Exhibit A. The table below describes the uses and zoning on properties surrounding the subject site.

Table 1: Surrounding Uses

<u>Area</u>	<u>Zoning</u>	<u>Land Uses</u>
North	R-10	Single-family residences, Highway 224 right-of-way
East	R-10	Turning Point Church, SE Rusk Road, and single-family residences
South	R-10	SE Kellogg Creek Road, single-family residences, Deerfield Village Assisted Living Center
West	R-10	The Milwaukie Center, North Clackamas Park

Figure 1: Vicinity Map



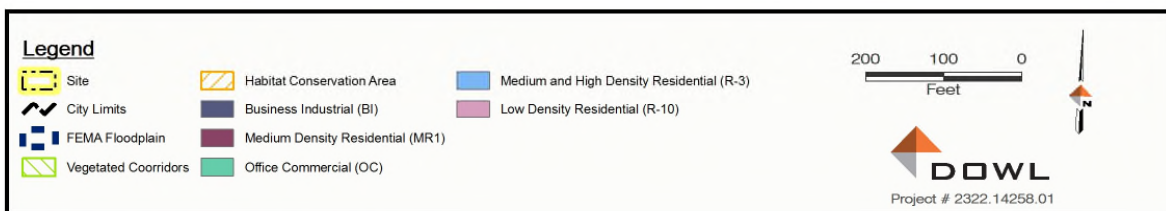
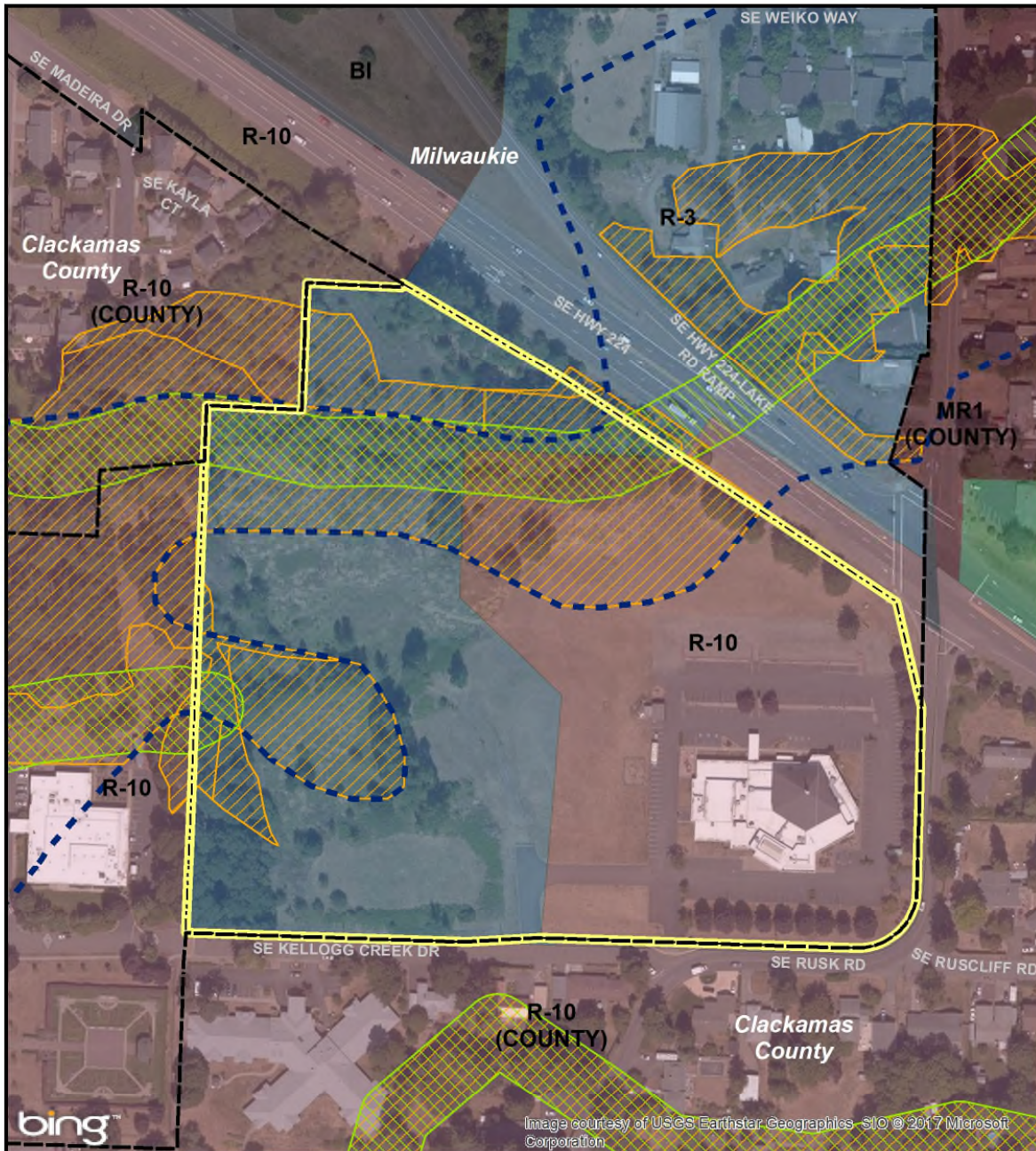
Legend

- Site
- taxlots
- City Limits

Vicinity Map
Kellogg Creek
Milwaukie, Oregon

DOWL
Project # 2322.1414258.01

Figure 2: Natural Resources & Zoning



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Planned Development

In order to maximize development potential on the site, preserve natural resources and provide needed housing for Milwaukie, the applicant is proposing to develop this site using the city's Planned Development process. The Planned Development process allows for greater flexibility in design and use of a site to encourage a mix of housing types and creation of a unique environment that would not be possible under strict application of the Zoning Code. The Planned Development process has several steps, including a zone change and a final development plan. The zone change is necessary to apply the Planned Development (PD) zone to the site. To clarify the Planned Development review process and how it relates to the other applications needed for this project, the project team met with Milwaukie Planning staff in August 2016 for a pre-application conference, and again in September 2016 for a follow-up discussion. After the September meeting, city staff drafted a memo presenting two possible options for a review process – standard and streamlined. See Exhibits B and C for a copy of the pre-application notes and the September memo.

The applicant has chosen to utilize the streamlined review process, as outlined in the September memo. As such, two application packages are being submitted concurrently:

1. Zone Change and Development Plan Package – Type IV review
2. Subdivision and related applications – Type III review

As noted below, this narrative is part of the Type IV application package and addresses standards and criteria for Planned Development and Zone Change reviews.

Natural Resources

The site contains approximately 4.5 acres of designated floodplain area, which is regulated by Chapter 18.04 of the Milwaukie Municipal Code. The site also contains approximately 5.6 acres of designated Habitat Conservation Area (HCA) (See Figure 2). HCA lands are natural resources that have been identified by the City for protection and are regulated under Chapter 19.402 of the Milwaukie Zoning Code. Impacts to floodplain and HCA are permitted by the City if certain conditions can be met and mitigation of those impacts is provided. While the bulk of existing natural resources on the subject site will be preserved, some impacts will be necessary to accommodate the proposed development. The separate and concurrent Type III application package provides information about those impacts and how they will be mitigated in accordance with City regulations. A Natural Resource Review report is provided in Exhibit J.

Wetlands

Wetlands have been identified on the site and delineated by Pacific Habitat Services (See Exhibit D, Wetland Delineation Report). Impacts to the wetlands will occur in order to accommodate development on the site. Those impacts require a joint permit from Department of State Lands (DSL) and the US Army Corps of Engineers (USACE). A joint permit application for wetland impacts will be submitted as required.

Request

As part of the overall Planned Development project, this application package contains the following requests for approvals from the City of Milwaukie:

- Planned Development
- Type III Variance
- Type IV Zoning Map Amendment

The applicant has submitted this application, narrative, and plans in order to demonstrate how this proposal complies with the standards set forth the in the City of Milwaukie’s Municipal Code. All applicable standards have been addressed and all required submittal materials have been provided.

The applicant is also submitting a separate application package for associated Type II and III approvals including subdivision and natural resources reviews. The two application packages are related and intended to be reviewed concurrently by the city.

II. COMPLIANCE WITH CITY OF MILWAUKIE DEVELOPMENT CODE

This section contains responses to applicable sections of the Milwaukie Development Code, Title 19 Zoning. Those sections that are not applicable to the proposal are generally not included unless needed for context.

Section 19.311 Planned Development Zone

19.311.1 Purpose

The purpose of a PD Planned Development Zone is:

- A. To provide a more desirable environment than is possible through the strict application of Zoning Ordinance requirements;*
- B. To encourage greater flexibility of design and the application of new techniques in land development;*
- C. To provide a more efficient, aesthetic, and desirable use of public and private common open space;*
- D. To promote variety in the physical development pattern of the City; and*
- E. To encourage a mix of housing types and to allow a mix of residential and other land uses.*

Response: The proposed project is well aligned with the purpose of the PD Zone. The flexibility of the PD Zone allows the applicant to protect significant natural resources while maximizing development potential of the site. This balance is critical to the success of the project.

The PD Zone provides the ability to reduce lot sizes and cluster them on the site so that impacts to the Habitat Conservation Area, floodplain area, trees and wetlands are minimized. Those natural resources will be largely protected and remain available as open space for the public and future residents of the development site. Application of the PD Zone will also achieve:

- Development of rowhouses in a planned community. This project represents a relatively new and different type of housing for Milwaukie and will contribute to the overall variety of housing types in the city. This is especially important considering the need for additional affordable housing in Milwaukie. A recent housing needs analysis¹ was prepared for the City to forecast housing needs over the next 20 years. That analysis identifies a need for over 1,000 new housing units. The majority (71 percent) of that housing is projected to be ownership housing, over half of which is projected to be an attached housing type. The proposed development will provide attached housing for ownership, thereby supporting the City's goal to provide more of this type of housing.
- The proposed development will consist of rowhouses on small lots in a relatively compact area with large, integrated open spaces. This arrangement is not one that is typically found in Milwaukie and will support the City's goal of encouraging a greater variety of development patterns.
- Natural and usable open spaces will be available for the public and residents of the development. Approximately seven acres of natural area and open space will be preserved on the site. A soft-surface trail system is proposed throughout the site to allow greater access to the protected natural areas while preserving the overall natural character of the site.

19.311.2 Use

A planned development approved by the City Council and based on a final development plan and program shall constitute the Planned Development Zone. The PD Zone is a superimposed zone applied in combination with regular existing zones. A PD Zone shall be comprised of such combinations of types of dwellings and other

¹ Housing and Residential Land Needs Assessment, prepared by Johnson Economics, August 2016.

structures and uses as shall be authorized by the Council, but the Council shall authorize only those types of dwellings and other structures and uses as will:

A. Conform to the City's Comprehensive Plan;

Response: Consistency with applicable Comprehensive Plan goals and policies is demonstrated in responses in Section III of this narrative.

