TUESDAY, FEBRUARY 16, 2021 WORK SESSION ~ DOWNTOWN OVERLAY & 50 YEAR PLAN SCOPE OF WORK, 6:00PM

Mayor Burge called the work session to order at 6:00 p.m.

Present: Mayor Scott Burge, Council President Megan Greisen, Councilor Joel Haugen, Councilor Josh Poling, Councilor Brandon Lesowske, Councilor Pete McHugh, Councilor Tyler Miller, Interim City Manager Alexandra Rains, City Recorder Susan Reeves, City Planner Laurie Oliver Joseph, Program Analyst Huell White, Program Analyst Intern Isaac Butman, and Legal Counsel Peter Watts.

Remote: Public Works Director Dave Sukau.

City Planner Laurie Oliver Joseph explained there was a request to do a work session on the downtown overlay. She put some materials together for Council. Her plan was just to kind of go over the history of the downtown overlay code and then she'll point out some highlights from the code language itself, unless there are specific questions. She explained, the downtown overlay code language was adopted in 1999, it actually was the result of a project that was done, a joint project by ODOT and the Department of Land Conservation and Development, call a quick response project. She explained that project was completed in 1998 and according to the document it said that the aim of the project was to determine how the City could appropriately design and integrate a park and town center into the community in a way that would directly influence its future growth. She explained at the time that was the vision. She did attach the illustrative master plan that was created as a part of that project.

She explained one interesting thing to note is that the park, Veterans Park, actually was not a City Park at that time, it wasn't developed until 2004. Heritage Park was called a park, she doesn't think it had very many amenities at all. She explained if you look at that last page of the document you can see where Veterans Park was planned to go. She stated actually, interestingly enough, you can see the street does connect all the way through to EJ Smith, it has always been planned to do that. She thought that was interesting. She explained on page three, straight from the code, this is what it says for the purpose ~ the purpose of the downtown overlay is to: encourage the preservation, improvement and renewal of the existing business district of the City, maintaining a center of commercial and civic activity for the community; encourage pedestrian traffic; encourage higher density residential development in support of commerce; require design features that reduce conflicts with vehicular traffic flow; and, to improve the general appearance, safety and convenience of the downtown area by requiring greater attention to the design of buildings, parking, landscaping, lighting and traffic circulation.

She explained since the initial adoption of this code language in 1999 there have been a total of 4 amendments made. She explained in the packet there's a table with a brief summary of changes that were made. Most significantly, she would say, is the last one in 2018, when staff made some amendments as part of the housing needs analysis adoption amendments. With the exception of the housekeeping amendment in 2012, the proposed changes were either a result of further studies being done or were based on actual feedback from developers who were using this code

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to build (most notably Brian Rosenthal) and or staff suggestions of things we could see that weren't working right. She explained each of the proposed amendments gathered public input via open houses, technical advisory committee meetings, and/or council work sessions prior to being adopted. She stated there's a history of the code consistently being revised as needed to correct any deficiencies that are known.

She explained the downtown overlay code is in conformance with existing master plans. She explained for instance, the 2016 transportation system plan, there is a special street cross section design that applies just to Northwest and SW 1st Street, as well as another special cross section from Highway 30 on E Columbia from Highway 30 to the West Lane/SE 4th Street intersection. She stated again this is in conformance with the recommendations that came about as a result of this 1998 quick response project. She explained mainly these special cross sections require streetscape amenities such as pedestrian bulb-outs at the corners, decorative pedestrian scale streetlights and then street trees that are incorporated into tree wells in the sidewalk, so you get a wider sidewalk and then also the urban renewal plan. She explained when the City was developing that plan there was a suggestion that a design framework plan also being developed to guide the projects that would be included in that plan and so the consultant did get a copy of this project and then there are three different projects that were included on the project list for funding in the urban renewal plan. She has those listed here and again it's essentially that enhanced streetscape that she had mentioned previously for those special street cross sections.

She explained we really haven't seen Northwest or Southwest 1st Street redevelop with these design guidelines in place yet, it's a matter of it just eventually kicking off. She explained the framework is there and the code language is there for it to occur. She stated, however, it hasn't quite happened yet. She explained we do have a 36-unit apartment complex just West of the Inroads Credit Union, but it's taken a while for them to get going, but they did pick up their grading permit recently. She explained we are hoping that is in construction here shortly, but once that kicks off, we're hoping that kind of starts to redevelop that street a little bit because they will be putting in the decorative streetlights and redoing the sidewalks and everything up to our standards.

