

Larger Scale Bicycle/Pedestrian Infrastructure Program

Over the past year, there has been some interest from Council to: (1) implement a more aggressive pedestrian and bicycle construction/enhancement program; and (2) identify an alternative to State and Federal grants for funding large scale bicycle and pedestrian improvements.

Background information; Brief history and context for this issue:

The City lacks sidewalks in many areas within its boundaries and doesn't have a program to add where needed.

In the past, for most projects that add or enhance bicycle and pedestrian infrastructure, the City has relied on granting agencies for funding. These grants often carry expensive state and federal requirements that have repeatedly shrank the original scope of the projects in order to get "something". As result of these shortcomings, Council has expressed interest in creating a program to fund these projects locally. The two major points are:

- At this point in time, neither a project list nor a mechanism for funding has been identified.
- One concept that seems to have the most potential for funding is to mimic the success of the Street Surface Maintenance Program.

Most recently, Staff has received inquiries regarding the incorporation of a *woonerf* design concept into the City's Standards. While *woonerfs* haven't traditionally been included in the bicycle/pedestrian conversations within Milwaukie, they do have similarities to providing safe passage for cyclists and pedestrians. Because of these similarities, Staff anticipates the public's desire to incorporate this design into this conversation.

Status of the efforts to date – up to December 31, 2014:

To get a sense of what a program could look like; in November of 2013 staff prepared a map with rough cost estimates for 23 projects across the City. The total cost for these projects summed \$37.5 million which seemed to diminish Council's interest at that point in time.

Applying a utility fee similar to the Street Surface Maintenance Program, the following table depicts a potential revenue stream.

Utility Fee Increase*	Approximate	
	Annual Revenue	20 Year Revenue
\$ 2.00	\$ 360,000	\$ 7,200,000
\$ 3.00	\$ 540,000	\$ 10,800,000

* If applied identically to Street Surface Maintenance Program

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2020):

The following schedule is one example of how Council could define a program and identify a funding mechanism:

Winter 2015

Council could have discussions as to their desire to develop a larger scale bicycle and pedestrian infrastructure program and identify one or more potential funding mechanisms.

Spring/Summer 2015

If Council choose to advance the concept of a new funding mechanism for bicycle and pedestrian infrastructure as quickly as possible, staff suggests that a series of public meetings take place. These meetings would gather input from Milwaukie Citizens as to how and where they would prefer projects to take place. These meetings would give the Council and staff a clear picture of what program size and cost the public would be comfortable with supporting.

Summer/Fall 2015

If so desired by the Council, establish the new program and identify the funding mechanism(s).

2016 (and beyond)

Based on the funding source and how aggressive it is at collecting funds, construction of the approved projects could begin as early as summer 2016. The sunset of the program would be determined by Council.

The following issue exists in the community and will require City Council and staff attention during 2015 or within the next three years:

Consider increasing the business tax fee to create a sustainable funding strategy for short-term economic development initiatives and business programs to produce long-term general fund stabilization.

Background information; Brief history and context for this issue:

- The City Municipal Code, License and Regulations program (Chapter 5.08), states that a business tax fee is a fee for the privilege of conducting business within the City of Milwaukie limits. The ordinance was first adopted in 1931 with various amendments since inception.
- On average, the City of Milwaukie has 1,400 active business registrations which is approximately \$205,000 per year in General Fund revenue. Estimated expenses are approximately \$30,000 per year producing an 84%-85% gross margin. Milwaukie's fee structure includes a flat fee of \$115.00 per business, plus an additional \$6.00 per full-time equivalent (FTE).

Status of the efforts to date – up to December 31, 2014:

- In 2014 staff analyzed the current business registration program which included:
 - Review of the City's program revenues and expenses for the past two fiscal years and projections for FY 2015 and FY 2016.
 - Review over 20 local jurisdictions and several out-of-state cities to compare programs.
 - Research and present the City of Portland's program as it relates to the City of Milwaukie by imposing a 2.2% license tax of the net business income annually including an exemption for businesses with gross sales of less than \$50,000 per year, and including the administrative costs associated with the day-to-day operations of the program.
- City Council received an informational presentation in September 2014. The outcome of the presentation gave staff direction to review and bring back to Council the following:
 - Further detail analysis of the potential revenue for the City if a 'Portland like' business tax was imposed based on the income of the business.
 - Further analysis using the current fee structure at an increased rate resulting in a net income of over \$1.0 million per fiscal year (97% gross margin).

Actions anticipated over the next three years addressing the issue (From January 1, 2015 to December 31, 2018):

- 2015: Consider an alternative fee structure for business registrations that increases revenue.
- 2016-18: The Business Registration program will continue to be reviewed and any amendments to the current program enhanced.

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Major Comprehensive Plan Update

The following issue exists in the community and will require City Council and staff attention during 2015 or within the next five years (specify when attention is needed):

The Milwaukie Comprehensive Plan is out of date and should be updated. The plan was originally adopted in 1979 and the last major update occurred in 1989. Since that time there have been numerous amendments but no significant update of background information nor a thorough evaluation of plan goals and policies. Recent land use cases have highlighted some potential inconsistencies between Town Center goals and neighborhood identity. A comprehensive plan update will be a major undertaking and require significant staff resources and consultant assistance.

