



CITY OF MILWAUKIE

PLANNING COMMISSION MINUTES

City Hall Council Chambers
10722 SE Main Street
www.milwaukieoregon.gov

AUGUST 14, 2018

Present: Kim Travis, Chair
John Henry Burns, Vice Chair
Adam Argo
Joseph Edge
Sherry Grau
Greg Hemer
Scott Jones

Staff: Denny Egner, Planning Director
David Levitan, Senior Planner
Brett Kelter Associate Planner
Vera Kolas, Associate Planner
Mary Heberling, Assistant Planner
Tim Ramis, City Attorney

Absent: None

1.0 Call to Order — Procedural Matters*

Chair Travis called the meeting to order at 6:30 p.m. and read the conduct of meeting format into the record.

***Note:** The information presented constitutes summarized minutes only. The meeting video is available by clicking the Video link at <http://www.milwaukieoregon.gov/meetings>.*

2.0 Planning Commission Minutes

2.1 February 23, 2018

Commissioner Hemer corrected the spelling of his name in the motion on Page 3.

Commissioner Hemer moved and Commissioner Argo seconded to approve the February 23, 2018 Planning Commission minutes as corrected. The motion passed unanimously.

3.0 Information Items

Denny Egner, Planning Director, noted staff had been conducting neighborhood outreach regarding the neighborhood hubs portion of the Comprehensive Plan update project and had received more than 280 responses to the survey.

Mr. Egner added that the Comprehensive Plan Block 1 Policies, North Milwaukie Industrial/Innovation Area Plan, and additional housekeeping code amendments would go before City Council at the next meeting.

North Clackamas Park and Recreation District (NCPRD) would host an event on August 24, 2018 to discuss the changes that would occur on the next phase of Milwaukie Bay Park.

He also invited the Commissioners to the Planning Commission training and full day Planner training that would be held in September and paid for by the City.

4.0 Audience Participation — This is an opportunity for the public to comment on any item not on the agenda. There was none.

5.0 Public Hearings

- 5.1 Summary: 44th Ave & Llewellyn St Rezone
Applicant's Representative: Barry Sandhorst
Owners: Dieringer Properties, Inc.; Greg Van Dyke; Arnold Keller
Address: 4401-4409 & 4411 SE Llewellyn St; 10500 SE 44th Ave; 4401 SE
Harrison St
File: ZA-2018-003
Staff: Brett Kelter, Associate Planner

Chair Travis called the hearing to order and read the conduct of quasi-judicial hearing format into the record.

Brett Kelter, Associate Planner, presented the staff report via PowerPoint, noting that the rezone would facilitate future development. Staff recommended approval. He added that the rezone would likely limit the need for future variance requests for lot size or lot dimension. He distributed a revised version of the Findings and entered it into the record regarding adoption of the zone change by Council.

Chair Travis confirmed that all of the correspondence received was included in the staff report. She called for the applicant's testimony.

Barry Sandhorst stated he had no testimony but was available to answer questions.

Mr. Kelter clarified that if the Commission approved the request, the change would need to be read into the record, so staff could adjust the Findings.

Chair Travis confirmed there was no public testimony and closed the public testimony.

Planning Commission Deliberation

Commissioner Hemer believed the request was approvable, adding that by changing the zoning to increase density, an increase of occupancy could be assumed. The site was near major city arterials and fit well with the neighborhood hub concept.

Chair Travis added it provided an excellent example of redevelopment opportunities in the city. Others might follow suit to increase the utilization of existing properties for redevelopment.

Commissioner Hemer moved and Commissioner Edge seconded to approve the application ZA-2018-003, adopting the recommended Findings in Attachment 1 and including Exhibit 1. The motion passed unanimously.

Chair Travis read the rules of appeal into the record.

6.0 Worksession Items

- 6.1 Summary: Comprehensive Plan Housing Discussion
Staff: David Levitan, Senior Planner

David Levitan, Senior Planner, stated the next block of work for the Comprehensive Plan Update focused on the Housing section, which included housing, climate change and energy,

the Willamette Greenway, parks and recreation, and hazards. The 2016 Housing Needs Analysis showed Milwaukie had an adequate supply of a variety of housing types to meet projected demands for the next 20 years, so the City could be more flexible and creative with the goals and policies that were established and still meet Goal 10 requirements. Staff sought feedback about specific items the Commission wanted staff to consider for the Housing section.

Mr. Egner noted that since the Housing Needs Analysis did not recommend any changes, the Council focus was to provide more affordable housing options. Staff was working on two parallel projects, which could be grant funded, to find further opportunities to facilitate affordable housing projects. One project involved an audit of the City's Accessory Dwelling Unit (ADU) codes and the other would consider Code amendments for facilitating cottage cluster housing.

Mr. Egner explained the difference between form-based and use-based regulations, noting that City Council had provided direction to refrain from being too conservative when considering zoning options intended to broaden housing opportunities. Council suggested that Housing be addressed apart from the other Block 2 topics. Staff was to return to the City Manager with a methodology to give more time and focus to the housing piece.

