



Work Session

WS

Milwaukie City Council

COUNCIL WORK SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

REVISED AGENDA

NOVEMBER 5, 2024

(Revised November 1, 2024)

Council will hold this meeting in-person and by video conference. The public may come to City Hall, join the Zoom webinar, or watch on the [city's YouTube channel](#) or Comcast Cable channel 30 in city limits. For Zoom login visit <https://www.milwaukieoregon.gov/citycouncil/city-council-work-session-359>.
Written comments may be delivered to City Hall or emailed to ocr@milwaukieoregon.gov.

	Page #
Note: agenda item times are estimates and are subject to change.	
1. Neighborhood Hubs Phase III – Discussion (4:00 p.m.) Staff: Laura Weigel, Planning Manager, and Vera Kolas, Senior Planner	1
2. Houseless Services Update – Report (removed from the agenda)	
3. Winter Events Preview and Events Update – Report (5:15 p.m.) Staff: Dan Harris, Events & Emergency Management Coordinator	9
4. Adjourn (5:45 p.m.)	

Executive Session.

After the work session, Council will meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660 (2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations. (added to the agenda)

Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice

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Servicios de Accesibilidad para Reuniones y Aviso de la Ley de Estadounidenses con Discapacidades (ADA)

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Executive Sessions

The City Council may meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660(2); all discussions are confidential; news media representatives may attend but may not disclose any information discussed. Final decisions and actions may not be taken in executive sessions.



COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Sept. 26, 2024

Reviewed: Joseph Briglio, Acting Assistant City Manager

From: Laura Weigel, Planning Manager, and
Vera Kolias, Senior Planner

Subject: Potential for Neighborhood Hubs Phase 3

ACTION REQUESTED

Council is asked to discuss the possibility of a Neighborhood Hubs Phase 3 and provide feedback on whether staff should move forward with all, some, or none of the potential Phase 3 pieces.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

Council adopted zoning code changes related to Neighborhood Hubs on July 16, 2024. An Economic Development Toolkit was also developed as part of phase 2.

At the July 16, 2024 hearing, Council asked staff to return as soon as possible to discuss the scope for a potential phase 3 of the project.

ANALYSIS

During Phase 2, there was feedback both from the public and from Council related to both success of existing hubs and how to realize additional amenities in neighborhoods that do not have hubs within easy access. One of the major keys to the success for commercial development is a sustainable customer base which, in the case of neighborhood hubs, is sufficient density to support these businesses. Staff believes that activating existing corridors that connect several of the identified hubs will bolster the ability for existing businesses to grow and will provide a catalyst for new businesses to locate in Milwaukee.

In analyzing next steps for Hubs phase 3, staff internally discussed several ideas for this effort, which are organized around three major themes for work proposed over the next two years:

- Marketing and promotion
- Funding to catalyze change
- Process improvements and further planning work to support densification and development

Marketing and Promotion

Before embarking on new projects or initiatives, it is important to understand what is already allowed and ensure that people know what they can do with their property – what is already possible.

As part of Phase 2, code amendments were adopted that expanded the existing temporary use process, which has already allowed a farmstand on 43rd Avenue. Temporary uses are a great way to pilot an idea without significant capital expenditure to see if it can work. Residents and

neighborhood district associations (NDAs) can use this simple process to test a variety of pop-up commercial activities to add amenities and gathering opportunities without needing a formal zoning amendment.

Marketing and promoting the recently adopted hubs code amendments to the hubs properties and the temporary use program would help ensure that existing businesses and NDAs, for example, understand what is already possible and hopefully promote interest in expanding services or trying out a new idea.

Funding to Catalyze Change

The city recently launched a set of economic development related programs using tax increment finance (TIF) funds for properties located within the urban renewal area (URA). These programs include the storefront improvement program, tenant improvement program, and pre-development assistance program. The general parameters for each of these is discussed in Attachment 1.

The city could offer these same programs city-wide using construction excise tax (CET) funds with a focus on supporting the improvement of Hubs designated properties. By doing so, the city would incentivize development, as well as provide a means to provide equity for businesses across the city and not just in the URA. Offering these programs will not ensure that a Hub will become fully realized, but it at least will create a means to move the property closer to the intended goal.