B. Form a compatible and harmonious group;

Response: The proposed development will consist of single-family attached dwellings (rowhouses) in groups of four units. Some units will be alley-loaded with driveways and garages located in the rear of the lot, and the remainder will be front-loaded with driveways and garages located in the front. The two housing types will have a different front façade due to the difference in garage locations; however, they will be similar in size, orientation, architecture, color palette, and articulating features (renderings are provided on Sheet A100 in Exhibit A). The dwellings have been designed to provide aesthetic variation while still maintaining a sense of compatibility as a group. The groups of rowhouses will be arranged in a compact pattern around a simple grid of public streets and private alleys. Landscaping will be provided between the front driveways and the rear (alley) driveways to provide some separation between units. The intent of the development is to create a cohesive and compact neighborhood surrounded by natural areas and open space.

C. Be suited to the capacity of existing and proposed community utilities and facilities;

Response: Public utilities and facilities in the vicinity of the site are available to serve the proposed development. Specifically:

- **Water** – The site is within the Clackamas River Water (CRW) district and will connect to an existing CRW water main located in SE Kellogg Creek Drive. The applicant will construct new water lines within the right-of-way of new public streets on the site to serve the proposed residential units. Proposed utilities are shown on the Composite Utility Plan (Sheet C400) in Exhibit A.
- **Sewer** – There is a Clackamas County wastewater main located along the western and northern property lines of the site and is available to serve the proposed development. The applicant will construct an 8-inch PVC sewer line within the right-of-way of new public streets on the site and will connect this line to the existing sewer main north of the site. Proposed utilities are shown on the Composite Utility Plan (Sheet C400) in Exhibit A.
- **Stormwater** – The applicant has submitted a preliminary stormwater report prepared by a qualified professional engineer as part of this application (see Exhibit E). The report explains how stormwater runoff will be managed on the site and demonstrates that post-development runoff will not exceed pre-development runoff. The report also demonstrates consistency with the City's water quality standards.
- **Streets** – The site will take access from SE Kellogg Creek Drive, which currently has 40 feet of right-of-way. The traffic impact study conducted for this project indicates that traffic volumes from the proposed development will not cause intersections in the study area to fall below acceptable levels of service. Additional right-of-way will be dedicated along the site's frontage on Kellogg Creek Drive to accommodate half-street improvements as required by the City's engineering staff.
- **Parks** – The site is located adjacent to the North Clackamas Park, which is a 47-acre regional park with a variety of recreational amenities available to serve the proposed development. The site will also have approximately seven acres of additional open space and over two acres of usable open space (the trail system) available for the public and future residents of the development.

D. Be cohesively designed and consistent with the protection of public health, safety, and welfare in general; and

Response: As noted above, the proposed development will consist of rowhouse dwelling units in groups of four, designed to be visually compatible and form a cohesive neighborhood within the site. Public health, safety and welfare will be protected through the following measures:

- A connected system of streets designed to the local street functional classification, which includes sidewalks on both sides of the street and planter strips with street trees. The street system will also provide adequate access and circulation for emergency fire vehicles and service trucks.
- Street connections to the existing street system along Kellogg Creek Drive that meet the City's access spacing and sight distance standards.
- Half-street improvements along the site's frontage with Kellogg Creek Drive that will include a bike path to improve connections to North Clackamas Park.
- Protected natural resource areas, including a stand of mature Oregon white oaks, wetlands, habitat areas and floodplain.
- A soft-surface trail system throughout the development that allows access through the natural resource areas and provides opportunity for recreation while minimizing impacts to the natural area.
- An outdoor community garden with raised planter beds, gravel pathways, and a water source. The community garden will be fenced and gated for security and will be managed by the future homeowners association.
- A play area, located adjacent to the community garden, for use by residents of the subdivision.

E. Afford reasonable protection to the permissible uses of properties surrounding the site. In addition to residences and their accessory uses, the Council may authorize commercial and nonresidential uses which it finds to be:

- 1. Designed to serve primarily the residents of the planned development,*
- 2. Limited to those nonresidential uses which do not exist in the vicinity, and*
- 3. Fully compatible with, and incorporated into, the design of the planned development.*

Response: No commercial or non-residential uses are being proposed as part of this development. The development will consist of single-family attached dwellings and associated public streets. Properties surrounding the site are zoned for low-density residential uses (R-10). The proposed development will not impact the ability of those surrounding properties to develop or redevelop with permissible uses. The proposed development will not impact access to those properties, change flood elevations, or impose any other physical or conceptual constraints on surrounding properties that will impede their ability to develop as allowed.

19.311.3 Development Standards

All standards and requirements of this chapter and other City ordinances shall apply in a PD Zone unless the Planning Commission grants a variance from said standards in its approval of the PD Zone or accompanying subdivision plat.

A. Minimum Size of a PD Zone

A PD Zone may be established only on land which is suitable for the proposed development and of sufficient size to be planned and developed in a manner consistent with the purposes of this zone. A PD Zone shall not be

established on less than 2 acres of contiguous land unless the Planning Commission finds that a smaller site is suitable because of unique character, topography, landscaping features, or constitutes an isolated problem area.

Response: The proposed Planned Development site is approximately 14 acres of contiguous land, a portion of which is suitable for the proposed development. The site has been designed to preserve significant amounts of designated natural resources while maximizing development potential through compact rowhouse development. The site is also suitable for development in terms of access to public streets and utilities, as noted previously.

B. Special Improvements

In its approval of the final plan or subdivision plat within a PD Zone, the City may require the developer to provide special or oversize sewer lines, water lines, roads and streets, or other service facilities. Such approval shall not obligate the City to expend funds for additional construction equipment or for special road, sewer, lighting, water, fire, or police service.

Response: The applicant understands that the City may require special or oversized sewer lines, water lines, roads or other service facilities in its approval of the final plan and subdivision plat.

C. Density Increase and Control

The Council may permit residential densities which exceed those of the underlying zone, if it determines that the planned development is outstanding in planned land use and design and provides exceptional advantages in living conditions and amenities not found in similar developments constructed under regular zoning. In no case shall such density increase be more than 20% greater than the density range prescribed for the primary land use designation indicated in the Comprehensive Plan.

Response: Maximum density for the site was calculated consistent with the density calculation provisions in MMC Section 19.202.4. The allowable density was calculated for each zone (R-3 and R-10) separately and then combined to determine allowable density for the entire site. Per the City’s pre-application notes, “the development may effectively blend the densities for the two zones by distributing structures across the site regardless of the specific zoning boundary.” Table 2 shows the detailed density calculations. See Figure 3 for a map of areas used for the density calculations.

Table 2A: Net Acres Calculation

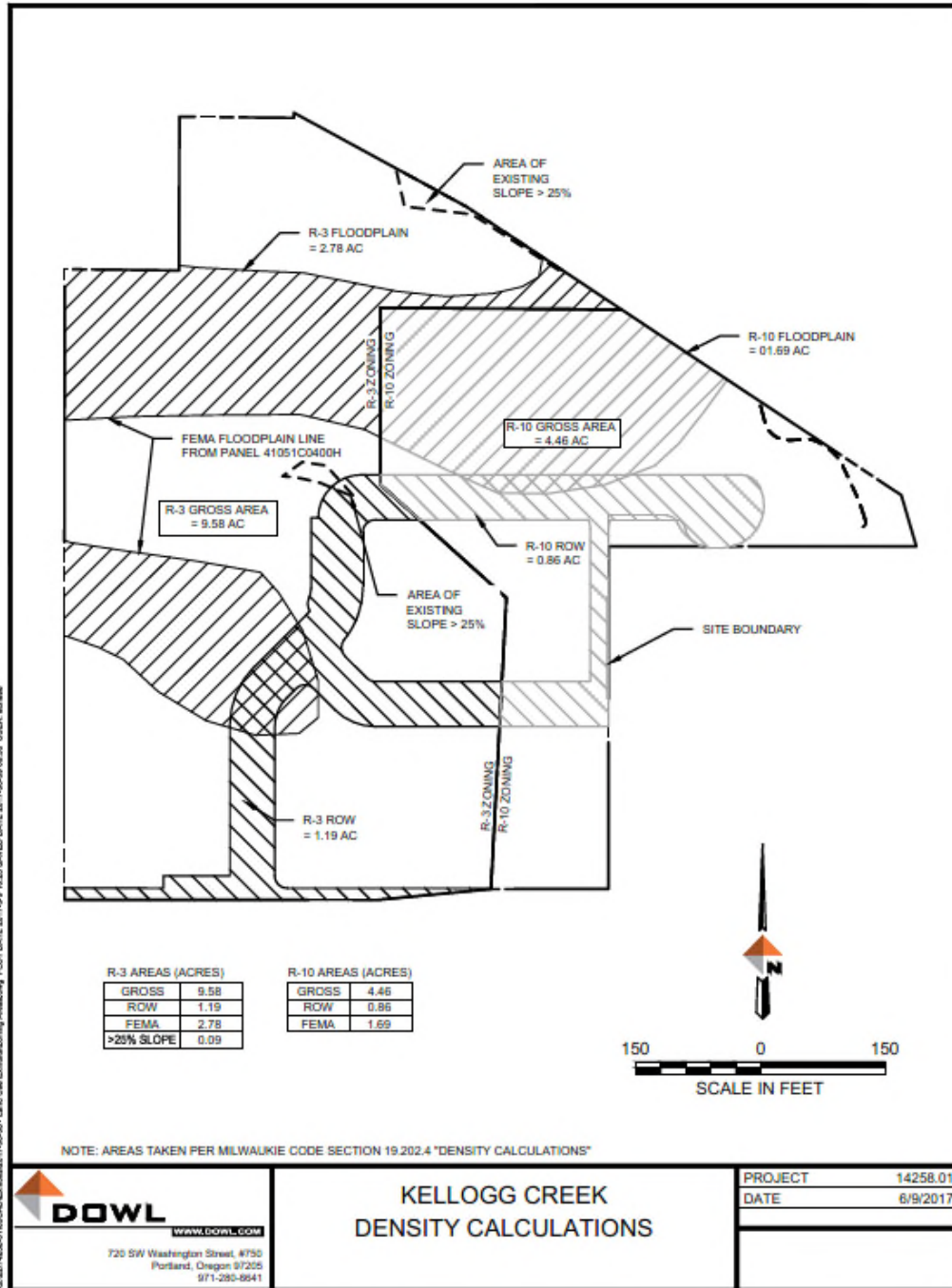
Zoning	Gross Acres	FEMA Mapped Floodplain	Right-of-way	Additional Open Space ¹	Slopes > 25%	Net Acres ²
R-3	9.58	2.78	1.19	0.41	0.09	5.11
R-10	4.44	1.69	0.86	0	0	1.89
Totals	14.02	4.47	2.05	0.41		7.00

Table 2B: Maximum Density Calculation

Zoning	Net Acres ²	Maximum Density (du/net acre)	Maximum Number of Units Allowed (without PD)	PD Increase (20%) ³	Maximum Number of Units with Rounding (per MMC 19.202.4)
R-3	5.11	14.5	74.09	88.90	89
R-10	1.89	4.4	8.32	9.98	10
Totals	7.00	-	82.4 (82 with rounding)	-	99

1. Required open space is one-third of the gross acreage (per PD provisions in 19.311.3.E). The above calculations assume a portion of the open space overlaps with floodplain. Additional open space needed to achieve one-third of the gross is indicated here.
2. Net acres = gross acres – (floodplain + right-of-way + open space)
3. Per Section 19.311.3.C, a density increase of up to 20% is allowed in the PD Zone.

