

COUNCIL WORK SESSION

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

- Council Present: Councilors Adam Khosroabadi, Robert Massey, Rebecca Stavenjord, and Council President Will Anderson, and Mayor Lisa Batey
 - Staff Present:Joseph Briglio, Assistant City ManagerPMandy Byrd, Development Project CoordinatorEJustin Gericke, City AttorneySVera Kolias, Senior PlannerLiMichael Osborne, Finance Director

MINUTES FEBRUARY 18, 2025

Peter Passarelli, Public Works Director Emma Sagor, City Manager Scott Stauffer, City Recorder Laura Weigel, Planning Manager

Mayor Batey called the meeting to order at 4:01 p.m.

1. Solid Waste Franchise System – Discussion

Osborne provided a summary of previous discussions regarding the city's solid waste franchise agreements, including the original adoption in 2015 and a review of franchise terms, composting programs, customer service, recycling rates, and construction dropboxes. **Osborne** noted the current franchise model is a rolling 10-year agreement that renews each January unless Council takes formal action to terminate the system and clarified that three haulers currently operate in Milwaukie, down from five a decade ago.

Councilor Khosroabadi arrived at 4:20 p.m.

Sagor outlined key provisions in the Milwaukie Municipal Code related to the franchise system, including the requirement for a public hearing and formal notice to terminate the rolling agreement structure. It was emphasized that if Council were to pursue termination, the current haulers would retain their franchises for 10 years from the date of termination notice.

The group discussed how the 10-year termination clock would allow Council to explore future franchise models and develop a new code framework, while acknowledging that changes could not apply to current haulers.

It was Council consensus to schedule a public hearing in fall 2025 to consider terminating the rolling franchise model, and to provide documentation for future Councils outlining the rationale for this potential change.

The group addressed concerns about the future of request for proposals (RFP) in light of industry consolidation. While acknowledging that the pool of future applicants may be limited, Council supported providing future Councils with a regular renegotiation process. This would improve transparency, preserve leverage, and ensure accountability to the public. Council expressed interest in exploring the city's leverage under the current system and potential policy tools to ensure fair rates and service levels.

The group also discussed the cost and value of food waste composting and bulky waste days, noting prior assumptions about minimal rate impacts, which later proved to be underestimated. Council expressed interest in evaluating the cost breakdown for composting services and requested that the city's rate consultant include a detailed analysis in the 2026 fiscal year (FY26) rate review and asked that staff conduct community outreach and education around composting and bulky waste collection.

The group discussed customer service concerns, including the appropriate point of contact for complaints and feedback while noting the importance of clear and centralized communication channel for residents. David Huber with Waste Management (WM) confirmed WM's commitment to responsiveness and highlighted new technology tools for submitting service requests online.

The group discussed recycling rates and diversion rates at different facilities for construction dropboxes. Council emphasized the need to understand cost impacts, how those costs would be distributed, and how transparency could be improved. They also asked staff to explore possible updates to franchise terms, while noting current limitations due to the rolling agreement.

Sagor summarized that staff would bring back additional data on regional practices, cost comparisons, and potential updates to the city's solid waste franchise system.

2. Neighborhood Hubs Phase III – Update

Kolias explained staff's plans for a three-tiered approach to continuing the Neighborhood Hubs planning work in Phase 3, which would build on previous phases and past Council direction. Tier 1 included lower-effort tasks such as reviewing the city's home occupation code to support small-scale, home-based businesses and increase neighborhood commercial activity while taking steps to avoid gentrification and displacement. **Kolias** also proposed temporary use permit outreach and improvements, promotion of allowed uses under current zoning, and expanded business improvement and placemaking grants.

Kolias presented Tier 2, which focused on targeted outreach to property owners, infrastructure investments, and grant programs to activate the already rezoned neighborhood hubs. **Kolias** addressed walkability, zoning history, and market potential for 32nd and Olsen, noted physical constraints of the 32nd Avenue corridor, and the potential for development along the Central King Road Hub Corridor. **Kolias** stated that market studies would occur prior to corridor planning, with a focus on public engagement.

Kolias introduced Tier 3, a citywide analysis of high-density residential (RHD) zoning, which was a required element of the Housing Production Strategy (HPS). The group discussed barriers to development under the existing code and the potential need for tools such as density bonuses, partial lot aggregation, or zoning boundary changes to improve redevelopment feasibility.

Weigel clarified that, although the tiers were structured by level of effort, staff proposed beginning with the Tier 3 RHD study due to state requirements, followed by scoping the identified corridor hubs, and that marketing outreach and other smaller tasks could begin and run concurrently with the RHD study. The group discussed the proposed approach to the work plan and how the timeline lays out.

The group reviewed the broader Planning Department work plan, noting that some previously prioritized efforts, such as the Parks and Institutional Zone and the Willamette Greenway, had been deprioritized to focus on HPS-related requirements. Additional discussion covered pending tasks such as the proposed reduction of system development charges (SDCs) and planning fees under the HPS, the Town Center Plan, a potential land banking strategy for affordable housing, and the Urban Growth Management Area (UGMA) which included potential future conversations with the county.

During the group discussion, Council members expressed differing views on the urgency of corridor planning, some emphasizing near-term community needs and others recommending a longer-term approach.

Dave Aschenbrenner, of Hector Campbell Neighborhood, expressed concerns about the scope of work along King Road and the perceived negative effects of recent changes, as well as historic housing inventories not being prioritized.

The group discussed the appropriate timeline for the market analysis and public outreach for 32nd Avenue and King Road corridors.

It was Council consensus to begin the RHD zoning study in 2025, delay scoping the market analysis for 32nd Avenue and King Road until 2026 and proceed with efforts to activate existing hubs this year.

<u>3. Adjourn</u>

Mayor Batey adjourned the meeting at 6:19 p.m.

Respectfully submitted,

Nicole Madigan, Deputy City Recorder

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