Improvements in existing hubs could be as simple as installing pole banners, bike racks, benches, and landscaping near businesses. The funds could also be used for direct improvements to businesses, like storefront improvements or other kinds of site beautification. Some simple improvements and small investments would improve their appearance and demonstrate the city's commitment to their success as neighborhood assets. Improvements could also prompt additional investment from property owners. This strategy is intended to be both business/property owner directed, and city directed as needs arise.

Process Improvements and Further Planning Work Corridor Plans

As discussed above, the key to commercial success is a customer base. In the case of hubs, this means residential densities that can support businesses so that they are successful. Additional density will also further the objectives of the city's housing production goals and strategies. There are two key corridors that staff has identified that would benefit from focused analysis and code amendments that would result in additional housing density to support commercial investment:

- 32nd Avenue Expansion Study
 - Portions already zoned Neighborhood Mixed Use Zone (NMU)
 - Contains an identified neighborhood hub: 32nd Ave and Olsen St
 - Collector street designation
 - Residential High-Density Zone (R-HD) located at the southern end of the street
- King Road Corridor
 - Connects two key commercial areas: Wichita Plaza and 42nd Avenue and Harrison Street hub
 - Arterial street designation
 - King Road Improvements project underway (in design)

32nd Avenue Expansion Study

The Neighborhood Mixed Use Zone (NMU) zone along 32nd Avenue has a boundary that is not uniform along both sides of the street and is surrounded by the Moderate Density Residential Zone (R-MD) zone except for a small area of R-HD at the northern end. Staff has received limited interest in the past from property owners adjacent to the NMU zone about possibly becoming NMU. Having both sides of the street rezoned to NMU could provide more opportunities for corridor mixed use development. However, in the time since the NMU zone was adopted, nearly 10 years ago, the area has seen little to no change. Thus, upzoning additional portions of the corridor to either NMU or R-HD should be considered to provide additional density opportunities to address both housing availability/affordability and commercial investment.

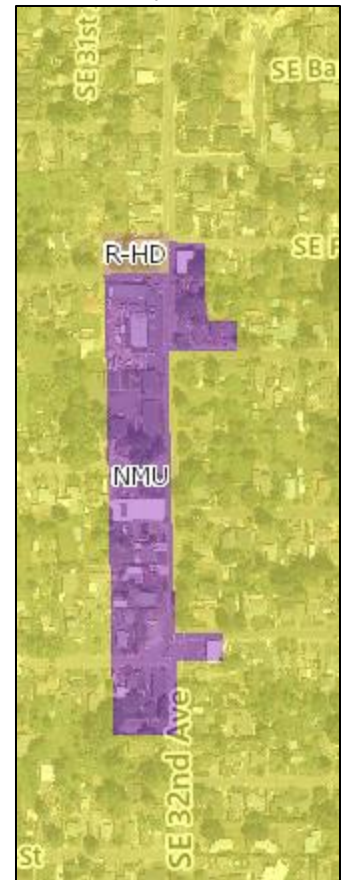


Figure 1. 32nd Ave zoning around NMU zone

King Road Corridor Plan

The King Road corridor currently contains four different zoning districts¹:

- NMU covering the area around the Safeway Plaza and portions of 42nd Avenue and Harrison Street
- R-HD surrounding the NMU zone running east to 47th Avenue; R-HD zoning for the mobile home developments around Wichita Plaza
- R-MD from 47th Ave to 59th Avenue
- General Commercial Zone (C-G) covering the Wichita Plaza

To increase density along this corridor and take advantage of the existing street design (and proposed improvements) and existing vehicle trips, the R-MD zoned areas would be the primary focus for up-zoning.



Figure 2. King Road corridor zoning

¹ There are also several pockets of county land within the eastern section of the corridor between 55th Avenue and Linwood Avenue.