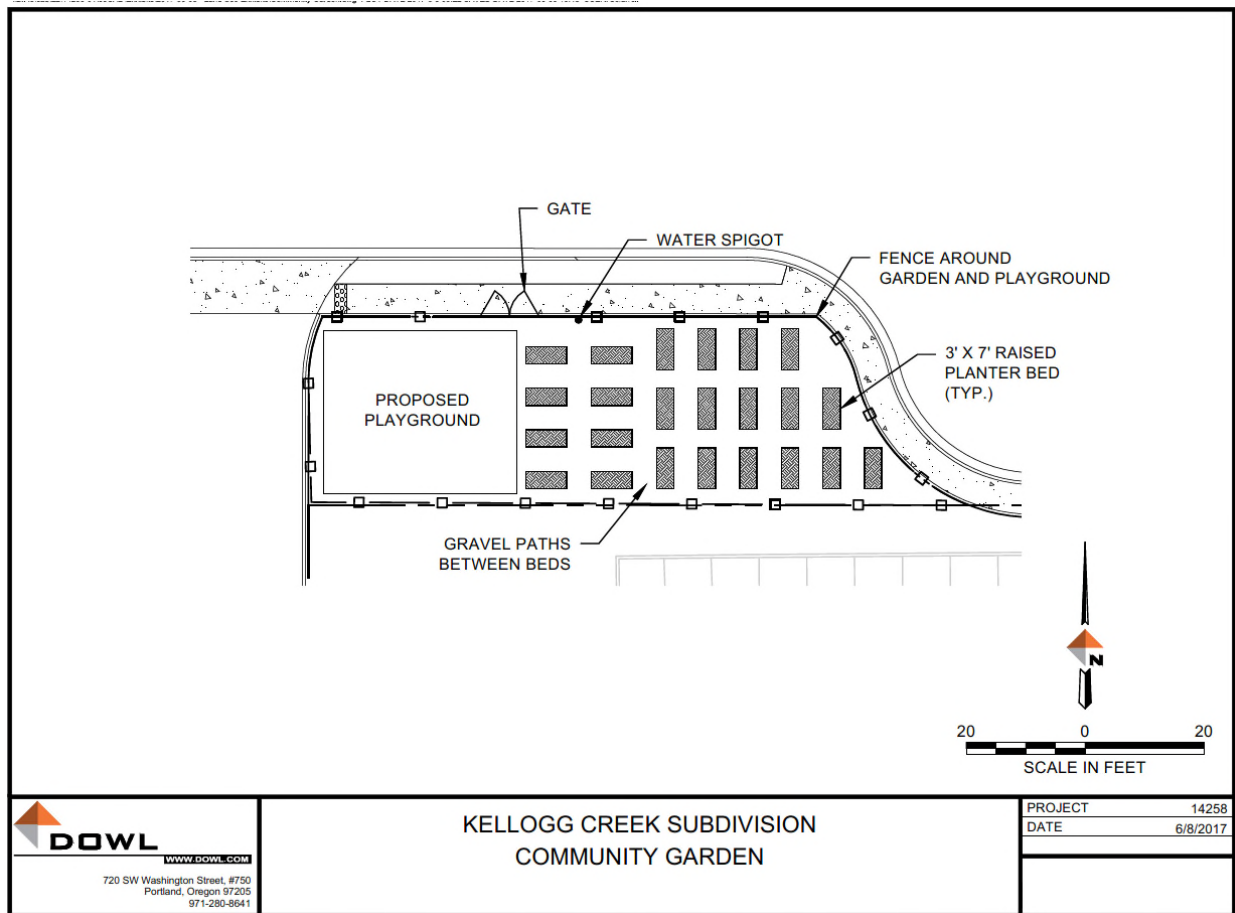
Figure 3: Density Calculation Areas



As shown, the maximum number of units that would be allowed on the site per the underlying zoning is 82 units. The maximum number of units that would be allowed with the 20 percent density increase per the PD Zone is 99 units. The proposed development has 92 units. This represents an approximately 12 percent increase in density, which is less than the 20 percent maximum increase allowed by the PD Zone. There are a number of unique and “outstanding” amenities provided with this proposed development that support the density increase:

- Just over half of the 14-acre site will be preserved as open space to minimize impacts to important natural resources, including habitat conservation area, floodplain, mature trees and wetlands. Residents of the development and the public will have access to these natural open spaces via a soft-surface trail system that will travel throughout the site. The trail will connect to a paved pedestrian/bicycle path at the northeast corner of the site near the intersection of Rusk Road and Highway 224.
- The site has been designed to avoid impacts to the large stand of mature Oregon white oak trees located in the southwest corner of the site. These trees have been identified extremely valuable and their protection is a high priority for the City and community members. Lots have been shifted as far east as possible to allow the oaks to remain on the site. In addition, the required half-street improvement along Kellogg Creek Drive has been altered (in collaboration with City Engineering staff) to avoid any tree removal associated with frontage improvements. As a result, all Oregon white oaks on the site will remain and be protected. The project arborist, Morgan Holen & Associates, LLC, has provided a supplemental memo dated June 11, 2017 that identifies specific tree protection measures that can be taken during construction to avoid damage to the white oaks.
- The site has been designed to create a sense of permeability between the natural open spaces and the developed portion of the site. In the southwest portion of the development, 12 homes will have yards that back up to the stand of large Oregon white oak trees. The backyards of those lots will have low (4-foot height) fencing made of black cyclone material to provide visibility and a sense of openness to the natural area while providing privacy and security for individual home owners. In addition, Street A has been designed to travel along the large protected wetland to provide visual access into the natural area in the northwest portion of the site. There are no homes located along the western edge of Street A through that area, which allows views into the natural area from the developed part of the site.
- The larger water quality facilities have been designed and located in order to provide views into the open space areas beyond them. The water quality facilities will be planted with low-lying grasses and will not be fenced, so they will provide a sense of openness for the nearby homes, as well as vehicles and pedestrians traveling through the site.
- A community garden will be provided on the site in Tract D for use by residents of the development (see Figure 4). That garden (approximately 3,100 square feet) will include raised planter beds, gravel pathways and a water source. The garden will be fenced and gated for security and will be managed by the future homeowners association.
- A play structure will also be provided adjacent to the community garden in Tract D for use by the residents of the development and church visitors. This structure will replace the existing church play structure that will be removed as part of this project.
- Additional trees will be planted where the site abuts Highway 224 in the northeastern corner to provide some additional screening for those lots that are located closest to that property line.

Figure 4: Community Garden and Play Area



- The proposed development will provide 92 units of attached single-family housing. Those rowhouse units will be available for ownership at a price point that is affordable for working people with moderate incomes (referred to as workforce housing). The need for this type of housing at this price point was well-established in the housing needs analysis prepared for the City at the end of 2016. This was further clarified in a memo prepared by Johnson Economics² on behalf of the applicant. That memo states (emphasis added):

*“The proposed development is consistent with the observed trends in the residential market, and is expected to deliver a product that is consistent with identified market demand. **The subject site is particularly well suited for this type of development**, with proximate parks and open space to complement the limited yard space provided in a townhome configuration. We would expect the project to have **appeal to a cost-sensitive starter family market**, which will value the local amenity mix as well as proximity to employment and commercial services.*

The development is requesting a Planned Development approval, which would allow for flexibility to deal with the site and natural resources. The site is split zoned, with portions zoned either R-10 or R-3. The R-10 zoning has a minimum lot size of 10,000 square feet, and would yield few units. Even under a duplex scenario, the zoning would require 14,000 square feet per duplex. The R-3 zoning allows for 3,000 square foot lots sizes, but with the level of natural resource on the site, a development would not be able to

² Johnson Economics also prepared the 2016 Housing Needs Analysis for the City of Milwaukie.

meet minimum density. As zoned, any development on the site would necessarily be at a price point that would not be responsive to the local demand.

The proposed townhome development would allow for family-oriented units at a price point that meets identified demand, and can provide workforce housing. It would help realize and expand the City’s housing capacity, increasing housing options for local residents as well as locally-employed households.”

See Exhibit K for the full memo. It’s important to note the language about price point above because it directly relates to the density increase. Without the proposed 12 percent density increase to 92 lots, this project would not be economically feasible and would not be able to deliver housing at the needed price point. Simply stated, fewer lots means a higher price point.

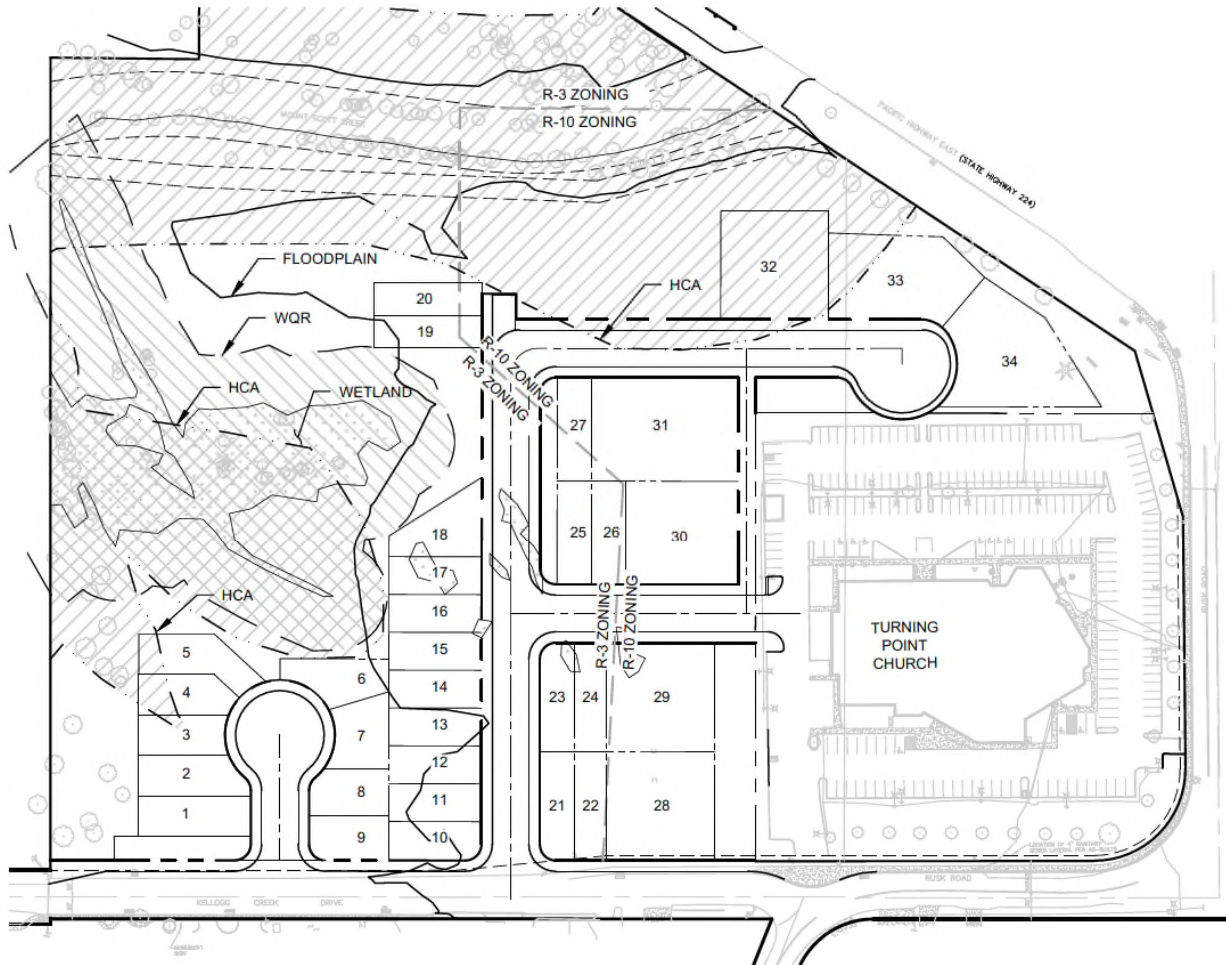
- The proposed development will be compact, with small individual lots on a connected street system in close proximity to a large public park with convenient access to a major arterial (Highway 224). The development is located less than 2.5 miles from downtown Milwaukie. This type of development is consistent with the housing trends that are anticipated to occur in Milwaukie over the next 20 years, as identified in the 2016 housing analysis. Those trends include the need for more dense and efficient development within the city limits, migration to urban areas, the desire for smaller homes in well-planned and safe communities, and the need for workforce housing.
- Under standard zoning (meaning, without using the PD provisions), this site would be very difficult to develop and would likely not produce an economically viable project. The alternative site layout shown in Figure 5 below shows a potential configuration of lots in the context of the standard R-10 and R-3 zoning (blending of zones would not be permitted as it is with the PD) and the natural resource provisions in MMC 19.402. The alternative layout is consistent with the subdivision standard in MMC 19.402.13.I that requires at least 90 percent of the HCA and 100 percent of the WRQ to be located in a separate non-developable tract.