Background information; Brief history and context for this issue:

The Comprehensive Plan is intended to be a 20-year planning document that is updated on a regular basis (ideally, every 5-10 years). The current version of the plan was written in 1989, which makes it over 25 years old. Though some amendments have been made since that time, the overall vision and the City's role in achieving it have not been thoroughly reviewed in several years. Much of the broad vision seems to be on target, but some policies are based on antiquated assumptions. Enough is out of date or missing that the City's Comprehensive Plan has been questioned as to whether it can still adequately serve its purpose as the over-arching strategic policy document for Milwaukie.

Since 2004, the City has been scheduled to go through state-mandated (and partially state-funded) Periodic Review of this plan, but the exercise has been continually deferred and now may be on hold "indefinitely" due to state budget cuts. The adopted City budget includes funding to initiate the update process but the project is a multi-year effort and will require a significant commitment of staff resources.

Examples of specific issues needing attention include:

- Overall structure of the document
- Outdated housing needs and economic opportunities analysis
- Outdated inventories of historic resources and natural hazards
- Confusing and obsolete land use policies related to development in the Town Center area
- Outdated neighborhood policies due to the reinstatement of the NDA structure
- Policy and strategy for the urban growth management areas outside the City
- Sustainable development and reduction of greenhouse gas emissions
- Strategy for growing the value of the community to ensure a fiscally and culturally sustainable city for the next 20 years
- Mixed policy direction on how development and population growth should foster economic stability

Status of the efforts to date – up to December 31, 2014:

- In anticipation of Periodic Review, in 2009, staff began a formal, multi-departmental evaluation of the existing Comp Plan. This was put on hold when the state delayed the Periodic Review requirement.
- The Transportation System Plan was updated in 2013.

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2019):

- 2015: Approach. The first step is to define the approach to be followed for the update. Should the update be focused only on certain key elements or should it involve rewriting the entire plan?
- 2015-2016: Visioning. Use a community visioning process to kick-off the update to the plan and involve the community. The vision for Milwaukie should incorporate into the comprehensive plan and inform policies and actions. A key question is whether the plan should encompass the entire vision or only the land use related elements?
- 2015-2016: Background Elements. Seek grant assistance from the state to prepare a housing needs analysis and an economic opportunities analysis, since these analyses are required by the State when updating the Comprehensive Plan. In addition, the other background sections will need to be reviewed and updated as needed, including but not limited to those related to land use, UGMA, Transportation System Plan (TSP), and the various facilities sections.
- 2016-17: Policy Analysis: Define guiding principles and establish a plan advisory committee and review plan goals and policies. Prepare a draft set of revised policies. Prepare draft revisions to plan maps.
- 2017-2018: Actions: Identify draft actions needed to implement policies and goals. Establish funding sources and timelines for implementation. Identify and prepare necessary zoning text and map amendments.
- 2018-2019: Plan adoption. Hold hearings before the Planning Commission and City Council. Adopt the plan and related implementation documents.

The following issue exists in the community and will require City Council and staff attention during 2015 or within the next five years (specify when attention is needed):

The availability of parking in downtown is a concern for downtown businesses, visitors, and residents of adjacent neighborhoods. This concern has been recently heightened with the construction of Riverfront Park; anticipation of the opening of the light rail station in September 2015; and discussions of the development of key "opportunity sites" in downtown Milwaukee. A proactive parking strategy and management plan is needed to ensure that the needs of all users are met and to support the vibrant, pedestrian-oriented character envisioned for downtown Milwaukee.

Background information; Brief history and context for this issue:

Parking is a "hot" topic in most U.S. downtowns, and Milwaukee is no exception. Parking studies and plans completed over the past 20 years have impacted the City's current downtown parking management and operation policies. Currently, much of the on-street parking downtown is short-term (1 to 4 hours) while permit parking in City lots and designated on-street parking spaces is primarily long-term (8 hours); some parking spaces in the "Texaco site" are reserved for short-term parking.

There are four basic types of parking users, which have different parking needs:

1. Retail customers: Up to one hour on average
2. Restaurant and "Personal Service (such as lawyers and hair dressers)" patrons: One to two hours on average
3. Part-time employees: Four to five hours on average
4. Full-time employees: Eight to nine hours on average

Milwaukee's "Guiding Principles for Managing Downtown Parking" were initially developed in 2003 as part of the *Downtown Milwaukee Downtown Parking and Traffic Management Plan*, and were confirmed and updated during the 2007 Transportation System Plan (TSP) update process. That adopted TSP identified two strategies for addressing downtown parking needs: (1) Adopt and implement a set of Downtown Parking Guiding Principles; and (2) Adopt and implement a set of Parking Operating Principles.

The City has implemented some key Parking Operating Principles; however, with the new light rail alignment and an anticipated increase in downtown parking users, some key assumptions of the Downtown Parking Guiding/Management Principles should be revisited, such as:

- o Greater potential for redevelopment of one or more "opportunity sites" in the downtown, including the Texaco site (which is currently used for both short-term, all-day parking permit holders – primarily downtown employees – and library employees): While new development would likely provide some on-site parking, it would primarily be for customers/employees/residents of that new building and not the current parking lot users.
- o Growing demand for full-time employee parking: The 2007 TSP assumed that downtown would see employment growth, employees would utilize permit parking in City lots, and employers would be encouraged to provide alternative transportation incentives to reduce employee demands on parking spaces. It appears, however, that such incentives are not being provided by most downtown employers. Also, as City lots redevelop, transportation demand management techniques (TDM) and alternative parking facilities(s) will need to be evaluated.