If Council decides to move forward with the corridor studies, the following is a potential approach:

- Gauge interest first
 - NDA and community meetings to review map and potential expansion areas and areas proposed for re-zoning
 - It is important to understand what, if any, support exists for an expansion of the 32nd Avenue NMU zone and the King Road NMU and R-HD zones before significant effort is made to re-zone existing residential properties.
 - Draft code and map amendments
- Planning Commission and Council work sessions will be scheduled as the project proceeds to share findings and seek guidance on any questions or key issues.
- Draft Code
 - NDAs and Engage Milwaukie will be used to seek input on any proposed code amendments to confirm that staff has understood the feedback received.

Review Home Occupation Code/Explore allowing Accessory Commercial Uses

In addition to thinking of Hubs as clearly identified places on a map there was another layer of discussion that focused on the concept of allowing small businesses to emerge from people's homes. There are a few ways this could occur.

Staff explored an idea that could provide opportunities for this kind of micro-scale commercial development: accessory commercial uses (ACUs). An ACU is in a residential zone and is a small structure, built on a lot either adjoining or attached to a larger structure, which hosts businesses rather than homes. Currently Milwaukie, like many areas of most American cities has zoning that results in strict separation of uses; commercial activity isn't allowed in residential neighborhoods. While Milwaukie has Neighborhood Hubs and a fairly open interpretation of home-based businesses, many residential areas in Milwaukie do not have easy access to retail or other commercial amenities. This also results in a shortage of affordable store and/or café spaces for small businesses.

ACUs used to be called the neighborhood grocery store, of which Milwaukie already has a few: the "little blue store" on Washington Street, Roswell Market, and Sunny Corner Market. The city created zoning to officialize their location in the middle of residential neighborhoods, and they are now considered Neighborhood Hubs. During the recent Neighborhood Hubs project, staff heard from residents asking about opening storefront-type businesses in their homes, so there appears to be interest in the idea.

ACUs can create opportunities for small businesses to expand and build wealth. And are sometimes described as a 'missing middle' for commercial uses that could help neighborhoods which have no or limited commercial zoning to allow them to emerge. Examples include a front porch coffee shop, garage convenience store, barbershops, pizza window, co-working office spaces, micro boutiques, cafes, and bakeries.

While the concept of ACUs is a good one, during staff's research, staff concluded that this may not be the right approach in Milwaukie at this current moment in time. The city's residential neighborhoods do not have the density necessary to support retail or restaurant uses. Staff is also concerned about dilution of the identified Hubs as centers of neighborhood activity.

Home occupations, already allowed in Milwaukie, may be a viable alternative to ACUs, but the zoning code requires them to be virtually invisible—they can't change the character of the

neighborhood or produce additional pedestrian or vehicular traffic; signage is very limited; numbers of employees are limited; and basically, no outdoor activity that could make it appear that something other than a residential use is in the neighborhood. An audit of the existing home occupation code could provide room for some expansion to allow more commercial-forward uses to be permitted. By expanding the home occupation code, the city can help address equity in our neighborhoods by allowing residents to respond to the needs of their community and provide opportunities for those without access to large amounts of capital or borrowing power.

Phase 2 of the Hubs project also opened the temporary uses code, which provides for a lot of opportunities for commercial uses in the neighborhoods for a limited duration. As noted above, one recent example is a farmstand that was approved on 43rd Avenue in the Lewelling neighborhood. Expanding commercial opportunities for home-based businesses would provide another option for micro-scale commercial and service amenities throughout the city's residential neighborhoods.

In lieu of developing an ACU program staff recommends reviewing the home occupation code to ensure that home-based businesses can thrive in our residential zones. Issues such as allowed business type, standards, performance measures, appearance, etc. need to be reviewed to confirm that they reflect current intent and policy.

Staff would engage with the NDAs and use Engage Milwaukie to understand how much support and what type of interest exists in broadening commercial opportunities in our residential zones.

“Floating” Zone

The idea has been raised to develop a floating or “opt-in” zone that would allow applicants to apply for a special commercial designation and/or density increases to be applied their property as a way to incubate Hub-style development. While state law dictates requirements for land use and zoning changes, there are some steps the city could take to expedite this kind of rezoning if this is an idea Council wanted to explore. Staff have not, however, observed demand to date for this kind of spot or opt-in zoning. Staff also believes that modifications to the Home Occupation code could accomplish the same goal.