As shown, 27 lots are provided in the R-3 portion of the site. However, the minimum density required under this scenario is 36 lots (for the R-3). In order to meet minimum density requirements (see Table 3 for calculations) in the R-3 zone, nine additional units would be needed, which would result in impacts to the natural resources on the site. Furthermore, the lots in this alternative layout are larger (significantly larger in the R-10 portion) which means the price point for housing in this scenario will be much higher. Amenities such as the proposed community garden and soft-surface trail are not required considerations under standard subdivision zoning and would therefore not likely be provided in this scenario.

Table 3: Alternative Layout – Minimum Density

Zone	Gross Acres	Gross SF	Floodway	Proposed ROW	Additional Open Space	Net SF	Net Acres	Min Required Units
R3	9.58	417,305	52,359	39,837	189,922	135,187	3.10	36
R10	4.44	193,406	21,753	37,517	74,488	59,649	1.37	5

Figure 5: Alternative Site Layout – Standard Zoning




Alternate Site Plan Information


R-3 Zoning:

Number of Lots Provided = 27 Lots
 Number of Lots Required to Meet Minimum Density ROW Area = 36 Lots
 ROW Area = 39,837 SF

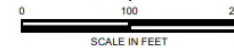
R-10:

Number of Lots Provided = 7 Lots
 Number of Lots Required to Meet Minimum Density ROW Area = 5 Lots
 ROW Area = 37,517 SF

 **Habitat Conservation Area (HCA)**
 Total Existing within Site = 5.59 acres
 Impacted by Site Plan = 0.43 acres (7.7%)

 **Water Quality Resource (WQR)**
 Total Existing within Site = 2.30 acres
 No Impact to WQR

WQR + HCA
 Total Area = 6.07 acres
 Overlapping Area = 1.82 acres



4/3/2017
 720 SW Washington Street, #750
 Portland, Oregon 97205
 971-229-8316
 Project No. 14258.01
 Contact: Scott Emmens, PE

Kellogg Creek

Site Plan: April 3, 2017

Milwaukie, Oregon

D. Peripheral Yards

Along the periphery of any PD Zone, additional yard depth, buffering, or screening may be required. Peripheral yards shall be at least as deep as that required by the front yard regulations of underlying zones. Open space may serve as peripheral yard and/or buffer strips to separate one planned area from another, if such dual use of the land is deemed to comply with this section.

Response: The front yard depths in the proposed development range from 10 to 20 feet so it is assumed here that the required periphery buffer is required to be at least 10 feet deep. The proposed development is surrounded by large areas of open space to the north and west, Kellogg Creek Drive to the south, and the existing church parking lot to the east. Where the proposed development abuts open space and Kellogg Creek Drive, additional periphery buffer is not required. The remainder of the development provides a periphery buffer as follows:

- Tracts E and F provide a 15-foot buffer between lots 1 and 17 and the property line.
- The public alley provides a 22-foot buffer between lots 45 and 53 and the property line.
- The bicycle/pedestrian path provides a 15-foot buffer between lot 92 and the property line.

E. Open Space

Open space means the land area to be set aside and used for scenic, landscaping, or open recreational purposes within the development. Open space may also include areas which, because of topographic or other conditions, are deemed by the Council to be suitable for leaving in a natural condition. Open space shall be adequate for the recreational and leisure needs of the occupants of the development, and shall include the preservation of areas designated by the City for open space or scenic preservation in the Comprehensive Plan or other plans adopted by the City.

The development plan and program shall provide for the landscaping and/or preservation of the natural features of the land. To ensure that open space will be permanent, deeds or dedication of easements of development rights to the City may be required. Instruments and documents guaranteeing the maintenance of open space shall be approved as to form by the City Attorney. Failure to maintain open space or any other property in a manner specified in the development plan and program shall empower the City to enter said property in order to bring it up to specified standards. In order to recover such maintenance costs, the City may, at its option, assess the real property and improvements within the planned development.

All planned unit developments will have at least one-third of the gross area devoted to open space and/or outdoor recreational areas. At least half of the required open space and/or recreational areas will be of the same general character as the area containing dwelling units. Open space and/or recreational areas do not include public or private streets.

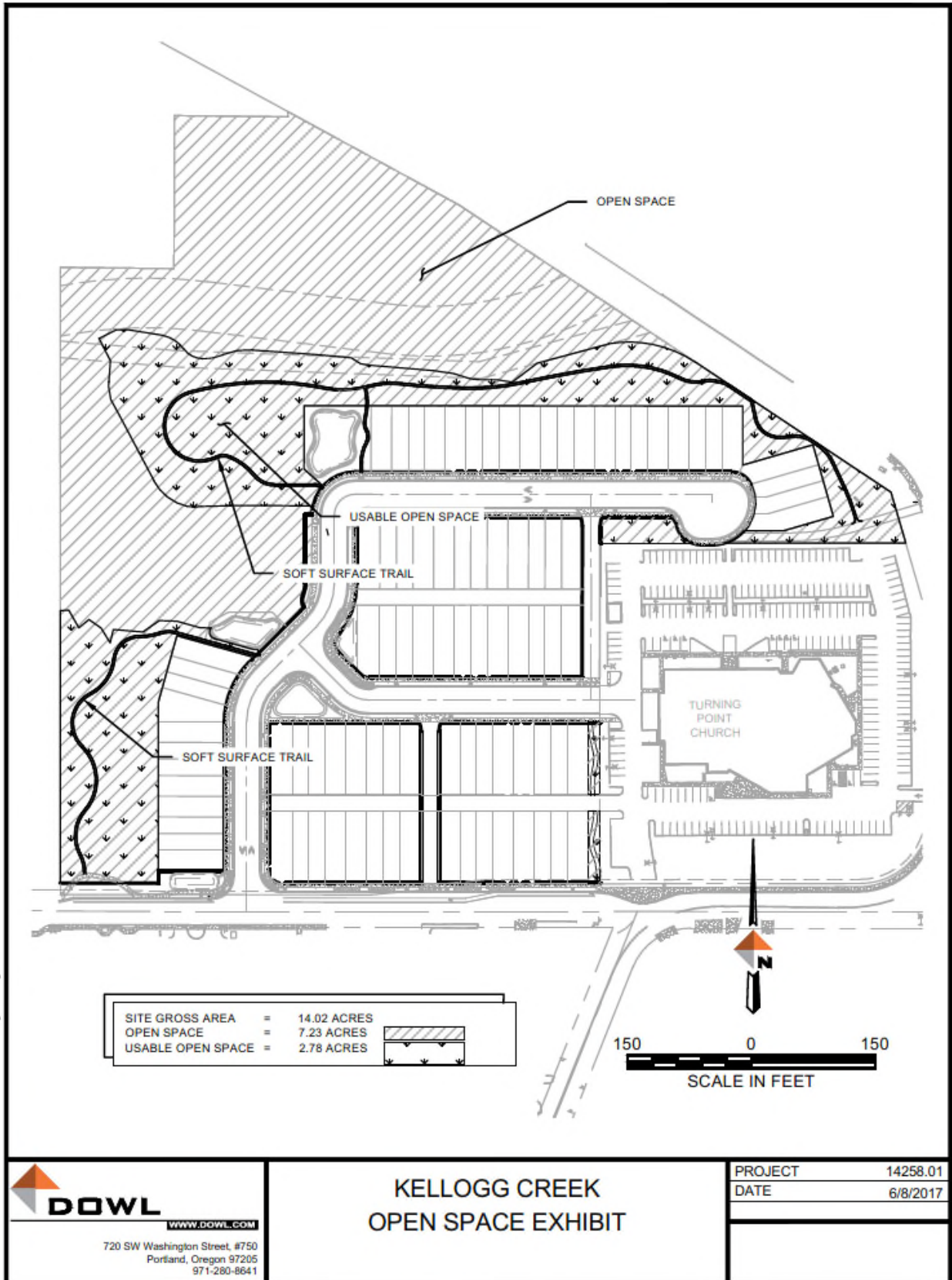
Response: The subject site is approximately 14 acres. One-third of the site is 4.67 acres, which is the amount required for open space per the standard above. One-half of the open space (2.34 acres) must be usable open space of the same general character as the area containing dwelling units.

As shown on Figure 6 below, the proposed development will have 7.23 acres of open space, which exceeds the one-third requirement. Approximately 2.78 acres of that open space will be available for recreational purposes via the proposed soft-surface trail system that travels through the site, which exceeds the one-half requirement. The trail system travels through the natural areas and connects to Kellogg Creek Drive in the southwest corner of the site and the bicycle/pedestrian pathway in the northeast corner of the site. Preservation of natural resources played a significant role in determining how this site was designed. It is appropriate and “in character” to leave those natural resources as intact as possible. The intent of the trail is to provide access to the open spaces that are being preserved on the site, while maintaining the overall integrity of the natural resources they

protect. Users who desire a more landscaped and programmed recreational area have convenient access to North Clackamas Park, which is directly adjacent to the site. Walking distance from the furthest point on the development site to North Clackamas Park is less than one-half mile, or about an eight minute walk.