On a related topic, Community Development staff is working with an ad hoc committee on the related issue of a Residential Parking Management Program, to serve the neighborhoods bordering downtown and/or the future light rail stations. The primary approach being discussed is to revise the existing permit process, which was adopted in 1993 and relies primarily on the City receiving requests from residents, to make it easier to use. Another option would be to create a new program, which would be applied to a yet-to-be-designated geographic area and primarily intended to mitigate the potential “hide-and-ride” parking impacts caused by light rail users.

Status of the efforts to date – up to December 31, 2014:

- 2006: City staff began conducting parking counts at least once a year to establish parking inventory and utilization, with the last count having been done in December, 2014.
- 2012-2013: TSP update included discussions of downtown parking issues and a Residential Parking Management Program.
- 2014-2015: Moving Forward Milwaukie project recommending revisions to off-street parking requirements in the downtown. Discussions about a residential parking permit concept are being held with an ad hoc citizen group, made up of NDA representatives.

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2020):

- 2015:
 - Revisions to the existing Residential Parking Management regulations
 - Development of a new downtown parking assessment and plan.
- 2015-2020: Implementation of the plan.

The following issue/opportunity exists in the community and will require City Council and staff attention during 2015:

With the coming of light-rail in 2015, developers, business owners, and entrepreneurs have expressed renewed interest in Milwaukie. By building on the work that was started in 2014, the City's Economic Development (ED) team has the opportunity to encourage the business community to make investments in Milwaukie, increase family-wage jobs, and build a stronger economic base.

In 2015, the ED team intends to promote jobs and economic growth through the following activities:

- Business Retention and Expansion
 - Continue outreach efforts to existing business to promote retention and expansion
- New Business Attraction
 - North Industrial Area (NIA) redevelopment opportunity – work with Clackamas County to develop a focused business expansion and redevelopment strategy
 - Develop a Milwaukie "branding" – marketing campaign
- ED Program
 - Reestablish an ED advisory committee
 - With the advisory committee, develop an overall ED strategy with a clear vision, specific goals, and an action plan that:
 - Encourages family-wage jobs
 - Encourages increased tax revenue
 - Promotes innovation and budding entrepreneurs

Background information; Brief history and context for this issue:

In early 2014, the City established a staff-driven ED team that is responsible for economic development activities. Over the past year, the team has conducted various outreach efforts and made contact with both large and small businesses in Milwaukie. In addition, the team has scheduled several ED-themed worksessions with the City Council addressing the efforts of the City to coordinate with Greater Portland, Inc. and the Clackamas County Business and Economic Development Department. In addition, the ED team presented an approach for preparing an overall ED strategy and discussed redevelopment opportunities in the City's North Industrial Area (NIA).

Status of the efforts to date – as of January 1, 2015:

- North Industrial Area: On December 2, 2014, the Board of County Commissioners voted to identify Milwaukie's NIA as a high priority redevelopment location in Clackamas County.
- Business Outreach: Staff is coordinating with the State's Business Oregon office to facilitate additional business outreach meetings with key employers such as Blount, OECO, and OLCC.
- Available Space Inquiries: Ongoing effort is being made to provide clear information regarding the City's land inventory and development permitting process. Recently, staff has met with the owners of several businesses to discuss potential locations in Milwaukie.

Actions anticipated over the next year to address the issue (From January 1, 2015 to December 31, 2015):

- Milwaukie Economic Development Summit: Staff is planning a summit/workshop in 2015 that will be facilitated by the Clackamas County Business and Economic Development Team (CCBED). The intent is to create a forum for business leaders and key City personnel; outcomes will include:
 - Identification of Milwaukie's strengths and opportunities.
 - Establishment of economic development goals and priorities by key industry, geography, and business size.
- Quarterly broker luncheons: Coordinated by the CMO.
- Semi-monthly business outreach meetings in conjunction with CCBED and Business Oregon as appropriate.
- NIA redevelopment: Work with Clackamas County on a coordinated redevelopment planning project.
- Comprehensive list of businesses/contacts: Develop a comprehensive database with the assistance of GPI.
- Moving Forward Milwaukie Implementation – use economic programs such as urban renewal, vertical housing tax credits, and new zoning language to work with existing businesses and to attract new development downtown and in Central Milwaukie.
- Business events – Coordinate with Chamber of Commerce and CCBED to hold industry-specific business events.
- Establish and Continue Existing Partnerships: Continue to actively participate with and attend meetings of key organizations in the region to develop good working relationships.

City Sponsored Events

The following issue exists in the community and will require City Council and staff attention during 2015 and on an annual basis.

With the opening of the Orange Line, shifting demographics, new capital improvements, an improving regional economic climate and the possible introduction of an urban renewal program, Milwaukie is well positioned to move from producing low-quality “homegrown” events to high-quality “signature” events.