Key Questions for Council

1. Does Council support the idea of developing strategic marketing and promotion of existing opportunities for hubs-like amenities? Are there specific Hubs that staff should consider prioritizing investment and resources?
2. Does Council support the city offering the same economic development programs city-wide using CET funds with a focus on supporting the improvement of Hubs designated properties, home-based businesses, and temporary uses? Are there specific Hubs that staff should consider prioritizing for these investments and resources?
3. Does Council want staff to explore the 32nd Avenue Expansion Study and King Road Corridor Plan?
4. Does Council support staff conducting an audit of the home occupation code, and live/work regulations to identify any gaps or conflicts with the goal of expanding commercial opportunities and amenities in our residential neighborhoods?

BUDGET IMPACT

The planning department has not accounted for Hubs Phase 3 work. The scope of the project needs to be determined prior to developing a budget.

WORKLOAD IMPACT

Depending on what direction the Council takes on what to include in Phase 3 there may need to be some shifts in the planning department workplan.

EQUITY IMPACT

Staff will consult with the city's equity and inclusion coordinator to ensure that appropriate and useful outreach is conducted for this project, particularly for the home occupation code audit and review. This aspect of the project can provide a very positive outcome for many small businesses, so having clear direction and feedback from folks that could directly benefit from these code amendments is critical.

CLIMATE IMPACT

Providing more services and commercial opportunities in residential neighborhoods could reduce or even eliminate vehicular trips, which would provide environmental benefits to the city. Providing more destinations that are within easy walking or biking distance creates resiliency in the city as well.

COORDINATION, CONCURRENCE, OR DISSENT

Planning staff has consulted with community development staff on this initial understanding of Phase 3.

STAFF RECOMMENDATION

Staff requests direction from Council for next steps.

ALTERNATIVES

Not applicable.

ATTACHMENTS

1. Expanded Economic Development Program

Expanded Economic Development Program

Storefront Improvement Grant Program (Maximum Grant Amount: \$25,000)*

- Purpose: Enhance the aesthetic appearance and façade of buildings
- Eligible Applicants: Property owners or tenants (with owner approval) within the URA
- Eligible Activities: Improvements that improve the appearance and functionality of the ground floor retail/commercial space. Examples: windows, entrances, transoms, awnings, signs, building rehabilitation, paint, siding, and similar upgrades.
- Requires a 50% financial match of the construction cost.

Tenant Improvement Grant Program (Maximum Grant Amount: \$25,000)*

- Purpose: Improving the interior of a building to meet various code requirements
- Eligible Applicants: Property owners or tenants (with owner approval) within the URA
- Eligible Activities: Interior improvements that are intended to expand or upgrade the ground floor tenant space. This program is restricted to restaurants, curated retail, and other similar uses that generate foot traffic. Examples of improvements: new kitchen equipment in the case of restaurants, or other improvements intended to accommodate desired uses, including cost of improvements required by code, such as grease traps, Americans with Disabilities Act (ADA) improvements to restrooms and exiting, etc.
- Requires a 50% financial match of the construction cost.

*An eligible applicant can pursue both the Storefront Improvement and Tenant Improvement Programs. The city will also consider reimbursement grants for eligible activities that occurred 6 months prior to the launch date of the programs.

Pre-Development Assistance Grant Program (Maximum Grant Amount: \$50,000)

- Purpose: Intended to provide funding for a wide variety of professional studies which the city deems likely to support and spur new development (either new construction or major rehabilitation) that advances the aspirations for its Downtown and URA as expressed in the Urban Renewal Plan.
- Eligible Applicants: Property Owners, as well as prospective owners or developers who can demonstrate that they are in a position to own the property in question.
- Eligible Activities: Any technical studies and services that assist in the possible redevelopment of a property.
- Requires a 50% financial match of the product cost.
- The MRC will own the work that it funds and may opt to share it with other parties.

Anti-Displacement Business Consulting Program (Service Based Grant – up to \$2,500 in Consulting)

- Purpose: In an attempt to prevent displacing existing businesses, this program offers professional consulting services that are intended to help businesses stay competitive and relevant in today's market. It is also intended for those businesses who are not ready or lack the means to pursue the other programs listed above.
- Eligible Applicants: Business owners in the URA who have been operating for at least two years.
- Eligible Activities: Consulting services related to interior and exterior design planning, merchandizing, branding, displays, and similar related effects.
- No match required. This program provides free professional consulting services up to a certain hourly rate

WHY HUBS?