In addition to the open space trail system, a community garden and play structure will be provided near the cul-de-sac at the northern end of the development.

Figure 6: Open Space Areas



DOWL
 WWW.DOWL.COM
 720 SW Washington Street, #750
 Portland, Oregon 97205
 971-280-8641

**KELLOGG CREEK
 OPEN SPACE EXHIBIT**

PROJECT	14258.01
DATE	6/8/2017

19.311.4 Subject to Design Review

Any development within a PD Zone shall be subject to the provisions of design review as outlined in a separate ordinance.

Response: The proposed rowhouse development is subject to design standards, which have been addressed in the concurrent application narrative for subdivision and other associated reviews.

Section 19.902 Amendments to Maps and Ordinances

19.902.6 Zoning Map Amendments

Changes to the Zoning Map of Milwaukie, Oregon, shall be called Zoning Map amendments.

B. Approval Criteria

Changes to the Zoning Map shall be evaluated against the following approval criteria. A quasi-judicial map amendment shall be approved if the following criteria are met. A legislative map amendment may be approved if the following criteria are met:

- 1. The proposed amendment is compatible with the surrounding area based on the following factors:*
 - a. Site location and character of the area.*
 - b. Predominant land use pattern and density of the area.*
 - c. Expected changes in the development pattern for the area.*

Response: The area surrounding the subject site has two predominate characteristics: parks/open space and low to moderately dense residential development. North Clackamas Park is located directly west of the site and consists of the Milwaukie Center building, ball fields, trails, and both passive and active recreational areas. The proposed development will preserve a significant area (about seven acres) of natural open spaces abutting the park, and will provide a soft-surface trail system throughout those open spaces. These preserved open space areas will be compatible with, and help maintain, the natural and open space character of the area. The large amount of open space preserved on the site will also help to buffer the impact of denser development.

The proposed project will also consist of 92 single family attached dwelling units (rowhouses) in a compact development pattern. While density on the site will be greater than density in the surrounding residential developments, it will not be out of character with surrounding residential development patterns. The proposed project will have full local streets, with landscaped strips and street trees, arranged in a grid-like pattern (with one cul-de-sac). The site is directly across Kellogg Creek Drive from the Deerfield Village Assisted Living center, which has characteristics similar to an apartment or multi-family development in terms of density and aesthetic.

As noted in the Johnson Economics memo in Exhibit K, "The location of the site provides excellent access and visibility from Highway 224, as well as access to the North Clackamas Park, Alder Creek Middle School, the Clackamas Aquatic Center, and employment concentrations along Highway 224 and I-205 corridors. While proximate to single family residential concentrations...the site is separated by topography and environmental corridors, limiting the impact on these properties from new development."

It's also important to note that a primary purpose of the PD Zone, which is the subject of this zone change request, is to encourage "the application of new techniques in land development...promote variety in the physical development pattern of the City, and...encourage a mix of housing types." Therefore, the PD Zone inherently and intentionally encourages unique development that is intended to adapt to the natural

characteristics of a site. This development proposal implements that intent while maintaining the two prevailing characteristics that define its surroundings: open space and residential development.

In terms of expected changes to the development pattern, the proposed development is consistent with the housing development trends that are anticipated to occur in Milwaukie over the next 20 years, as identified in the 2016 housing analysis. Those trends include the need for more dense and efficient development within the city limits, the desire for smaller homes in well-planned and safe communities, and the need for workforce housing.

2. *The need is demonstrated for uses allowed by the proposed amendment.*

Response: The proposed development will provide 92 single-family attached dwelling units (rowhouses) on individual lots. The need for this type of housing product has been identified in the housing needs analysis that was prepared for the City in 2016, and summarized previously.

3. *The availability is shown of suitable alternative areas with the same or similar zoning designation.*

Response: As noted in the 2016 Housing Needs Analysis prepared for the City, only 20 percent of the City's current land capacity is located on vacant parcels, with relatively few larger parcels available for "greenfield" development of single-family homes. The subject site has a particular combination of qualities that make it suitable for this development, including proximity to downtown, employment corridors, parks, schools and other services. The property is under single ownership and is available for purchase.

It's important to note that the PD Zone is a zone that is applied as an overlay at the request of an applicant who needs additional flexibility to develop a site. This criterion does not directly apply to a PD Zone request.

4. *The subject property and adjacent properties presently have adequate public transportation facilities, public utilities, and services to support the use(s) allowed by the proposed amendment, or such facilities, utilities, and services are proposed or required as a condition of approval for the proposed amendment.*

Response: The applicant has provided a traffic impact study, utility plans and a drainage report to demonstrate that adequate public services (transportation, water, sewer, stormwater) are available, or can be provided, to serve the use proposed by the requested amendment. Specifically:

- Water – The site is within the Clackamas River Water (CRW) district and will connect to an existing CRW water main located in SE Kellogg Creek Drive. The applicant will construct new water lines within the right-of-way of new public streets on the site to serve the proposed residential units. Proposed utilities are shown on the Composite Utility Plan (Sheet C400) in Exhibit A.
- Sewer – There is a Clackamas County wastewater main located along the western and northern property lines of the site and is available to serve the proposed development. The applicant will construct an 8-inch PVC sewer line within the right-of-way of new public streets on the site and will connect this line to the existing sewer main north of the site. Proposed utilities are shown on the Composite Utility Plan (Sheet C400) in Exhibit A.
- Stormwater – The applicant has submitted a preliminary stormwater report prepared by a qualified professional engineer as part of this application (see Exhibit E). The report explains how stormwater runoff will be managed on the site and demonstrates that post-development runoff will not exceed pre-development runoff. The report also demonstrates consistency with the City's water quality standards.
- Streets – The site will take access from SE Kellogg Creek Drive, which currently has 40 feet of right-of-way. The traffic impact study conducted for this project indicates that traffic volumes from the proposed development will not cause intersections in the study area to fall below acceptable levels of service.

Additional right-of-way will be dedicated along the site's frontage on Kellogg Creek Drive to accommodate half-street improvements, including a striped bike lane.

- Parks – The site is located adjacent to the North Clackamas Park, which is a 47-acre regional park with a variety of recreational amenities available to serve the proposed development. The site will also have approximately seven acres of additional open space and over two acres of usable open space (the trail system) available for the public and future residents of the development.

5. *The proposed amendment is consistent with the functional classification, capacity, and level of service of the transportation system. A transportation impact study may be required subject to the provisions of Chapter 19.700.*

Response: As demonstrated in the traffic impact study provided to the City, the proposed project is (or can be made to be) consistent with the functional classification, capacity and level of service of the surrounding transportation system.

6. *The proposed amendment is consistent with the goals and policies of the Comprehensive Plan, including the Land Use Map.*

Response: Responses to demonstrate that the proposed Planned Development is consistent with applicable Comprehensive Plan goals and policies are provided in Section III of this narrative.

7. *The proposed amendment is consistent with the Metro Urban Growth Management Functional Plan and relevant regional policies.*

Response: Relevant sections from the Urban Growth Management Functional Plan are addressed below.

Title 1 Housing Capacity. The proposed subdivision will provide housing in a compact urban form, which directly supports the intent of Metro's Housing Capacity requirements.

Title 3 Water Quality and Flood Management. The proposed development has been designed to preserve water quality resources and floodplain areas to the greatest extent feasible while still allowing development of the site. Consistent with Milwaukie's code, impacts to those areas will be mitigated and floodplain alterations will be done in accordance with local and federal requirements.

Title 7 Housing Choice. The proposed development will support Metro's Housing Choice policies by providing a needed housing type in Milwaukie that will be affordable to workers with moderate incomes.

Title 13 Nature in Neighborhoods. The proposed development supports these Metro policies by providing a large area of natural open space on the site that is contiguous to North Clackamas Park and protects the streamside vegetated corridor along Mount Scott Creek. The development will also comply with Milwaukie's Natural Resources code (Chapter 19.402), which protects habitat conservation and water quality resource areas on the site.

8. *The proposed amendment is consistent with relevant State statutes and administrative rules, including the Statewide Planning Goals and Transportation Planning Rule.*

Response: There are a number of directly relevant Statewide Planning Goals, which are briefly addressed below.

Goal 2 Citizen Involvement. Prior to submittal of the land use applications for this project, the applicant held a neighborhood meeting to discuss the proposal with surrounding neighbors. As noted previously in this narrative, changes to the overall development plan were made based on input during that meeting. Meeting materials are provided in Exhibit H. In addition, the review process for this application will include at least one hearing before the Planning Commission and one hearing before the City Council. Those hearings are open to the public and public notice will be provided consistent with the City's procedural code. Neighbors will have additional opportunity at those hearings to provide comment to the City prior to decisions.

Goal 5 Natural Resources. As noted previously, there are significant amounts of natural resources on the subject site, including wetlands, habitat conservation area, and mature trees. Impacts to those areas resulting from the proposed development have been minimized and over half the site will remain as natural open space. Impacts necessary to accommodate development on the site have been identified, and all applicable local, state and federal regulations have been addressed. Those regulations include the City’s Title 19 natural resources provisions, and joint DSL/USACE wetlands permitting.

Goal 7 Areas Subject to Natural Hazards. A significant amount of floodplain exists on the site and alteration of the floodplain will be necessary to accommodate the proposed development. Impacts to the floodplain have been identified and all applicable local floodplain regulations in the City’s Title 18 have been addressed. Federal requirements governing floodplain fill and management are being addressed in parallel to the local permitting effort.

Goal 12 Transportation and Transportation Planning Rule. As noted in the traffic impact study provided to the City, the proposed zoning map amendment “will not require changes to the functional classification of existing or planned transportation facilities, will not require a change to the standards implementing the comprehensive plan, and will not significantly affect a transportation facility. Accordingly, the proposed zoning map amendment does not result in a significant effect on the transportation system, and no further review of mitigation for Transportation Planning Rule purposes is necessary.”

Section 19.911 Variances

19.911.3 Review Process

C. Type III Variances

Type III variances allow for larger or more complex variations to standards that require additional discretion and warrant a public hearing consistent with the Type III review process. Any variance request that is not specifically listed as a Type II variance per Subsection 19.911.3.B shall be evaluated through a Type III review per Section 19.1006.

Response: The applicant is requesting two variances:

- A variance is requested to MMC 19.708.1.E.5 which states that “Closed-end street systems may serve no more than 20 dwellings.” Because the proposed subdivision has one access point on Kellogg Creek Drive, it is considered a closed-end street system and serves 92 dwellings, which exceeds the 20 dwelling maximum per this standard. This type of variance request is not specifically listed as a Type II variance; therefore a Type III variance is required.
- A variance is requested to the natural resource standards in MMC 19.402 pertaining to applications for subdivisions. Specifically, MMC 19.402.13.I.2.a states that, “All proposed lots shall have adequate buildable area outside of the WQR and HCA.” As indicated in the Natural Resources Report in Exhibit J (see Figure 5) approximately 25 of the proposed 92 lots do not meet this standard. Those lots are lots 41-44, 68, and 69-86. This type of variance request is not specifically listed as a Type II variance; therefore a Type III variance is required.