Background information; Brief history and context for this issue:

- Historically the City has not budgeted for community events to complement its economic development strategy (live, work, and play).
- A specific line item for each event in the City Manager’s budget does not exist.
- Event attendance and volunteer participation could be improved if moderate funding were introduced.

Status of the efforts to date:

- The City partners with volunteers to produce approximately five events throughout the year:
 - Earth Day (activity varies)
 - Milwaukie Daze (partnership with CMI)
 - Leaf Drop
 - Umbrella Parade
 - Winter Solstice
- In 2015, two unique events will be produced:
 - Vietnam Wall 50th Commemoration (limited budget)
 - Light Rail Grand Opening Celebration (no budget)

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2020):

- Develop a budget for the series of annual events that the community expects or annually consider whether to provide funds to support other events.
- Use the website as a platform to develop an events “hub” for the City and link that hub to regional events calendars.
- Produce quality events (or a signature event) that attract visitors from outside the City and throughout the region.
- Encourage Council to consider community events as being equally important as capital improvement and planning projects.
- Co-produce an event with Happy Valley and the Chamber to leverage resources and strengthen intergovernmental relationships.
- Consider staffing needs to ensure that events can be done without downgrading critical duties that already exist.

Facilities Funding

The following issue exists in the community and will require City Council and staff attention during 2015 or within the next five years:

Facility management involves the maintenance and preservation of City facilities and planning for future facility needs. Funding facility management at a level that will maintain current condition has been problematic. Providing for significant repairs such as roof replacement is particularly difficult.

Background information; Brief history and context for this issue:

The principle work for the facilities division is maintaining and serving the building needs for the four main facilities that house all the City personnel and most of their staff. The buildings are located throughout the City and are different types and ages. Each has similar mechanical, structural and office accommodation needs.

The Facility division is a relatively new division of the City. Early facility management was handled through City Hall with work done on a contract basis. The work shifted to the Fleet/Facility division about 20 years ago and less extensive maintenance and repair work was completed in-house.

The budget must anticipate a level of

Budgeting for facility needs considers four areas of need:

1. Unanticipated repairs and requests to address system failures
2. Service requests
3. Preventive maintenance work such as painting overhauling, replacing consumables
4. Capital Improvements or large capital maintenance needs

The first three areas are fairly well-known from experience and knowledge of the system. Areas 1 and 2 are budgeted in a contingency manner to cover the unknown and mostly non-discretionary issues. The budget for Preventive Maintenance is much better known but usually more discretionary in nature. As budgets tighten the discretionary nature of the preventive maintenance and the hopefulness that things won't go wrong put pressure on the Facility group to defer preventive maintenance work.

Addressing the high cost of capital improvement need has been difficult as with other high cost general fund needs.

Status of the efforts to date – up to December 31, 2014:

The current budget provided specific funding for preventive maintenance work, separating more discretionary needs from the preventive maintenance needs.

Actions anticipated over the next five years to address the issue (From January 1, 2014 to December 31, 2018):

Stabilizing the general fund budget is needed to fully address this issue.

The following issue exists in the community and will require City Council and staff attention during 2011 or within the next five years (specify when attention is needed):

Several adopted policy documents, including the Downtown and Riverfront Land Use Framework Plan, Transportation System Plan (TSP), and South Downtown Concept Plan, have identified critical infrastructure investments to encourage private investment in downtown Milwaukie. These infrastructure investments include Riverfront Park, public area requirements (PARs), and the South Downtown Public Plaza, among others. However, each of these projects comes with a significant cost – for example, the TSP estimates the cost of constructing the downtown public area requirements (PARs) at \$7.3 million in 2012 dollars.

As part of the “Moving Forward Milwaukie: Enhancing Our Commercial Districts” process, several mechanism for funding public infrastructure construction were discussed by the City Council in 2014 and put into an informal funding options “toolbox.” Additional direction is now needed from the City Council regarding implementation of those financing mechanisms for downtown infrastructure.

Background information; Brief history and context for this issue:

The community has had a vision for the future of its waterfront and downtown since the 1980s. However, efforts to publicly fund improvements to implement that vision have been largely unsuccessful, and only a few key infrastructure projects have been constructed during the past three decades (primarily through a series of regional, state, and federal grants). The construction of the light rail alignment through downtown Milwaukie has generated recent discussion about funding key infrastructure projects, including the PARs, South Downtown public plaza, the Kellogg-for-Coho project, and a future downtown parking garage.

During a series of worksessions in 2014, Council expressed an interest the use of "site-specific TIF zones" and a downtown Local Improvement District (LID) to encourage the development of opportunity sites by providing frontage improvements; these tools could also potentially be used to fund other types of public infrastructure. Information about each tool follows below:

- A. "Site-specific TIF zones": In Oregon, an urban renewal area (URA) must be established to collect tax increment financing (TIF). Traditionally, URAs have been relatively large, encompassing entire downtowns. A more targeted approach is to create very small URAs known as “TIF Zones” that focus on just a specific parcel or a single block.

The advantages of this approach are that it: (1) would remove a significant barrier to new development (2) does not require use of the City's general fund; and (3) does not increase taxes on downtown business. The disadvantages are that it would only fund public improvements immediately adjacent to the selected site and it would not provide frontage improvements for rehabilitation or adaptive reuse (which is exempt from the PARs).