MARKETING AND PROMOTION

WHO SHOULD WE “MARKET”?

WHAT SHOULD WE TELL THEM?

WHAT AREAS SHOULD WE TARGET?



FUNDING TO CATALYZE CHANGE



**WHAT ARE COUNCIL'S THOUGHTS ON EXPANDING
STOREFRONT IMPROVEMENT OUTSIDE THE URA?**

**WOULD COUNCIL SUPPORT OTHER INVESTMENTS TO
ENCOURAGE HUB PLACEMAKING?**



PROCESS IMPROVEMENTS

WOULD COUNCIL LIKE TO SEE A FORMAL ACU PROPOSAL?

WOULD COUNCIL LIKE TO SEE A ROADMAP FOR CORRIDOR DEVELOPMENT? WHAT MIGHT THIS INCLUDE?

DOES COUNCIL WANT TO SEE MORE WORK AROUND HOUSING AFFORDABILITY AND SUPPLY INCLUDED IN PHASE III? WHAT MIGHT THIS LOOK LIKE?

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Oct. 23, 2024

Reviewed: Jordan Imlah (as to form), Strategic Engagement Team Supervisor, and Gabriela Santoyo Gutierrez, Equity and Inclusion Coordinator, and Katie Gavares, Climate and Natural Resources Manager

From: Dan Harris, Events & Emergency Management Coordinator

Subject: Events Program Update

ACTION REQUESTED

Council is asked to receive an update about the city's events program.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[February 6, 2024](#): Council received an annual events forecast, including summer events.

ANALYSIS

The city produces a lively calendar of annual events including summer and winter celebrations. The city also coordinates with community groups to support events taking place in Milwaukie.

Winter Events

Milwaukie's winter events are rapidly approaching. The Umbrella Parade will occur on Saturday December 7 in the South Downtown Plaza. Umbrella and bike decorating participants are asked to gather in the plaza by 4:15 p.m. The Umbrella Parade kicks off at 4:30 p.m., ending at the historic city hall building for the tree lighting ceremony. The tree will be lit shortly after dark, at about 5:15 p.m.

The Winter Solstice celebration will be held in Milwaukie Bay Park on Saturday December 21 beginning at 4:30 p.m. The event will feature refreshments sold by Beer Store Milwaukie and the Lewelling Neighborhood District Association (NDA). The combined fleets of the Willamette and Columbia River Christmas Ships will pass through Milwaukie Bay twice that evening on their way to and from Lake Oswego.

Summer Event

In July 2025, Milwaukie will inaugurate a weekend-long summer event. Milwaukie Fest will begin on the evening of July 11 with music and a movie screening in a park east of Highway 224. Saturday will feature a day-long closure of motor vehicle traffic on Main Street. This closure will accommodate children's activities, games, vendors and live entertainment, as well as opportunities for Milwaukians to get moving through activities, such as dancing and rock climbing. The event will conclude Sunday morning with a special edition of the Milwaukie Farmers Market.

This event is being planned in conjunction with several downtown businesses, the Rotary Club of Milwaukie, and Celebrate Milwaukie, Inc. (CMI). The North Clackamas Parks and Recreation District (NCPRD) is exploring opportunities to participate. The city is actively continuing to

make connections with individuals and organizations interested in helping support, contribute to, or volunteer at Milwaukie Fest.

Milwaukie Community Events Fund

As part of the city's effort to create events that are more representative of the community, the current biennial budget provided \$16,000 for a new program that provides funding for community-produced events. The Milwaukie Community Events Fund (MCEF) allows community members to submit applications for financial assistance to produce events that celebrate Milwaukie's diversity.

Events must take place within city limits, be open to the public free of charge, and create opportunities for people to learn about cultures different from their own. Applications are due on January 31 and July 31 of each year and are reviewed by the Equity Steering Committee (ESC) at their first meeting following those deadlines.