19.911.4 Approval Criteria

B. Type III Variances

An application for a Type III variance shall be approved when all of the criteria in either Subsection 19.911.4.B.1 or 2 have been met. An applicant may choose which set of criteria to meet based upon the nature of the variance request, the nature of the development proposal, and the existing site conditions.

1. Discretionary Relief Criteria

- a. The applicant's alternatives analysis provides, at a minimum, an analysis of the impacts and benefits of the variance proposal as compared to the baseline code requirements.*

Response:

Closed-end street system variance. This variance will allow preservation of the stand of mature Oregon white oak trees located in the southwest corner of the site. The originally submitted site plan for this project had two access points on Kellogg Creek Drive. However, that plan resulted in removal of approximately half of the existing white oaks. Based on extensive feedback from the City and community members, preservation of all the white oaks should be considered a top priority. For that reason, the lots that abut the white oak stand were shifted about 40 feet to the east in order to avoid impacts to the trees. To maintain the 92-lot count, the street system was redesigned with one access point on Kellogg Creek Drive to accommodate that 40-foot shift. The proposed site plan allows protection of the Oregon white oaks while maintaining the same number of lots. The proposed street system also maintains safe and convenient circulation for future residents of the subdivision. Emergency fire access is provided throughout the site. The Clackamas Fire District has reviewed this site plan and provided comments indicating that it will meet their fire access standards.

Adequate buildable area variance. As noted above, the requested variance impacts 25 of the 92 lots in the proposed Planned Development subdivision. Without the variance, those 25 lots could not be retained and the resulting Planned Development would be reduced to approximately 67 lots. That represents a significant reduction in the number of proposed lots, which would have a number of impacts:

- As proposed, the project proposes 92 lots, which represents an approximately 12 percent increase in the allowed maximum density for the site. The Planned Development provisions in MMC 19.311 allow a density bonus up to 20 percent if the project can demonstrate that it is “outstanding in planned land use and design” and provides amenities that would not otherwise be provided. This project proposes a number of design features and amenities that were included specifically to justify the proposed density increase. However, if the number of lots is reduced, the density bonus is no longer applicable and those amenities would no longer be necessary. In other words, without the proposed variance, project amenities such as the open space trail, additional landscaping, and community garden/play structure would not be provided.
- Although the proposed variance will result in impacts to areas of mapped natural resources on the site, those impacts will be minimized and mitigated. The result of the mitigation and enhancement activities will be an overall improvement in the quality of natural resource areas on the site. This is described in more detail in the responses below.
- As discussed in more detail below, the proposed variance will allow the project to provide 92 units of a needed housing type (attached single-family residential) for the City. Without the variance, the ability of the project to provide this type of housing (attached ownership units) at the identified price point (low to mid \$300,000 range) will be constrained.

The table below summarizes the impacts and benefits of the proposed project under baseline code requirements (i.e., without the variance) versus the proposed project with the requested variance.

Issue	Project without Variance	Project with Variance
Impacts natural resource areas	Minimal impacts to natural resources	HCA impacts: 0.95 acres WQR impacts: 0.80 acres
Improves and restores natural resource areas	No	Yes
Meets Minimum Density	No	Yes
Provides Community Amenities	No	Yes
Provides Needed Housing	Unlikely to provide needed attached single family housing type	Provides 92 attached single family units - providing a housing type that is identified as needed in the City's HNA

b. The proposed variance is determined by the Planning Commission to be both reasonable and appropriate, and it meets one or more of the following criteria:

(1) The proposed variance avoids or minimizes impacts to surrounding properties.

Response:

Neither variance request will have impacts to surrounding properties. The requested variances are internal to the subdivision site and will not change how the development interacts with, or impacts, surrounding uses. The Traffic Impact Study provided in Exhibit G demonstrates that traffic impacts from the proposed subdivision, with the requested variances, will not negatively impact functionality or safety of the public street system.

(2) The proposed variance has desirable public benefits.

Response:

Closed-end street system variance. The proposed variance will ensure that impacts to the stand of mature Oregon white oak trees can be avoided.

Adequate buildable area variance. The proposed variance will provide a number of public benefits that would otherwise not be provided.

- As noted above, the variance will allow the proposed Planned Development to achieve 92 lots, which utilizes the density bonus allowed by the Planned Development provisions. In response to the density bonus, the project includes public amenities (open space trail, community garden and additional landscaping). Without the variance, those public amenities would not be provided.
- This project specifically responds to the need for additional single family attached housing in Milwaukie. A recent housing needs analysis³ was prepared for the City to forecast housing needs over the next 20 years. That analysis identifies a need for over 1,000 new housing units. The majority (71 percent) of that housing is projected to be ownership housing, over half of which is projected to be an attached housing type. The proposed variance will allow the project to provide 92 units of attached housing for ownership, thereby supporting the City's goal to provide more of this type of needed housing. Without the variance, it is likely that the project would shift to a different housing type with larger lots and at a higher price point that would not provide the attached housing type needed in the City.

A memo prepared by Johnson Economics states the following (emphasis added):

³ Housing and Residential Land Needs Assessment, prepared by Johnson Economics, August 2016.

*“The proposed development is consistent with the observed trends in the residential market, and is expected to deliver a product that is consistent with identified market demand. **The subject site is particularly well suited for this type of development**, with proximate parks and open space to complement the limited yard space provided in a townhome configuration. We would expect the project to **appeal to a cost-sensitive starter family market**, which will value the local amenity mix as well as proximity to employment and commercial services.*

*The development is requesting a Planned Development approval, which would allow for flexibility to deal with the site and natural resources. The site is split zoned, with portions zoned either R-10 or R-3. The R-10 zoning has a minimum lot size of 10,000 square feet, and would yield few units. Even under a duplex scenario, the zoning would require 14,000 square feet per duplex. The R-3 zoning allows for 3,000 square foot lots sizes, but with the level of natural resource on the site, a development would not be able to meet minimum density. **As zoned, any development on the site would necessarily be at a price point that would not be responsive to the local demand.***

*The proposed townhome development would allow for family-oriented units at a price point that meets identified demand, and can provide workforce housing. **It would help realize and expand the City’s housing capacity, increasing housing options for local residents as well as locally-employed households.”***

Without the requested variance to allow 92 lots, the project would not be able to deliver housing at a price point desired by the community and needed in the region.

(3) The proposed variance responds to the existing built or natural environment in a creative and sensitive manner.

Response:

Closed-end street system variance. This variance responds to the natural environment by allowing protection of the stand of mature Oregon white oaks located in the southwest corner of the site. As noted previously, the originally submitted site plan for this project had two access points on Kellogg Creek Drive. However, that plan resulted in removal of approximately half of the existing white oaks. Based on extensive feedback from the City and community members, preservation of all the white oaks should be considered a top priority. For that reason, the lots that abut the white oak stand were shifted about 40 feet to the east in order to avoid impacts to the trees. To maintain the 92-lot count, the street system was redesigned with one access point on Kellogg Creek Drive to accommodate that 40-foot shift. The proposed site plan allows protection of the Oregon white oaks while maintaining the same number of lots.

Adequate buildable area variance. The Planned Development site has a large amount of mapped natural resources that significantly limits the developable area. The proposed variance responds to this condition by ensuring that development encroachment areas are limited to areas that provide low habitat/water quality function and value. Mitigation proposed to compensate for encroachment into the mapped areas will result in an overall improvement in the quality and value of natural resource areas on the site.

Although impacts to natural resources will occur, those impacts have been identified and documented in the Natural Resource Report (Exhibit J). The report identifies areas of water quality resource (WQR) on the site and rates their quality according to definitions provided in MMC Chapter 19.402. The following summary describes those WQR areas:

- WQR area south of Mt. Scott Creek is Class A, or “good” quality. That area **is not** being impacted by the proposed variance.

- WQR area west of Wetland A is Class A, or “good” quality. That area **is not** being impacted by the proposed variance.
- WQR areas east and south of Wetland A are Class C, or “poor” quality. Those are the areas that will be impacted by the proposed variance.

In addition, the habitat conservation area (HCA) located at the northern edge of the proposed subdivision (impacted by lots 69-86) is not good quality wildlife habitat. This area is primarily composed of non-native, weedy plant species and lacks vegetation structure and diversity. As such, it provides less wildlife habitat than those areas that are forested and have a more diverse understory. The Natural Resources Report states the following:

“The development has been designed taking into consideration the City’s building, design, and development requirements, while avoiding and minimizing resource impacts to the greatest extent practicable, and still allowing the project to be financially feasible. As such development in the WQR and HCA has been limited to the outer portions of each, in areas that are of lowest quality.”

The proposed variance responds to the natural environment by limiting impacts to primarily those natural resource areas that have been identified as low or poor quality. Mitigation and enhancement activities on the site (discussed more in the response below) will ensure that the overall quality of natural resource areas will be improved.

c. Impacts from the proposed variance will be mitigated to the extent practicable.

Response:

Closed-end street system variance. Possible impacts from the proposed variance include emergency access concerns. The street system has been designed consistent with comments provided by the Clackamas Fire District in their review of the revised site plan. The district made several recommendations related to fire access; all of those recommendations have been implemented on the site.

Adequate buildable area variance. As proposed, the subdivision will impact 0.95 acres of habitat conservation area and 0.80 acres of water quality resource. The Natural Resource Report provided in Exhibit J describes in detail how the natural resource impacts from the proposed variance will be minimized and mitigated. Those measures include:

- A construction management plan that describes how erosion and sediment control measures will protect natural resource areas during construction activities.
- A tree protection plan that describes how trees will be protected during construction.
- Natural resource areas that will be temporarily disturbed during construction will be restored and improved through removal of invasive plant species and replanting with native species suitable to the site that will enhance habitat value.
- Natural resource areas that will be permanently disturbed will be mitigated on the site consistent with requirements in MMC Chapter 19.402 and with federal requirements for mitigation of wetland impacts (through the joint DSL and COE permit process). Mitigation areas are shown on Figure 9 and will include:
 - Inventory and removal of man-made debris and noxious materials that are located on the site, as identified in the Geo-Technical Report in Exhibit F.
 - Removal of non-native, invasive plant species from the riparian corridor along Mt. Scott Creek.

- Installation of tree and shrubs within the remaining natural resource areas and floodplain storage area to restore a diverse, native plant community.
- Bare or open soil areas will be seeded to 100 percent surface coverage with native grasses and other groundcover species.
- Woody material will be placed in the mitigation and restoration areas after construction to maximize survival of the plantings.
- Monitoring of the mitigation and restoration areas will occur in the two years following construction. Annual monitoring reports will be submitted to the City consistent with requirements in MMC 19.402.