She wanted to point out next, on page 5, she has included the downtown overlay chapter of code language. She explained the main thing with the downtown overlay is that the dimensional requirements of the base zone do not apply, so essentially when she is looking at an application for development of a downtown overlay property, then she just refers to this chapter for the setbacks or minimum lot sizes, maximum height of buildings, etc. She explained it all defaults to this chapter instead. She explained there are smaller lot size requirements, smaller setbacks, there's a reduced maximum height in the downtown overlay, and again, that's because we're trying to encourage a pedestrian scale feel from the street. She explained there are different requirements for parking lots, so the parking lot needs to be to the side or rear of buildings because we want those buildings up front by the sidewalk. She explained there are different landscaping requirements in parking lots, which she prefers. She wishes all parking lots followed this code. She stated that's definitely a change she would like to eventually make to the development code.

Council President Greisen asked if she could elaborate on that a little bit more?

City Planner Laurie Oliver Joseph replied, for instance, for parking lots not in the downtown overlay, she doesn't have a way to enforce things like plantings in the center medians, there's no

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requirement for that so the only thing she can enforce is that there is a parking buffer essentially. She explained if you have parking stalls adjacent or abutting a public road then they have to provide a 5-foot buffer area and it describes what's required. She explained internal to parking lots though, she can't make them plant anything unless they're just proposing it on their own. Whereas, in the downtown overlay, landscaping around and within surface parking areas shall equal 10% of the total parking area, landscaping shall be installed within planting bays and in any other area where parking stalls, circulation, driveways, etc., would not be precluded by the landscaping. She stated if she could just have that language in the standard parking chapter that would be great.

She explained the building heights are lower in the downtown overlay than they would be in just any general area of the City for commercial buildings. She explained there is a requirement for architectural character being provided for commercial and residential buildings. She referenced page 13 of the staff report, there is a list of nine different architectural features and residential structures have to use at least two of those particular items and then for commercial buildings there are additional requirements that they have to meet as far as the ground floor buildings, how much of the building has to have windows, etc. She explained landscaping also is different in the downtown overlay, there's no screening or buffering required. She explained in the downtown overlay because there is a desire for it to be more dense, that kind of goes by the wayside and that's not something that applies in the downtown overlay. She explained there's also the ability to provide the pedestrian scale lighting and hanging floral baskets in lieu of street trees, if it makes more sense, maybe along the business frontage. She explained there's a very prescribed street tree spacing as opposed to in other areas of the City it's strictly mature height and width of the tree and then that dictates the spacing. She explained on page 15 of the staff report you'll see the map of the downtown overlay, the hatched area, those are the properties that are within the downtown overlay. She explained on page 16 it just shows the quick response project illustrative masterplan. She explained this looks a lot like the design framework that ZGF put together for the urban renewal plan, it's the enhanced street scape. This is what it would look like if everything were redeveloped according to our code, basically.

Mayor Burge had talked about mandating color because it seems like a building should be one color, with one color trim.

Councilor McHugh stated it seems to him there should be a way if we as a City think we should have retail in the bottom, we can require that. He knows the codes don't have that in there, so we can't require that right now. He also thinks that a 36-unit apartment should have a recreation room or an exercise room to go with the apartment. He just thinks that makes it more desirable for people to move in.

City Planner Laurie Oliver Joseph replied for apartments each unit has to provide a 48 square foot balcony and then depending on the number of bedrooms there's also a requirement for 200 square feet of outdoor common recreation space, and that's per unit. She explained it has to be usable space, but we don't say it has to be a gym or whatever, it could literally just be grassy area on the property so long as it is usable. She explained, for the 36-unit apartments they have plenty of outdoor space because it backs to the creek, and they can't use that for development obviously. They have their parking lot back there, but they can't have structures or anything, but they did opt to put in a half-court basketball court and that was just something they wanted. She explained so they have to provide some open space, but again, where it is located on the site is pretty general. She stated that is something that we could tune up she thinks, in the future.

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Mayor Burge asked to follow up on Councilor McHugh's question, can we in the downtown overlay require commercial zone to have retail/commercial on the first floor?

City Planner Laurie Oliver Joseph replied we could, and it has been a topic of discussion in the past and it had to do with the cost of building mixed use buildings and then the uncertainty for the developer of having that space rented when they know residential is going to be occupied. She stated it is kind of a hard sell for them to agree to put in mixed use. She stated if they don't have a choice, then she supposes they'll either do it or they just won't build here.