If Council wished to consider a **broader** urban renewal area (URA), some additional advantages would be the ability to issue bond debt to construct the PARs (and other improvements) all at once, and to make the opportunity sites "development ready." A URA could also be used to fund other downtown infrastructure (such as the South Downtown public plaza and a downtown parking structure) and economic development activities (such as a façade improvement program, development incentive fund/"gap" financing, etc.). However, there has been a lack of political and community support for a larger urban renewal district in the past.

- B. Local Improvement District (LID): A LID has a broader geographic area than a "site-specific TIF district." The LID can be drawn as small or large as desired. An LID is created by petition of at least 60% of the property owners abutting the improvement (located on a street within the LID) and representing at least 60% of the area of the property abutting the improvement. The property owners within the LID are then assessed a fee to pay for improvements within the district. Typically, LIDs are created to construct critical infrastructure such as sewer or roads. Given the estimated costs of constructing the PARs, the fee for each business would likely be substantial.

The advantages of this approach are that it would not require City funds and would not impact other taxing districts. There are several disadvantages of this approach: (1) an LID would create an additional cost barrier for new businesses or development seeking to locate in downtown Milwaukie; and (2) many business owners in downtown Milwaukie are small businesses, and may not be willing or able to pay the cost of the improvements; (3) although Council can initiate an LID, downtown property owners could remonstrate against it; and (4) the cost of the improvements would be paid directly by the downtown property owners, though they arguably benefit the entire community.

- C. Other tools to encourage development: Although the costs of infrastructure and street improvements are significant impediments to development in downtown, they are not the only funding obstacle. Other programs, such as vertical housing tax abatement, multifamily tax abatement, and affordable housing tax abatement, can go a long way toward helping a high quality development project "pencil out."

Status of the efforts to date – up to December 31, 2014:

- 2009: At Council's request, a consultant team completed an urban renewal feasibility study and determined that an urban renewal district, including the downtown zones and the Murphy and McFarland sites, was feasible. The study suggested that TIF should be used for infrastructure that would encourage private investment (including downtown frontage improvements and a downtown parking garage).
- 2012-2014: The Moving Forward Milwaukie project has identified barriers to downtown development and tools to remove those barriers. The policy and regulatory barriers are being addressed through the project; financial and economic development tools will require additional direction, funding, and staff time.
- 2014: The Moving Forward Milwaukie project team discussed financial tools with Council and the project advisory committee (PAC). Council supported the use of site-specific TIF districts for projects that implement the community's vision. The PAC strongly supported the use of both site-specific TIF districts and a broader URA to construct the public area requirements.

Actions anticipated over the next five years to address the issue (From January 1, 2015, to December 31, 2020):

- 2015:
 - Adopt criteria for downtown construction/development projects to qualify for a waiver or reduction of PAR charges, while alternative funding strategies are explored.
 - Explore and establish alternative funding strategy for key infrastructure improvements.
- 2015-2016: If the selected alternative funding strategy includes urban renewal, develop and adopt an Urban Renewal Plan. The analysis, preparation, and adoption of an Urban Renewal Plan is generally expected to take at least 6 months in order to communicate with affected districts, conduct public outreach, and hold the required public hearings before the Planning Commission and City Council.

Marketing Efforts

The following issue exists in the community and will require City Council and staff attention during 2015 and on an annual basis.

With the opening of the Orange Line, shifting demographics, new capital improvements, an improving regional economic climate and the possible introduction of an urban renewal program, Milwaukie is well positioned to increase its tax base by attracting businesses and homeowners interested in reinvesting in City properties. Through a concerted marketing effort the City can expedite and help shape this reinvestment.

Background information; Brief history and context for this issue:

- Historically the City has not budgeted specifically for marketing efforts to promote the City's brand as being "a great place to live, work and play."
- An Advertising and Publicity line item in the City Manager's office is dedicated for the City's newsletter, and very few dollars remain for additional marketing efforts.
- The City's current identity was rebranded in 2008, but could use a bit of freshening to keep pace with changing demographics and regional competitiveness.

Status of the efforts to date:

- The City collaborates with Greater Portland Inc., the Clackamas County Economic Development Commission, and North Clackamas Chamber of Commerce on minimal promotions throughout the year.
- The City regrants Clackamas County Cultural Tourism dollars to nonprofit organizations that produce local events using funding.

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2020):

- Leverage the website to create a virtual "billboard" as a marketing tool for the City.
- Dedicate funding for a City-controlled marketing effort. Efforts would include collaborating on media buys with regional partners (i.e. GPI, EDC, and NCC) in regional trade publications focused on regional interests and purchasing collateral with the City's brand to sell at City events and facilities.
- Incorporate marketing strategies into a potential urban renewal plan to supply the revenue for a concerted marketing campaign.
- Implement and fund a changeable banner program for McLoughlin and Downtown.
- Continue building relationships with Metro Parent and other quality of life publications.

NDA Program

The following issue exists in the community and will require City Council and staff attention during 2015 and on an annual basis.

Neighborhood District Associations (NDAs) consume considerable amounts of City resources. The existing program may not be producing an acceptable ROI for the City nor may be the right vehicle to drive citizen engagement.