Discussion about housing and potential Comprehensive Plan amendments included the following key comments:

- **Commissioner Hemer** suggested the City allow for all types of housing so that the market drives development, rather than being overly prescriptive. Allowing flexibility would create opportunity for the economic system to provide needed affordable housing.
- A grant program should be developed to assist living wage or low income workers with a first home down payment, which would provide stable, long term housing without worrying about rising rents. It would also provide opportunity for more rental property, which was currently limited by the existing rules.
- Some communities have prevented up-zoning which resulted in increased housing costs. How could the Commission educate the public about housing issues?
 - Staff agreed there would need to be robust community engagement, and likely economic analysis to explain it. Economic concerns related to homeownership would need to be adequately addressed.
- The **Commission** discussed form-based zoning.
 - The Comprehensive Plan Advisory Committee (CPAC) was expected to provide a forum for a discussion on form-based design and related legal or State processes. Having examples of what other Oregon communities were using would help in educating the public about options and constraints.
 - The housing crisis was much more systemic than solutions like form-based code or loosening zoning regulations would provide.
 - Design standards would have to be retained if all types of housing were allowed.
 - Considering a form-based code made sense. Policy objectives to get more housing must balance with the needs of current residents. Form-based code could help preserve some compatibility between the existing established neighborhood and the new development of multiplexes within the setbacks of a single-family dwelling.
- Open space, transportation, hazard considerations, and other policies were already addressed in the Comprehensive Plan and did not need to be in the Housing section.
- Downtown also needed to accommodate more housing.

- The Affordability and Livability Agenda in Seattle allowed a 1:1 density bonus equivalent to the amount of protected affordable housing provided. Such an incentive would improve the ability of housing developments to pencil out and provide protected affordable housing.
 - The City should allow more plexes and find opportunities for plexes at street corners, which Portland provided via its alternative zoning densities.
- Providing flexibility in housing options, housing form, and housing structure would encourage individual property owners to modify and improve their property or utilize some option that increased density. Whereas, rezoning an entire block would create a prime opportunity for a large developer to build an entire neighborhood of tract houses or high density apartments.
- The City should provide relief for system development charges (SDCs). The SDC process should be more transparent and easy to understand. SDC incentives were an important piece for building density and smaller homes.
- Educating residents could reduce stigmas surrounding affordable housing residents. Messaging and public engagement regarding housing policies would be important. The Community Vision encouraged dispersing affordable housing and a variety of housing types throughout the community.
- Mixed income neighborhoods actually benefit lower income families according to a 2014 Harvard study. The City should include Comprehensive Plan policies that encourage a mix income levels within neighborhoods. Staff noted mixed income housing was being discussed for the Hillside site.
 - Mixing ADUs and small houses in with plexes would enable lower income earners and families to build equity and then sell and move up to larger homes.
 - The market would still dictate housing prices regardless of policies; however, grant programs and subsidies could provide opportunities for lower income, first-time home buyers.
- There was no way to guarantee how long units would stay affordable, so preservation of affordable housing was a major concern.
- Making the existing zoning process more efficient and considering incremental changes to the existing zones should be weighted equally with more sweeping changes.
- The more radical the changes, the more transportation system could be impacted. The TSP may need to be updated.

7.0 Planning Department Other Business/Updates

7.1 Planning Commissioner Notebook Replacement and Interim Update Pages

Mr. Egner distributed a notice to the Commission that the time allowed for the subdivision on Logus Rd was extended, so the applicant could return with their final plat.

Several Commissioners requested electronic copies of the notebooks with active hyperlinks rather than having physical, paper copies of the notebook.

8.0 Planning Commission Committee Updates and Discussion Items

Commissioner Hemer announced that a Milwaukie Museum History Walk was being done in accordance with an AARP walk on August 25th from 10 am to 12 pm at the Ledding Library.

Mr. Levitan confirmed the library received a notice to proceed and that no revised bond

measure was required. He provided background information about the project and did not know when construction would start.

Mr. Egner directed Commissioners to the City website for updates on the Adams St Overpass Project.

Commissioner Edge invited everyone to the Trolley Trail Festival in Oak Grove on August 18th from 8 am to 4 pm.

9.0 Forecast for Future Meetings:

August 28, 2018 1. TBD

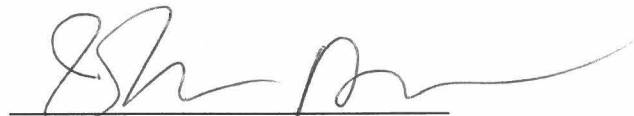
September 11, 2018 1. TBD

Mr. Egner confirmed the Commission wanted to review the Room Service/Housekeeping Code Amendments on August 28th, so the September 11th meeting would be cancelled. The hearing on the Harmony Park Apartments was scheduled for the September 25th Planning Commission meeting. The Oregon Chapter of the American Planning Association and DLCD would host training meetings on September 12th and 13th and housing would be a discussion topic. Commissioners should let staff know if they wanted to attend.

Meeting adjourned at approximately 8:20 pm.

Respectfully submitted,

Alicia Martin, Administrative Specialist II



Kim Travis, Chair

John Honey Buss, Vice Chair