



**Comprehensive Plan
Citizen Advisory Committee
Meeting # 24**

**May 23, 2012
City Hall
4:00 pm – 6:00 pm**

PLEASE NOTE THIS SUMMARY IS NOT A WORD FOR WORD DOCUMENTATION OF ALL INFORMATION PRESENTED AT THE MEETING. TO SEE THE INFORMATION PRESENTED AND DISCUSSED PLEASE REFER TO THE MEETING MATERIALS ON THE CAC MEETING WEB PAGE:

<http://welovelakeoswego.com/citizen-committees/cac-meetings/>

Members in attendance: Sally Moncrieff (Chair), Tom Brennan, Christopher Clee, Doug Cushing, Tom Fahey, Bill Gaar, Liz Hartman, Tim Mather, Bob Needham and David White

Members not in attendance: Katie Abbott, Dorothy Atwood, Nancy Gronowski, Jim Johnson, and Teri Oelrich

Staff in attendance: Sarah Selden, Beth St. Amand, and Kirstin Greene (Cogan Owens Cogan)

1. PUBLIC COMMENT

Tom Cusack (Mountain Park resident) advised that the Housing Needs Analysis was out of date and should be updated. He advocated having a substantive requirement for affordable housing in urban renewal plans. The Affordable Housing Task force had recommended there be a minimum set-aside for affordable housing in urban renewal areas. Policy C-1, which called for establishment of voluntary affordable housing goals with five-year targets, was a positive change. Policy A-1 (d) said the city was going to focus on doing high-density residential housing in mixed residential zones located near town centers and located near transit. That made a lot of sense, but the problem was that town centers would all include urban renewal areas. If the policies for urban renewal areas did not have requirements for affordable housing then it could not be accomplished in town center areas. The Housing Needs Analysis assumed two-thirds of all of the projected high-density housing would be in areas that had mixed residential zoning. If there were no requirements for affordable housing in urban renewal areas the City was not going to accomplish what was projected.

Mr. Cusack was concerned that neither the urban renewal plan for the downtown area nor the Lake Grove plan had an affordable housing requirement. He had attended the last meeting on the Foothills plan a couple of months ago and heard no discussion regarding having such a requirement. The latest iteration of the Foothills plan would increase the rental housing stock in Lake Oswego by 1,300 units (roughly 25%). He posed two questions: If there was not going to be affordable housing in Foothills, then where was it going to be? If it was not going to be done now, then when? He

explained the bottom line was that a substantial part of the expectation of doing affordable housing in Lake Oswego really depended on what happened in urban renewal areas. He recalled about 1,500 housing units were being planned in Foothills. He estimated an investment of \$200,000 per unit (total development cost) would amount to an investment of at least \$300 million in Foothills. The developers of units in that area and existing landowners would clearly recognize some benefit. He saw no reason why there should not be an affordable housing requirement. During the discussion Mr. Cusack commented on Housing Affordability policy C-4, which talked about working with LORA to establish strategies for providing affordable housing. He indicated it was too vague as far as what the actual commitment was and it was a lesser requirement than the minimum percentage the Affordable Housing Task Force had recommended. [See also Mr. Cusack's May 23, 2012 letter, "April 24 City Council meeting - The Need for Affordable Rental Housing Targets in Foothills Redevelopment Plan and Development Agreements."]

Craig Stephens had submitted May 23, 2012 written comments regarding Inspiring Places.

2. CAC COMMENTS

Ms. Hartman had attended a meeting of neighborhood chairs and heard Mr. Fahey talk about the Transportation System Plan update. She believed the Mayor was going to hold one more meeting when they would talk about areas that were trouble spots. **Mr. Fahey** related he had also talked to the Waluga Neighborhood Association and was going to talk to the Uplands Neighborhood Association. He reported the 50+ Advisory Board had found that posting questions in an online forum was very effective. It would be a good tool to use to get input on Economic Vitality. **Councilor Moncrieff** observed the 50+ Advisory Board had been very helpful. It had offered a lot of input to the CAC on the housing section and also suggested action items. She announced the City Council hearing on Community Culture was on June 5. The Planning Commission hearing on Complete Neighborhoods and Inspiring Spaces & Places was June 25. She suggested each CAC member share those goals and policies with their respective organizations and bring back their feedback prior to the hearings and work sessions. Staff would incorporate them into the staff report, which had to be finished by June 12.