The first round of MCEF awards were made in August 2024. The winning events were a discussion series hosted by Spoke & Word Books and a culturally blended Dia de los Muertos celebration hosted by Vida 33 Latin Bistro. The Dia de los Muertos event is scheduled for November 1 and 2. The Spoke & Word discussion series is slated to occur in early 2025.

BUDGET IMPACT

Staff members do not anticipate any new budgetary impacts for these events. The events budget has remained stable for several event season cycles. Inflationary pressure, however, will likely require additional funding to maintain the same production values in the future. Staff will work to fundraise additional resources to support programming at Milwaukie Fest.

CLIMATE IMPACT

These events are not expected to generate any new environmental impact and the city promotes using active transportation, carpooling, and other lower-carbon options for travel to city events. There will be opportunities for community education as part of Milwaukie Fest.

EQUITY IMPACT

City events are great opportunities for building greater sense of belonging and inclusion for Milwaukie residents and beyond. All city-organized events are open to everyone and provide free admission. City staff take precautions to manage part or full closures of motor vehicle traffic to prioritize attendees safety and include accessible parking or drop-off designated areas.

Specifically, the MCEF is designed to amplify the voices of historically underserved Milwaukians by providing a communication platform and funding. The MCEF helps reduce financial burden for organizers and empowers them to lead events that authentically raise awareness and celebrate Milwaukie's diversity.

WORKLOAD IMPACT

The development of a new event and a new awards program have created new work for the events and emergency management coordinator and equity program coordinator. These employees have integrated the additional tasks into their ongoing work plans.

COORDINATION, CONCURRENCE, OR DISSENT

None.

ATTACHMENTS

None.

Events Update

Dan Harris (they/them)