Background information; Brief history and context for this issue:

- From 1998 to 2010 the City provided matching grants (up to \$4,000 per year) to NDAs to apply for funding.
- From 2011 to present, the City provides grants (up to \$4,000 per year with no matching requirement) to apply for funding and in return receives an annual report that shows how those funds were spent without requiring them to deliver established results that are documented by the City.
- Historically the City spends thousands of dollars each year to service NDAs including funding a community program coordinator position to administer the program and respond to an uncapped amount of service requests.
- Each month a designated staff member and police officer attends an NDA meeting.
- Many NDAs bank funding to help finance capital improvement projects in their neighborhoods.

Status of the efforts to date:

- The City allocates approximately \$50,000 of the annual community program coordinator salary to service NDAs.
- The City spends approximately \$17,000 on staff time to liaise NDA meetings
- The City grants a total of \$28,000 to seven NDAs (\$4,000 X seven NDAs)
- The City spends approximately \$9,000 on union staff time to perform guest speaker appearances and to populate and produce web, event and agenda items.
- The City spends approximately \$12,000 on other staff time to field NDA questions and facilitate discussions.

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2020):

- Consider whether to shift NDA focus from “land use watchdog” to “community collaborator.”
- Develop and implement a request for proposal (RFP) process for NDAs to compete among themselves to receive funding; thus, returning the highest ROI for the City.
- Facilitate NDA ownership of a signature event to create a total of seven new events.
- Shift spending of city issued grants from CIPs to neighborhood or citywide events.

North Industrial Area

The following issue/opportunity exists in the community and will require City Council and staff attention during 2015 or within the next five years (specify when attention is needed):

The North Industrial Area (NIA) provides an intriguing opportunity for redevelopment as an intensive employment center with easy access to light rail, bike routes, and the highway system. Clackamas County has identified this area as one of their highest priority targets with an emphasis on high tech and laboratory space for OSU and OHSU expansion projects.

Background information; Brief history and context for this issue:

The City has long been interested in seeing the NIA redevelop into a more productive area providing family wage employment. In 2003, the City conducted a study of the area and prepared a set of recommendations that would allow a greater mix of office and business services in the district. In 2013, the City completed the Tacoma Station Area Plan and adopted a new zoning district for the portion of the area between McLoughlin Ave and the light rail line. The plan and the new zoning resulted in new subareas that allow more retail, commercial, and residential uses closer to the station, while those subareas further south were designated for more employment-intensive uses. The industrially zoned land to the west of McLoughlin and south of Ochoco Street were untouched by the new zoning.

In July 2014, the City of Milwaukie's Economic Development team made a presentation to the Clackamas County Economic Development Commission (EDC) about redevelopment and growth opportunities in the NIA. Key opportunities that were highlighted included:

- Redevelopment of sites that are currently in public ownership
- Ability to generate a higher number of jobs per acre
- Opportunity to capitalize on new Light Rail access for redevelopment purposes, especially the connection to OHSU's South Waterfront campus
- Proximity to downtown Milwaukie
- Potential target industries: Technology, Bioscience, Advanced Metals Manufacturing, Professional Services, and Food Processing.

Status of the efforts to date – up to December 31, 2014:

- In the area subject to the Tacoma Station Area Plan, zoning is in place to allow a greater degree of land use flexibility. Other portions of the NIA need to be examined to determine if additional zoning adjustments are needed.
- The NIA was identified by the Clackamas County Economic Development Commission as one of their highest priority areas for 2015.

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2020):

- 2015:
 - Work with Clackamas County to develop an action plan for redevelopment of the area. Coordinate with the County regarding promotional activities and materials for an NIA marketing campaign.

- Continue to meet with property owners in the area to discuss redevelopment and expansion opportunities. Meetings are currently being scheduled with officials from the OLCC. Staff has previously met with developers interested in the ODOT site.
- Meet with Oregon Health Sciences University (OHSU) and Oregon State University (OSU) to assess realistic opportunities for campus expansion in the NIA.
- Work with property owners on the west side of McLoughlin to pursue additional zoning flexibility, similar to what was done for the Tacoma Station Area.
- Determine whether any plan or code changes are necessary to address the needs or concerns identified through the series of property owner, institutional, and developer meetings held in 2015.
- 2016-2020:
 - Initiate any plan and code changes that may be necessary to encourage redevelopment.
 - Assess infrastructure in the area to determine what is needed to encourage redevelopment of the area.
 - Develop and implement a financing strategy to provide necessary infrastructure for redevelopment.

Pilot Newsletter Future Options

The following issue exists in the community and will require City Council and staff attention during 2015 and on an annual basis.

- **Pilot Distribution:** *The Milwaukie Pilot*, in its current form and distribution method requires an annual budget of \$62,000, the largest line item of the City Manager's Materials & Services Budget.

Is printing and mailing The Pilot, by way of traditional prepress and bulk mail, the most effective and efficient use of budget dollars to achieve public outreach and citizen engagement, or should it be created and delivered electronically?