3. Agenda Review & Announcements

The April 25 meeting summary was corrected and accepted. **Ms. Selden** encouraged the CAC members to attend the June 5 City Council hearing on Community Culture. Councilor Moncrieff had accepted the OAPA Distinguished Leadership by Planning Professionals Award on behalf of the city. She had attended the conference and learned about projects going on all over the state. The key note speaker had recommended keeping regulations as unobtrusive as possible while remembering the purpose of the land use system.

4. Schedule Review

Ms. St. Amand distributed an updated schedule (See her May 18 Memorandum with the attached Draft 5/18/12 CAC 2012 Schedule). She planned to develop and email the members a matrix that would track where the process was at and what had been completed. She highlighted additions to the schedule. The staff had added a joint meeting with the TSPAC to go over Connected Community goals and policies. The last summit is scheduled for August 25 at the Farmers' Market. It is related to Community Health and Public Safety and Healthy Ecosystems. The CAC agreed to reschedule the December meeting to January 16. The staff related that the Planning Commission was going to hear an update on the schedule and periodic review June 11. There might be a joint meeting of the City Council/Planning Commission/CAC in June to discuss how all of the topics might relate to the Stafford area. Ms. St. Amand asked for volunteers to serve on the reconvened Goal 9 and 10 work group (see next agenda item).

5. Next Action Area: Economic Vitality

Ms. Selden recalled at its last meeting the CAC had decided to solicit more feedback on the topic of Economic Vitality. Since then staff and CAC members worked on that by participating in a Chamber networking event on May 11; posting a Survey Monkey survey; and posting an Open City Hall question. So far 76 more public comments had been received. Mr. Cushing had presented at the Chamber networking event. Mr. Cushing, Mr. Gaar, Ms. Hartman and Mr. Fahey volunteered to be on a subcommittee that would do an initial review of the first draft of Economic Vitality goals and policies and provide feedback to staff before the entire CAC reviewed them on June 27. That would help the CAC process them a little more quickly.

6. Inspiring Spaces & Places

Ms. St. Amand distributed her May 18 Memorandum, "Complete Neighborhoods & Housing and Inspiring Spaces & Places." The Planning Commission was scheduled to consider these goals and policies at a June 25 hearing. Staff pointed out they had revised some of the policies to reflect changes the CAC had previously discussed. Under the goal to maintain and enhance the appearance and quality of Lake Oswego's natural and built environment Policy A-1 was more specific about where to use certain types of regulations and standards. They noted that size, scale and bulk were closely related to residential use. Design was more closely related to mixed use and commercial. Policy A-3 talked about preserving views. The CAC had previously decided it should specify that views were 'public view corridors' and they were to be protected from encroachment by the built environment (not trees). The corridors could be defined in the action planning stage. One of the goals called for growing within the City's existing urban service boundary. If the proposed joint Planning Commission, City Council, CAC meeting mentioned earlier discussed changing the existing policy related to Stafford, staff would let the CAC know. **Mr. Cushing** asked how Craig Stephens' suggestions would fit here. Ms. St. Amand agreed that what terms meant should be clarified. They would be in a definitions section to be developed later. She noted Mr. Stephens talked about protections. She observed that protections were called out in a number of places and policies in the Plan and the Vision Statement talked about the natural setting. If the CAC believed there needed to

be additional protections policies in other chapters they could add them now or when they developed those chapters. **Councilor Moncrieff** observed it was the reorganization of the Comprehensive Plan that made it confusing. The Planning Commission was paying careful attention to ensure the parts of the existing Plan did not get lost in the process. Ms. St. Amand pointed out that page 3 reflected some of the reorganizing staff had done. They had morphed policies from two other goals into this section. Ms. St. Amand asked for a recommendation that the CAC move forward the goals and policies to the PC for the hearing. There was general agreement to this proposal, and discussion ended.

7. Complete Neighborhoods & Housing

Ms. Selden reported the staff was moving forward with updating the Housing Needs Analysis. It would reflect the 2012 Median Family Income in Clackamas County that affected the affordable rent and mortgage levels used in the analysis. It would look at affordability based on 30% (formerly 25%) of income going towards housing cost. That was consistent with the percentage other jurisdictions used. It was also consistent with the Affordable Housing Task Force definition of 'affordability,' which was using 30% of household income for households making 80% or less of the median family income. The staff would then look at whether the city had the type of zoning necessary to develop the necessary amount of housing in the future. The staff was waiting for Metro's forecast of regional population growth. It had been delayed, so Metro and the DLC had agreed all of the jurisdictions could move forward with a draft set of numbers (referred to as 'beta numbers'). Metro's number was within the city's low (about 1,800 new housing units) to medium (about 2,700 new housing units) forecast range. It was coming in within the range the city had shown it could accommodate in the Housing Needs Analysis. Ms. Selden clarified that after the staff received Metro's final numbers they would discontinue using the range and move forward with that single point forecast.