In addition to required mitigation, the project will provide further enhancement to two areas on the site. Those areas are shown as Additional Enhancement Areas A and B on the revised Figure 9 from the Natural Resources Report. Enhancement Area A is approximately 0.34 acres and is located north of Mt. Scott Creek. Enhancement Area B is approximately 0.12 acres and is located south of Mt. Scott Creek and Highway 224 in the eastern corner of the site. Both of those areas will be enhanced through the removal of man-made debris, removal of invasive plant species and planting with native trees, shrubs and seed mix. Those plantings will improve the native plant community, vegetation structure and diversity – all of which will improve the overall quality of wildlife habitat on the site. The planting lists for the mitigation area and the two additional enhancement areas are shown on Figure 9A of the Natural Resources Report.

As a result of mitigation and enhancement activities on the site, the Natural Resource Report describes the overall impacts of the project as follows:

“The proposed project is not anticipated to have any adverse impacts to water quality. The use of erosion and sediment controls during construction will prevent sediment-related impacts to water quality. The proposed project is not anticipated to result in additional nutrient inputs to the stream, and the restoration of the floodplain on the south side of Mt. Scott Creek will increase shade on the stream as the riparian plantings mature, helping to reduce water temperatures in the stream.”

The report further states that (emphasis added),

“Implementation of the proposed mitigation will ensure the proposed project minimizes adverse effects to the ecological functions of the WQR and loss of habitat, as follows:

- *The minimization of areal impacts as well as the proposed plantings to restore native plant communities on the south side of Mt. Scott Creek, along the northeast and south sides of Wetland A, and within the floodplain storage area will ensure that the WQR continues to provide vegetated corridors that separate protected water features from development.*
- *As the proposed tree and shrub plantings south of Mt. Scott Creek, around Wetland A, and within the floodplain storage area mature, they will increasingly provide microclimate regulation and shade for the stream and wetland, and **provide better microclimate regulation and shade as compared to the existing plant communities.***
- *As the proposed tree and shrub plantings south of Mt. Scott Creek, around Wetland A, and the floodplain storage area mature, they **will provide more effective streamflow moderation during high flow events than the herbaceous plant community, predominantly composed of reed canarygrass, that is present under existing conditions.***
- *The diverse plant community within the WQR, HCA and floodplain storage area will continue to provide water filtration, infiltration, and natural purification functions. The proposed project will not adversely affect these functions.*

- *The proposed restoration plantings and the resulting diverse plant community within the WQR, HCA and floodplain storage area will continue to provide bank stabilization and sediment and pollution control functions. The proposed project will not adversely affect these functions.*
- *Trees will remain within the vegetated corridor following construction, and therefore, the WQR will continue to provide the potential for large wood recruitment and retention functions. No impacts are proposed for the creek, and therefore, there will be no adverse impact on channel dynamics.*
- *Because the WQR will continue to be vegetated with a diverse plant community, the proposed project will not adversely affect the resource's ability to provide organic inputs to the stream and riparian area."*

III. COMPLIANCE WITH CITY OF MILWAUKIE COMPREHENSIVE PLAN

This section contains responses to applicable Comprehensive Plan goals and policies. Where specific policy language was not particularly relevant to this application, the overall goal statement is addressed instead.

Chapter 1 Citizen Involvement

GOAL STATEMENT: To encourage and provide opportunities for citizens to participate in all phases of the planning process, to keep citizens informed and to open lines of communication for the sharing of questions, problems and suggestions regarding the Comprehensive Plan and land use regulations

Response: Consistent with Citizen Involvement goals, the applicant held a neighborhood meeting on November 3, 2016 to discuss the proposed project with surrounding property owners and the Lake Road Neighborhood District Association (NDA). A letter of invitation to the meeting was mailed to all property owners within a 500-foot radius of the site. The Chair of the Lake Road NDA was also contacted (via email and telephone) to inform the NDA of the meeting and invite them to attend. The meeting was held at the Turning Point Church, which is directly adjacent to the project site. Approximately 30 people attended the meeting. See Exhibit H for meeting materials.

During the meeting, the consultant team presented an overview of the proposed site plan and explained the review process that will be required in order to approve the project. The consultant team included the project civil engineers, traffic engineer, biologist and land use planner. The applicant and property owner (Turning Point Church) were also present at the meeting. Neighbors expressed some concerns during the meeting as noted below.

- Neighbors were concerned that proposed development on the site could exacerbate existing flooding issues that occur in the area. Subsequently, the site plan was revised to significantly reduce impacts to the floodplain area. In addition, the applicant will comply with all Milwaukie Title 18 floodplain alteration provisions and applicable FEMA flood map revision requirements. Those provisions and processes are in place to ensure floodplain alterations do not negatively impact surrounding development.
- Neighbors were concerned that traffic resulting from the development will add congestion, delays and safety issues on surrounding streets and intersections. The applicant has submitted a traffic impact study to the City, which has been reviewed and discussed during the required TIS pre-application meeting. The traffic study identifies anticipated impacts from the proposed development and mitigating improvements that will be constructed as part of the development. Per the study, intersections within the study area are expected to continue to operate at acceptable levels after the proposed development is complete.
- Neighbors were concerned that there are too many lots proposed on the site. Subsequently, the development plan was revised and the total number of lots was reduced from 99 to 92. Compatibility with the surrounding neighborhood has been discussed previously in this narrative and must be balanced with other interests such as protection of natural resources and the need for more housing in Milwaukie.

In addition to the neighborhood meeting, citizens will be notified by the City when the applications are submitted and deemed complete for review. They will have an opportunity to provide written comment on the application during the public comment period prior to the public hearings. Citizens will also have the ability to provide written or oral testimony during the public hearings before the Planning Commission and City Council. The City provides such notice to all property owners within a 300-foot radius of the project site, consistent with City procedural code.

Chapter 2 Plan Review & Amendment Process

GOAL STATEMENT: Establish a Plan review and amendment process as a basis for land use decisions, provide for participation by citizens and affected governmental units, and ensure a factual base for decisions and actions.

Response: Policies under Chapter 2, Objective #2 require that zone changes and other planning actions be consistent with the intent of the Comprehensive Plan. This application supports those policies by providing these findings to demonstrate conformance with applicable Comprehensive Plan goals and policies. As noted in the response to Chapter 1 above, opportunities for participation by citizens and affected governmental units has been, or will be, provided through the neighborhood meeting and the City's public notice and hearings processes.

Chapter 3 Environmental & Natural Resources

NATURAL HAZARDS ELEMENT

Floodplain Policies

1. *New construction and development will be regulated so that water flow will not be increased. The capacity of the floodplain shall not be reduced by development activities.*

Response: The capacity of the floodplain will not be reduced by the proposed development activities. Balanced cut and fill of the floodplain will be conducted on the site to accommodate the proposed development. Milwaukie's Title 18 floodplain alteration provisions will be met and the applicant has provided this information to the City. In addition, FEMA flood map revision requirements will also be addressed through a separate process.

2. *Construction materials which may be inundated will be of such strength and quality that they will not deteriorate, and they must be able to withstand the pressure and velocity of flowing water.*

Response: Areas of residential construction will be filled to ensure that the surface of residential foundations is at least one foot above the base flood elevation. Therefore, no residential construction areas will fall within the inundation area of a 100-year flood event.

3. *The finished elevations of the lowest floor of buildings and streets will be a minimum of 1.0 foot above the 100 year flood elevation.*

Response: Finished elevations of the lowest floor of buildings and streets will be at least one foot above the 100-year flood elevation.

4. *Whenever possible, the floodplain will be retained as open space and used for recreation, wildlife areas, or trails. Dedication of lands or public easements within the floodplain is encouraged when indicated by the Recreational Needs Element, and may be required as a condition of development along creeks and rivers or other water bodies or wetlands.*

Response: Floodplain on the site will be largely left as natural open space and will be accessible to residents for recreational purposes via a soft-surface trail system, as described and shown previously in this narrative.

OPEN SPACES, SCENIC AREAS, AND NATURAL RESOURCES ELEMENT

Natural Resource Policies

1. *Protect designated natural resources and their associated values through preservation, intergovernmental coordination, conservation, mitigation, and acquisition of resources.*

Response: The natural resources on the site (habitat conservation area and wetlands) will be protected to the greatest extent possible while allowing the applicant to provide efficient and compact residential development.

All impacts to protected areas will be done in accordance with applicable local and federal regulations, including MMC Chapter 19.402 for Natural Resources and the joint DSL/USACE wetlands permitting process. Impacts will be mitigated as required through those processes.

2. *Provide protection to important wetland and water body areas through designation of riparian area buffers between natural resources and other urban development activities. Restrict non-water dependent development within the riparian buffer area.*

Response: Chapter 19.402 of the Milwaukie code establishes vegetated corridor width requirements for protected water features, including those found on the subject site, and restricts activity within those corridors. As part of a separate and concurrent application package, the applicant has submitted a Natural Resources review application to demonstrate consistency with Chapter 19.402 regarding habitat conservation area and water quality resources. A Natural Resource Review report is provided in Exhibit J.

3. *Maintain and improve water quality of wetlands and water bodies by regulating the placement and design of stormwater drainage facilities.*

Response: Placement and design of stormwater facilities has been provided to the City in the Drainage Report in Exhibit E and the plans in Exhibit A. Those facilities have been designed consistent with City standards and requirements.

4. *Protect existing upland areas and values related to wildlife habitat, groundwater recharge, and erosion control.*

- *Encourage the development of open spaces and increased vegetation for wildlife habitats.*
- *Protect steep slopes from erosion through the use of vegetation.*
- *Provide protection between the resource and other urban development.*

Response: Chapter 19.402 of the Milwaukie code establishes regulations and requirements for habitat conservation areas, including those found on the subject site. As part of a separate and concurrent application package, the applicant has submitted a Natural Resources review application to demonstrate consistency with Chapter 19.402 regarding habitat conservation area and water quality resources.

Chapter 4 Land Use

RESIDENTIAL LAND USE AND HOUSING ELEMENT

Buildable Land Policies

1. *Policies and standards found in the Historic Resources, Natural Hazard and Open Spaces, Scenic Areas, and Natural Resources Elements of the Environmental and Natural Resources Chapter apply, where applicable, throughout the City. Through its regular zoning, building and safety enforcement process, the City will implement those policies in Special Policies Classification areas and direct urban development toward more suitable areas through density transfer.*

Response: The proposed development supports this policy by transferring available density from the portion of the site with natural resources to the portion of the site more suitable for development.

2. *Prior to the approval of any building permit or other development approval, the developer of any vacant land within special policies classification areas must submit a report indicating how the applicable policies in the Environmental and Natural Resources Chapter are to be met. The report will describe the proposed type of site preparation and building techniques, how these techniques meet the applicable policies, and the mitigative measures, if any, proposed to lessen impacts during construction.*

Response: Applicable policies from the Environmental and Natural Resources chapter of the Comprehensive Plan are provided in the above section of this narrative.