Background information; Brief history and context for this issue:

- Since October 1998 *The Milwaukie Pilot*, a monthly publication printed and mailed to every business and residential address in the 97222 zip code, has served as the City's principal communication tool. (97222 closely mirrors the City boundary and contains approximately 19,000 addresses. This single zip code saturation mailing was, and remains, the cheapest per piece delivery method.)
- Initially, *The Pilot* was an eight-page publication. In July 2003 the newsletter was reduced to a six-page publication to trim cost.
- As result of the 2012-2014 budget process the City's newsletter, *The Pilot*, was transitioned from a six-page printed and mailed publication to a two-page utility bill insert and on-line six-page publication. As the insert was only mailed to utility customers, the circulation was reduced to about 7,000.
- In June 2013 City Council reviewed a host of production and delivery options and decided to restore *The Pilot* as an eight-page monthly mailed publication.

Status of the efforts to date:

- The Adopted Budget for the 2015-2016 Biennium includes funding for 10 months of an eight-page newsletter that is mailed to every address in 97222. The situation requires circulation to stop for a couple of months (typically in summer).

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2020):

- Develop a biannual survey that in addition to measuring a wide-range of community attitudes, seeks information about *Pilot* readership to gauge the tool's effectiveness and interest to drive content.
- Continue to use social media channels and web engagement tactics to inform and communicate with residents and businesses.
- Measure the reach of internet engagement tools through the use of analytics.
- Hybridize publishing. For example, publish dynamic content online and static content on paper. Production and distribution costs will decrease because fewer pages are printed, which results in lower bulk mail fees.

PAS

Public Access Studio

The following issue exists in the community and will require City Council and staff attention during 2015 or within the next five years (specify when attention is needed):

Public/Government Access Services

Background information: Brief history and context for this issue:

- Pursuant to its 1999 franchise agreement with the City, Comcast collects \$1.00 per month per residential subscriber that goes toward capital support for public, educational, and governmental (PEG) access. The City allocates these funds for the public benefit, and authorized uses of the money are fairly restricted.
- The City's January 2013 contract with Willamette Falls Media Center (WFMC) expired October 31, 2014. It provided for full Milwaukie resident access to WFMC's Oregon City studio to edit programs for viewing on the public access channel. For the government access element, WFMC provides videographer services for the City Council, Planning Commission, Budget Committee, and other public meetings. Additionally, WFMC monitors and advises the City on equipment related needs.
- Beginning August 12 and through September 4, 2014, the City requested proposals from individuals and organizations to provide government and public access services to the City and its residents. The proposals were duly advertised on the City's website, and the *Daily Journal of Commerce*. WFMC was the sole respondent, and the agreement is ready for signature pending further negotiations related to insurance coverage.

Status of the efforts to date – up to December 31, 2014:

- Government and public access funding for the 2015-2016 biennium is \$186,000 and covers costs including education grants, materials and services, and capital outlay. The aging equipment in the City Hall control room was replaced fall 2014.
- Before or shortly after January 2015 the intent is to install rear speakers in the City Hall conference room and Assisted Listening equipment in the City Council Chambers.
- Discussions between the City and WFMC staff on how best to track studio usage by Milwaukie residents to ensure Milwaukie is paying its fair share of the costs.
- Discussions among City staff members to restore Cable Access Grant Program to local educators.

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2020:

- Install new cameras (possibly HD) for the conference room and City Council Chambers after July 1, 2015, to improve broadcast quality.
- Review and potentially renew agreement for government and public access services while monitoring any adjustments to the Comcast Franchise Agreement that expires in January 2016 that could impact the personal services agreement.

Urban Forestry and Tree City USA

The following issue exists in the community and will require City Council and staff attention during 2015 or within the next five years (specify when attention is needed):

Preservation of existing significant trees and planting of new trees appear to be two major goals for many Milwaukie residents. While there are different approaches to achieving those goals, the Parks and Recreation Board are close to making a recommendation to the City Council on a preferred approach.

Background information; Brief history and context for this issue:

The Milwaukie Parks and Recreation Board has discussed a variety of programs used by local jurisdictions in the area that guide maintenance, installation and protection of trees. The programs that the PARB has reviewed include:

- A voluntary “Heritage Tree” recognition and preservation program;
- Work with an organization, such as Friends of Trees, on a program focusing primarily on public education and planting/maintenance of trees;
- A stand-alone City of Milwaukie “Tree Protection Ordinance,” which could either focus on trees on public property or also include trees on private property; and
- Tree City USA, which includes the following requirements:
 1. A Tree Board or Department;
 2. A Tree Care Ordinance;
 3. A Community Forestry Program with an annual budget of at least \$2/capita; and
 4. An Arbor Day observance and proclamation

Status of the efforts to date – up to December 31, 2014:

- This issue has been the subject of much discussion over many years. The PARB is interested in making a recommendation to the City Council on a preferred approach, and recently established an “Urban Forestry/Tree City USA” ad hoc subcommittee to focus on this issue.

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2020):

- 2015: Recommendation by PARB/Decision by City Council on approach(s) to be taken
- 2015-2020: Subsequent actions and timeframes will depend upon what specific actions (which vary greatly, in terms of complexity and level of needed public involvement) are chosen by the City Council.