Staff had distributed "Draft Revisions to Goal 10-Housing Goals/Policies, and New Complete Neighborhoods Goals and Policies (Draft 5/18/2012)." Ms. Selden recalled there had been a lot of discussion about the section on Housing Location and Quality at the last meeting. The suggestion had been to try to pull apart the criteria related to medium and high density housing and to add a section to address mixed-use housing. The staff had tweaked the locational criteria so it now talked about a) Low-density residential zoning; b) Medium-density residential zoning; c) High-density residential zoning; and d) mixed use residential zoning. Ms. Selden provided a map to aid the discussion. It showed the medium and high density residential zones; commercial zones; bus lines; arterial streets and major collector streets. She recalled Mr. Cusack's comments on targeting higher density housing. There were likely locations on the map that fit high-density, mixed-use, criteria that were not necessarily in an urban renewal area. Examples were Kruse Way, Mountain Park, and neighborhood villages at McVey/Stafford/South Shore, Palisades Neighborhood Village, Rosewood Neighborhood village at Jean/Pilkington, and the NC zone on Upper Boones Ferry Road. The CAC examined and commented on the proposed criteria for each of the four types of zoning.

CAC comments/observations:

- The policy said that low-density residential zoning was intended to maintain neighborhood character in areas that were currently developed with low-density housing.
- Medium density criteria indicated it was intended for transition areas. But FAN's medium density zone (R-6) was not a buffer. FAN used R-0 to buffer R-6 from the EC zone.
- Current zoning was sometimes not clear enough either to staff or the developer, so what could be developed in a high density zone was subject to staff and DRC interpretation.
- If the intention was to use high density zoning to create neighborhood villages the policy should be more explicit about that.
- It was a step in the right direction to introduce the concept of medium density.
- The mixed use criteria indicated it was intended to encourage new housing in close proximity to public transit, jobs and services within town centers, neighborhood villages, and employment centers.
- The R-DD zone helped protect the character of Old Town. Fan was also unique in that it had its own design guidelines. (Staff comment: Staff had found that not all neighborhoods had consensus about applying more regulations and design standards; some were not consistent enough for design standards to make sense. But Policy D-5 under Complete Neighborhoods allowed neighborhoods to accomplish their neighborhood plans using a new zoning district or a new overlay zone.)
- What a mixed-use zone was needed to be clearer.
- Staff advised that residential uses were allowed in commercial zones. The staff was considering how to create standards for mixed-use districts in town centers, such as Lake Grove, downtown, neighborhood villages and employment centers. Until they pinned it down this policy would remain a little more general. CAC members had differing positions on whether it should be general or more specific (see further discussion below).
- There should be examples of mixed-use residential so people could see beyond the intent statement.
- Residential could be a component of a mixed-use development that was also industrial, commercial, retail and/or office.
- The classic, historic, example of mixed-use was living over the store.
- Putting residential details on mixed use to make it look more residential was important.
- Don't try to be so specific about mixed use that it would discourage people from trying it and discourage affordable housing. It was one of very few things that could lead to some innovation.
- Offer examples of mixed use in neighborhood plans or add creating examples to the action items.
- Mixed-use could help make housing affordable.
- Staff clarified there was currently one spot of mixed-use residential in the city. It was the small R-2.5 zone in West Lake Grove that had been developed according to a specific plan for that area.

The CAC talked about the medium density and high density requirement to be within a half and a quarter mile of public transit and major roads. They were not sure the criteria should be that specific. There were potential sites, like the Armory and vacated schools with the potential to be redeveloped, but they might not meet the distance criterion. Perhaps it should be more general and just say “in close proximity.” Councilor Moncrieff recalled reading about a parks standard that was a ten-minute walk to a park or open space. She recalled that when one of the councilors suggested a policy to have a park or recreational facility within a quarter mile the majority of the Council seemed to think that was too prescriptive. The CAC questioned the use of “and” and “or” to link criteria. For example, under b) Medium-density, if the area did not meet the first criterion listed did it have to meet each of the other three? Were the criteria to be requirements or just factors to be considered? Ms. Selden observed the “and/or” question was a policy decision related to how strict the CAC wanted to be about where the zones were located. She would give it more thought and offer the absent CAC members an opportunity to weigh in. The group observed the policies might need to be at the 20,000 foot level instead of a more closely regulated level. The conditional use process might be available. Ms. Selden advised that if, for example, an applicant wanted to rezone the Armory site to R-0 the decision makers would look at the locational criteria in the Comprehensive Plan as a guide. The Planning Commission would likely discuss that question as well. They advised that they planned to add a forward or preface that could talk about what the Plan was trying to accomplish in different zones. That might be a way to avoid having so much specificity in the criteria.