Events & Emergency
Management Coordinator

events@milwaukieoregon.gov



Umbrella Parade

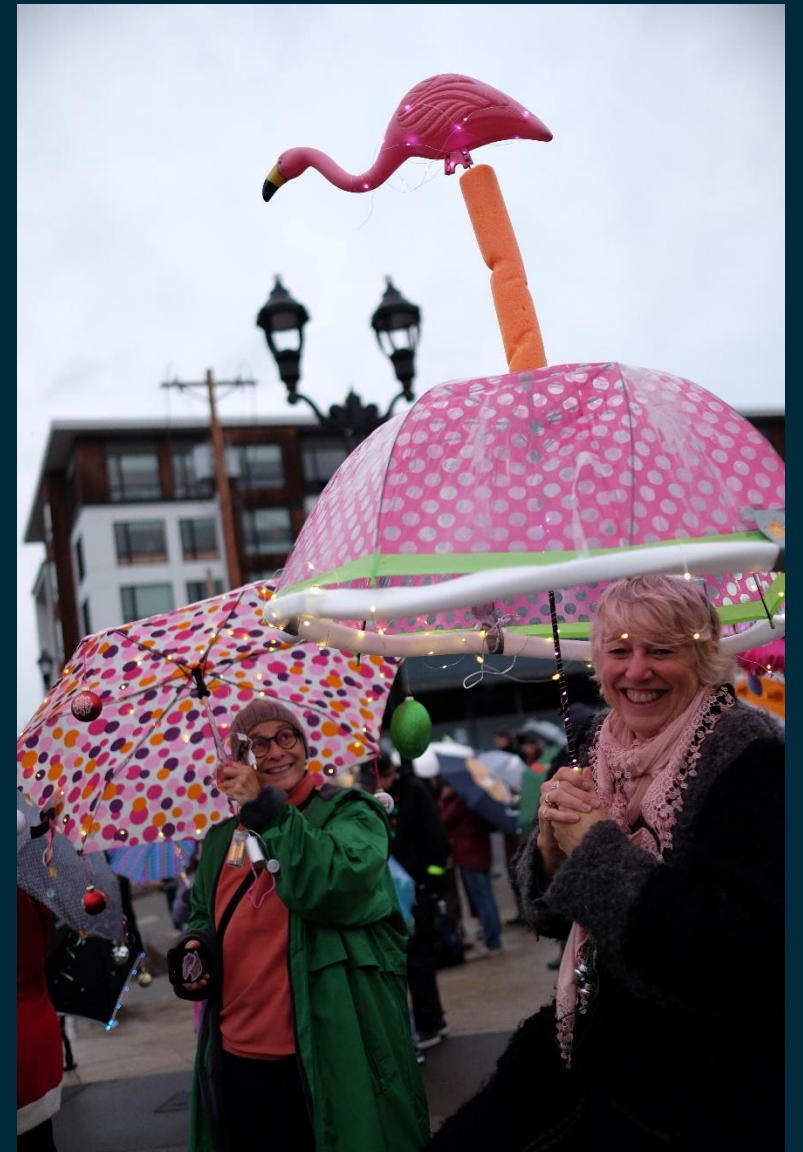
Date: Saturday, December 7, 2023

Time: 4:00 p.m. – 6:00 p.m.

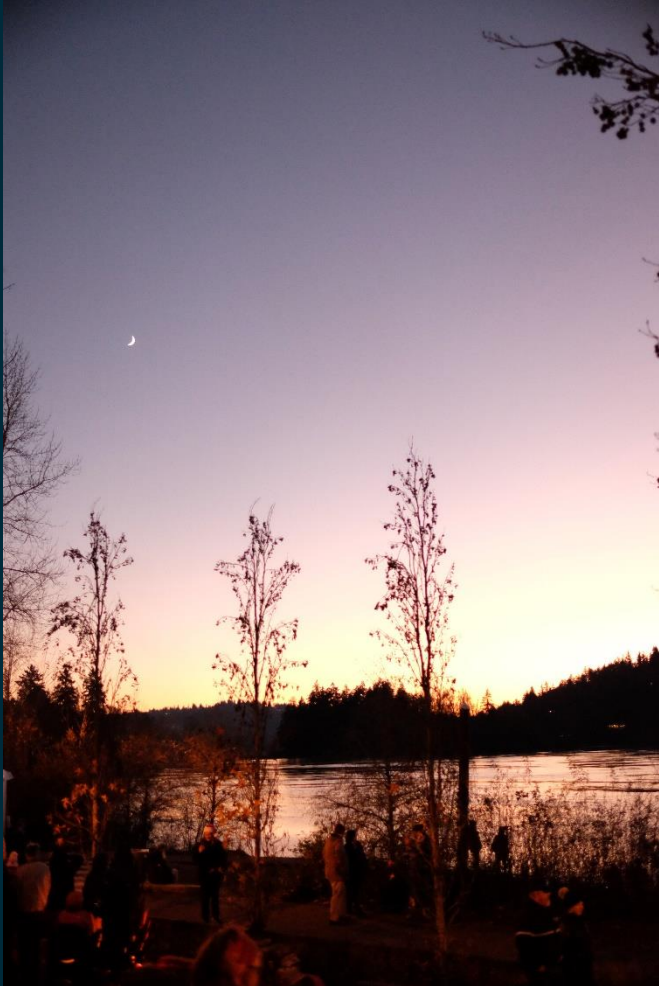
Location: Main St

Sponsors/Partners:

- Milwaukie CERT
- Rotary Club of Milwaukie
- Celebrate Milwaukie, Inc.
- Clackamas Fire District 1
- Bike Milwaukie***



Solstice Event



Date: Saturday, December 21, 2023

Time: 4:30 p.m. – 7:30 p.m.

Location: Milwaukie Bay Park Boat Ramp

Sponsors/Partners:

- Milwaukie CERT
- Celebrate Milwaukie, Inc.
- Clackamas WES
- NCPRD***
- Bike Milwaukie***

Milwaukie Community Events Fund



What: \$8,000 annual awards fund

When: January 31 and July 31

Why: Support and celebrate the diversity of Milwaukie

Web: milwaukieoregon.gov/events/mcef



Milwaukie Fest

Date: July 11-13, 2025

Location: Milwaukie

Sponsors/Partners:

- Rotary Club of Milwaukie
- Celebrate Milwaukie, Inc.
- ChaChaCha
- Beer Store
- Made in Milwaukie
- Pfriem
- Bike Milwaukie
- NCPRD?





Events Update

Dan Harris (they/them)

Events & Emergency
Management Coordinator

events@milwaukieoregon.gov