Residential Land Use Design Policies

2. *In all Planned Unit Developments, a density bonus up twenty percent (20%) over the allowable density may be granted in exchange for exceptional design quality or special project amenities.*

Response: As noted previously, and reiterated here, the maximum number of units that would be allowed on the site per the underlying zoning is 82 units. The proposed development has 92 units. This represents an approximately 12 percent increase in density, which is less than the 20 percent maximum increase afforded by the PD Zone. There are a number of unique and “outstanding” amenities provided with this proposed development that meet the intent of this standard:

- Just over half of the 14-acre site will be preserved as open space to minimize impacts to important natural resources, including habitat conservation area, floodplain, mature trees and wetlands. Residents of the development and the public will have access to these natural open spaces via a soft-surface trail system that will travel throughout the site. The trail will connect to a paved pedestrian/bicycle path at the northeast corner of the site near the intersection of Rusk Road and Highway 224.
- The site has been designed to avoid impacts to the large stand of mature Oregon white oak trees located in the southwest corner of the site. These trees have been identified extremely valuable and their protection is a high priority for the City and community members. Lots have been shifted as far east as possible to allow the oaks to remain on the site. In addition, the required half-street improvement along Kellogg Creek Drive has been altered (in collaboration with City Engineering staff) to avoid any tree removal associated with frontage improvements. As a result, all Oregon white oaks on the site will remain and be protected. The project arborist, Morgan Holen & Associates, LLC, has provided a supplemental memo dated June 11, 2017 that identifies specific tree protection measures that can be taken during construction to avoid damage to the white oaks.
- The site has been designed to create a sense of permeability between the natural open spaces and the developed portion of the site. In the southwest portion of the development, 12 homes will have yards that back up to the stand of large Oregon white oak trees. The backyards of those lots will have low (4-foot height) fencing made of black cyclone material to provide visibility and a sense of openness to the natural area while providing privacy and security for individual home owners. In addition, Street A has been designed to travel along the large protected wetland to provide visual access into the natural area in the northwest portion of the site. There are no homes located along the western edge of Street A through that area, which allows views into the natural area from the developed part of the site.
- The larger water quality facilities have been designed and located in order to provide views into the open space areas beyond them. The water quality facilities will be planted with low-lying grasses and will not be fenced, so they will provide a sense of openness for the nearby homes, as well as vehicles and pedestrians traveling through the site.
- A community garden will be provided on the site in Tract D for use by residents of the development (see Figure 4). That garden (approximately 3,100 square feet) will include raised planter beds, gravel pathways and a water source. The garden will be fenced and gated for security and will be managed by the future homeowners association.
- A play structure will also be provided adjacent to the community garden in Tract D for use by the residents of the development and church visitors. This structure will replace the existing church play structure that will be removed as part of this project.

- Additional trees will be planted where the site abuts Highway 224 in the northeastern corner to provide some additional screening for those lots that are located closest to that property line.
- The proposed development will provide 92 units of attached single-family housing. Those rowhouse units will be available for ownership at a price point that is affordable for working people with moderate incomes (referred to as workforce housing). The need for this type of housing at this price point was well-established in the housing needs analysis prepared for the City at the end of 2016. This was further clarified in a memo prepared by Johnson Economics⁴ on behalf of the applicant. That memo states (emphasis added):

*“The proposed development is consistent with the observed trends in the residential market, and is expected to deliver a product that is consistent with identified market demand. **The subject site is particularly well suited for this type of development**, with proximate parks and open space to complement the limited yard space provided in a townhome configuration. We would expect the project to have **appeal to a cost-sensitive starter family market**, which will value the local amenity mix as well as proximity to employment and commercial services.*

*The development is requesting a Planned Development approval, which would allow for flexibility to deal with the site and natural resources. The site is split zoned, with portions zoned either R-10 or R-3. The R-10 zoning has a minimum lot size of 10,000 square feet, and would yield few units. Even under a duplex scenario, the zoning would require 14,000 square feet per duplex. The R-3 zoning allows for 3,000 square foot lots sizes, but with the level of natural resource on the site, a development would not be able to meet minimum density. **As zoned, any development on the site would necessarily be at a price point that would not be responsive to the local demand.***

*The proposed townhome development would allow for family-oriented units at a price point that meets identified demand, and can provide workforce housing. **It would help realize and expand the City’s housing capacity, increasing housing options for local residents as well as locally-employed households.”***

See Exhibit K for the full memo. It’s important to note the language about price point above because it directly relates to the density increase. Without the proposed 12 percent density increase to 92 lots, this project would not be economically feasible and would not be able to deliver housing at the needed price point. Simply stated, fewer lots means a higher price point.

- The proposed development will be compact, with small individual lots on a connected street system in close proximity to a large public park with convenient access to a major arterial (Highway 224). The development is located less than 2.5 miles from downtown Milwaukie. This type of development is consistent with the housing trends that are anticipated to occur in Milwaukie over the next 20 years, as identified in the 2016 housing analysis. Those trends include the need for more dense and efficient development within the city limits, migration to urban areas, the desire for smaller homes in well-planned and safe communities, and the need for workforce housing.

3. *All Planned Unit Developments will have area devoted to open space and/or outdoor recreational areas. At least half of the open space and/or recreational areas will be of the same general character as the area containing dwelling units. Open space and/or recreational areas do not include public or private streets.*

Response: As demonstrated previously in this narrative, the proposed PD development will provide at least one-third of the site as open space and at least half of that open space will be usable and of the same general character as the area containing dwellings.

⁴ Johnson Economics also prepared the 2016 Housing Needs Analysis for the City of Milwaukie.

4. *All projects in Medium Density and High Density areas will have area devoted to open space and/or outdoor recreational areas. At least half of the open space and/or recreational areas will be of the same general character as the area containing dwelling units. Open space and/or recreational areas do not include public or private streets and parking areas, but may include private yards.*

Response: As demonstrated previously in this narrative, the proposed PD development will provide at least one-third of the site as open space and at least half of that open space will be usable for recreation (walking paths) and of the same general character as the area containing dwellings.

5. *In all cases, existing tree coverage will be preserved whenever possible, and areas of trees and shrubs will remain connected particularly along natural drainage courses.*

Response: As shown on the Tree Protection and Removal Plan (Sheet C101) in Exhibit A, the majority of existing trees on the site will be preserved, particularly the stand of Oregon white oak trees at the western edge of the site. The Arborist Report in Exhibit I notes that of the existing 221 trees identified on the site, 36 trees (17 percent of the total) will be removed to accommodate development. Of those 36 trees, approximately a third of them were identified as being in poor condition. Trees located along Mt Scott Creek at the northern end of the site will be preserved and protected during development.

6. *Specified trees will be protected during construction, in accordance with conditions attached to building permits.*

Response: Trees to remain on the site will be protected in accordance with recommendations in the Arborist Report (Exhibit I) and any conditions attached to building permits.

7. *Sites within open space, natural hazard or natural resource areas will be protected according to specifications in the Natural Hazard and Natural Resources Elements.*

Response: As demonstrated in the responses above, the proposed development will protect natural resources according to applicable policies and Chapter 19.402 of the Milwaukie code.

Housing Choice Policies

2. *The City will encourage the development of larger subdivisions and PUDs that use innovative development techniques for the purpose of reducing housing costs as well as creating an attractive living environment. Such techniques to reduce costs may include providing a variety of housing size, type, and amenities. The City may provide density bonuses, additional building height allowances, or other such incentives for the provision of affordable housing in residential development projects. Overall project density may not exceed the allowable density plus ten (10) percent, which may be added to the Planned Unit Development bonus.*

Response: The proposed zone change supports this policy by facilitating development of a Planned Development that will provide a housing type that is not commonly found in Milwaukie. Per the housing needs analysis prepared for the City in 2016, single-family attached housing accounts for only 1.6 percent of total housing units in Milwaukie. This proposed development will help the City achieve a greater variety of housing type and a greater number of units that will be affordable to workers with moderate incomes (workforce housing). The proposed development will create an attractive living environment that includes unified building design, large amounts of open space with recreational opportunities, and fully improved streets with landscape strips and street trees.

RECREATIONAL NEEDS ELEMENT

Private Recreation Policies

3. *New residential projects not corresponding to areas of deficient park land as identified in the Parks and Recreation Master Plan will ensure adequate space and/or facilities are provided to meet the recreational needs of residents of the project, especially children. New projects may also be subject to a systems development charge for park and recreation improvements. Standards for private playlots will be established in the Parks and Recreation Master Plan. If playlots are required by the Planning Commission, the allowable density on the remaining lands may be increased, so that overall parcel density remains the same.*

Response: The site is located directly adjacent to the North Clackamas Park, which is a 47-acre park that provides a wide variety of park amenities. In addition, the proposed development provides a large area of open space (approximately 7 acres) that will be accessible to the public and residents of the development via a soft-surface trail system that travels throughout the site.

Chapter 5 Transportation, Public Facilities and Energy Conservation

TRANSPORTATION ELEMENT

Response: The transportation element of the Comprehensive Plan is the City’s Transportation System Plan (TSP). Consistency with the City’s TSP is established in the traffic impact study provided to the City. That study concluded that the proposed zoning map amendment will not result in significant impacts to the surrounding transportation system.

PUBLIC FACILITIES AND SERVICES ELEMENT

Response: Generally, the policies contained in this section are intended to ensure orderly and efficient arrangement of public facilities and services to serve new development. As demonstrated in the Composite Utility Plan (Sheet C400) in Exhibit A and the Drainage Report in Exhibit E, public utilities are available and adequate to serve the site. The proposed development will extend those public utilities to serve new homes constructed on the site. Stormwater management will occur on the site, consistent with City regulations. Specifically:

- **Water** – The site is within the Clackamas River Water (CRW) district and will connect to an existing CRW water main located in SE Kellogg Creek Drive. The applicant will construct new water lines within the right-of-way of new public streets on the site to serve the proposed residential units. Proposed utilities are shown on the Composite Utility Plan (Sheet C400) in Exhibit A.
- **Sewer** – There is a Clackamas County wastewater main located along the western and northern property lines of the site and is available to serve the proposed development. The applicant will construct an 8-inch PVC sewer line within the right-of-way of new public streets on the site and will connect this line to the existing sewer main north of the site. Proposed utilities are shown on the Composite Utility Plan (Sheet C400) in Exhibit A.
- **Stormwater** – The applicant has submitted a preliminary stormwater report prepared by a qualified professional engineer as part of this application (see Exhibit E). The report explains how stormwater runoff will be managed on the site and demonstrates that post-development runoff will not exceed pre-development runoff. The report also demonstrates consistency with the City’s water quality standards.

ENERGY CONSERVATION ELEMENT

Response: The policies in this section encourage energy efficiency through the use of land use patterns and transportation systems. This proposal supports these policies by providing a dense residential community in close proximity to a large employment corridors located directly across Highway 224 and along I-205.

IV. CONCLUSIONS

As established in the discussion and responses provided in this narrative, the proposed Planned Development and associated zone change and variances are consistent with City standards and criteria. Approval of this application will facilitate development of a project that will preserve and protect natural resources, contribute to the overall variety of housing types and development patterns in Milwaukie, and provide a needed housing type in close proximity to a large employment center.