Staff polled CAC members regarding the direction staff should go in refining the criteria. CAC responses were as follows:

- This is a long term document so it should be more about the 30,000 foot view than the close up view.
- Use a quarter mile because if a lot does not meet the distance requirement it could be allowed under a conditional use permit.
- This was a hard choice because it did not have much to do with what FAN looked like.
- Use the descriptor, “near” and require the area to meet perhaps two out of three of the criteria.
- Treat the locational criteria as guidelines so developers have some flexibility. If something is required it should be very clear.
- Yes, requirements should be very clear and there is no problem with a quarter or a half mile criterion.
- Take it higher, but have some guidelines.
- It could be conditional use, but on the other hand the logic of specifying a distance was it would address impacts on arterials and surroundings.

The staff planned to prepare another draft of the Housing Location and Quality section and map it for the CAC.

The CAC then examined policies related to Housing Affordability. The staff pointed out they had updated C-3 and C-4. Mr. Brennan referred to C-4, 'Work with the Lake Oswego Redevelopment Agency to establish strategies for the provision of affordable housing as part of Lake Oswego urban renewal plans, tailoring the strategies to each district.' He held that policy was not strong enough. He recalled the recommendation of the Affordable Housing Task Force and advocated a stronger statement as follows:

Work with the Lake Oswego Redevelopment Agency to establish strategies and minimum target percentages of affordable housing units as part of Lake Oswego urban renewal plans. Customized strategies for each plan shall be tailored to reflect the citywide targets required to accomplish affordable housing goals.

He clarified that he was not suggesting setting a specific number of housing units but going forward generally keeping the goals in mind.

Other CAC members suggested additional changes: Policy C-5, which called for the city to 'Work toward a goal of no net loss of affordable housing,' should instead say 'require no net loss.' There was consensus to make that change. Policy B-5, called for the city to 'Promote the development of housing that can be adapted to accommodate changing housing needs over time.' 'Promote' should be replaced with 'Allow.' The staff planned to refine the policies and circulate them via email for comments.

8. PUBLIC COMMENT

Skip Ormsby (Birdshill NA and Clackamas County Community Planning Organization) urged the CAC to reconsider the ½ distance that was discussed earlier and add height to the equation. He stated that Birdshill had passed a number of resolutions and requested an hour of the CAC's time to present the resolutions to them.

Staff's response to Mr. Ormsby sent via email on June 13, 2012: At the last Comp Plan CAC meeting you requested an hour at an upcoming CAC meeting to go over new Birdshill Neighborhood resolutions. Due to the work load and time constraints of the CAC there isn't an extra hour available on their agenda. However, the CAC would like to hear about the Birdshill Neighborhood Association resolutions. I would suggest that you provide written comments to the CAC (you can send them to me and I will post your comments on-line with their meeting materials) and provide a two minute overview of your written comments during one of the two regularly scheduled public comment periods at the beginning and end of each CAC meeting. If the CAC has additional questions or needs additional information they can either ask you during your comment period or I can follow-up with you via email.

Mike Duyn (Commercial Real Estate broker, Portland resident, Lake Oswego property owner), observed that the city had lost the opportunity to have mixed-use residential along Kruse Way and Foothills had potential, but it would be a challenge to assemble property currently in multiple ownerships. He explained it made sense to look at the 120 acres in the IP zone along Boones Ferry Road to McEwen. It was raw, underdeveloped, and stagnant now. It was a 'gold mine' - a huge opportunity for a vibrant community of mixed use, affordable housing, more commercial and retail use, and more parks. It could feature four and five story buildings with retail on the ground floor. The city maintenance facility site could be a great high density residential zone. He acknowledged that a market shift would be necessary for that to happen.

CAC COMMENTS

None.

ADJOURNMENT

Councilor Moncrieff adjourned the meeting at 6:00 p.m.