The following issue exists in the community and will require City Council and staff attention during 2015 or within the next five years (specify when attention is needed):

The Public Area Requirements (PARs) are the public infrastructure improvements that are required in conjunction with development projects in the downtown (and a variation is being proposed to be applied to "Central Milwaukie" as well). The PARs were adopted in 2000 to implement community vision that is expressed in the "Downtown and Riverfront Land Use Framework Plan". During the *Moving Forward Milwaukie* project, the PARs were identified as a significant financial barrier to implementation of the downtown vision and development of key "opportunity sites" in downtown Milwaukie. Input received from the community strongly supports retaining the key components of the PARs.

It is critical that the City establish a baseline expectation for the specific components of the PARs, and the level of public financial support in providing them, in advance of development proposals for downtown and Central Milwaukie.

Background information; Brief history and context for this issue:

- When they were first drafted, both the Framework Plan and PARs assumed a public-private partnership for public infrastructure in downtown Milwaukie. However, a consistent funding source to implement the public partnership has never been identified, so paying the full cost of the PARs is currently the responsibility of the private sector.
- Given the expense, the PARs have been identified as a barrier to development in downtown, and a regulation that puts Milwaukie at a competitive disadvantage related to other similarly-sized cities. However, there has been a lack of consensus on the Council and in the community about: (1) the best way to permanently relieve the burden of the PARs on private development; (2) whether new development should provide public improvements in the downtown; and (3) what those improvements should include.
- During 2014, the Moving Forward Milwaukie project team discussed the PARs with the project advisory committee (PAC), Planning Commission, and Council. These groups generally agreed on that the vision for downtown as outlined in the Framework Plan remains valid; the PAR standards should be reduced, but not eliminated; and the City should pay some, and perhaps all, of the desired public improvements' costs.
- There is no consensus on which components of the PARs are critical for realizing the vision for downtown. This discussion is also heavily influenced by the cost of each component and the ability of either the private or public sector to provide it.
- The Moving Forward Milwaukie project has also addressed the Central Milwaukie commercial , and has identified new public improvements that would provide public amenities and help to enhance pedestrian and bicycle connections through the district. No standards or funding strategies have yet been developed for that commercial district.

Status of the efforts to date – up to December 31, 2014:

- In 2013, a market study conducted as part of the Moving Forward Milwaukie project identified the PARs as a financial barrier to development of key "opportunity sites" in downtown.
- During 2014, the Moving Forward Milwaukie project team discussed the PARs with the project advisory committee (PAC), Planning Commission, and Council. Generally, all groups agreed that the PARs should be modified, but not removed entirely, and that the City should pay for some, and perhaps most (if not all), of the PARs.

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2019):

- 2015:
 - Adoption of updates to the Framework Plan.
 - Council discussion and decision regarding:
 1. Which elements of the downtown PARs are critical to be retained and which are not; and
 2. The desired level of City participation in providing improvements.
- 2015-2016:
 - Develop and adopt a funding strategy to help pay for needed public improvements downtown and Central Milwaukie. The strategy may include tax increment financing, local improvement districts, or other approaches.
 - Identify key improvement projects in include them in the City's Capital Improvement Plan.
- 2016:
 - Update the Public Works Standards to reflect any revisions to the standards for downtown Milwaukie streets and public areas.
 - 2016: Update Public Works Standards for streets and public areas in Central Milwaukie. Include key projects in the City's Capital Improvement Plan and adopt a funding strategy for making the needed improvements.
- 2017-2020: Monitor and adjust the PAR program, as necessary.

Web Site Upgrade

The following issue exists in the community and will require City Council and staff attention during 2015 and on an annual basis.

The City's current website launched in early 2010 and its design and approach to content delivery is becoming increasingly outdated and nonresponsive.

Background information; Brief history and context for this issue:

- In 2009 the City began working with AHA! Consulting, which specializes in web development for public-sector organizations, to design and launch a new web presence for the City.
- A key component of AHA! Consulting's approach is providing an on-line interface for multiple content managers to maintain the site's information.
- The City paid \$23,000 for the redesign and budgets about \$6,000 every year for its hosting, support and general maintenance.
- In 2013 funding for design and functionality upgrades was eliminated due to growing overall budget constraints.
- Without a development budget the current site is falling further behind the general standard for municipal sites. For example, the current site does not have "responsive design" to provide an optimal viewing experience - easy reading and navigation with a minimum of resizing, panning, and scrolling - across a wide range of devices (from desktop computer monitors to mobile phones).

Status of the efforts to date:

- New elements, such as an interactive project map, are in development to freshen up the City's homepage.
- Web analytics of the City's site traffic are informing editorial upgrades on the homepage and on departmental sites.
- Web videos are under development to add dynamic elements to the site.
- Staff is actively researching other sites to emulate for a next iteration of the City's website.
- \$10,000 is allocated in the City's supplemental budget for a website redesign.

Actions anticipated over the next five years to address the issue (From January 1, 2015 to December 31, 2020):

- Upgrading the City's website to be a more dynamic, attractive and impressive web presence that not only provides information about City programs and resources, but also signals the City is a forward-thinking organization and is an exciting place to live and to do business.
- Consider contracting a creative director to guide the overall "look and feel" of the new site and to integrate identity and branding collateral.
- Migrating from an informational "push" experience to a more visual and experiential "pull" interaction.
- Focus on using the website to market the city, showcase new assets, tell stories, engage volunteers, facilitate transparency, provide open dialogue, and connect residents and businesses to City services.