Councilor McHugh stated he knows a lot of places require it but we're not as big as those other places, so I do understand that. He stated it would seem to him that there might be options to put part of the lower level as a retail, it doesn't have to be the whole lower floor.

City Planner Laurie Oliver Joseph replied it wouldn't have to be, even under our code.

Council President Greisen stated, undoubtedly all those amenities are important, but she thinks we have a population in our City that just doesn't have a choice they need somewhere to live and by choosing to live in Scappoose they might be forfeiting having those amenities because the price is cheaper than going to other places. She stated as much as it would be great to force a developer to do that, she'd rather people have somewhere to live. She stated it is so needed out here and it is a hard balance.

City Planner Laurie Oliver Joseph replied it is a hard balance. She thinks what happened when we had the discussion previously in 2017- 2018 about this mixed-use requirement is we decided to go away from that in favor of just offering an incentive instead. She explained the maximum height in the downtown overlay, previously, was no higher than 35 feet. We changed the code to say if they provide mixed use, then they could go up to 45 feet. She explained it gave them incentive to do it, but it didn't make them do it.

Legal Counsel Peter Watts stated one of the issues with developers financing these is banks don't look at adjacent jurisdictions. He stated this was an issue with Milwaukee. He explained banks look at rents inside the city and so one of the challenges is, until you have a new project that trues up the rental prices, because a lot of cities have older rental properties renting for less money, until you get that first one that establishes that there's a market demand for those sort of apartment rates, then it's really hard to get financing and your interest rate on that financing is going to be high. So that's why although you know you might look at a developer and say, we're going to go to 45 feet so you could technically perhaps have a four-story apartment, because there are no comps in the city of that type of apartment or with the type of rents that apartment would need to generate, then financing the first project is a real challenge. He explained if the first project happens, then all the rest are able to then easily obtain financing.

Councilor Haugen stated he wonders if an incentive to have some kind of exercise facility once you meet the threshold in numbers, from the social value of that, encouraging exercise and combating obesity and so forth is a is a structural problem in our Country everywhere, and so he thinks it is really an important thing to look at. He thinks we should continue this discussion not necessarily tonight, but to look at ways we could encourage apartment complexes to have exercise facilities for the clientele, regardless of whether or not there's an encumbrance on the financing.

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Mayor Burge stated if we have these areas that are in the downtown overlay and in the urban renewal area, and we've already put our goals in about downtown upgrades, I think that it's an opportunity for us to use both where we could actually have more say on some of these properties. Maybe not all the properties, but like the inner core properties, maybe inner part of 1st Street, they need to have that first-floor retail. He talked about meeting up with the Mayor of Redmond and they talked about the different businesses that had received urban renewal dollars and it is really creating their downtown to be more vibrant than it used to be.

Councilor Lesowske stated, he feels like there's always a balance here between creating a vision of our community but also not creating barriers for development. He asked City Planner Laurie Oliver Joseph, in her experience, does she feel that the overlay hinders development for the City of Scappoose?

City Planner Laurie Oliver Joseph replied she thinks in the past perhaps it has, and she thinks those are the things that have been worked on throughout the years and that was in response to Brian Rosenthal who has built several buildings, and just based on his feedback some things which were changed. I know in the six years I've been here, if a developer can get a piece of property in the downtown overlay, then that is to their advantage because they can build at a denser scale and so that pencils for them. She explained she doesn't think the way it's currently written that it is hindering anything.

Mayor Burge stated in his historical perspective on it, a lot of the houses along NW 1st are still owned by the same people or people have just bought the house and they weren't developers and are just looking for a home, so they haven't really turned over. He explained his biggest concern is protecting some of those spaces from just turning into apartments because once they become apartments, they will always be apartments. Recognizing that we need apartments, but we also need this area for the future, we need to encourage it to be this downtown core or else we're not going to have a downtown, we're going to have a mishmash of apartments.

Council President Greisen talked about sending out an encouragement letter to businesses in the downtown overlay, just informational, stating they are not required to do any of these things now, but this is the current code language and new developments are required to meet this code. Just like an informational piece, you know, you might notice that new developments coming in might look a little different because of the code language.

Mayor Burge stated we can offer them grants because we can use urban renewal money to do that and that would be doing what it's supposed to do.

City Planner Laurie Oliver Joseph replied she thinks that was the intent and that is a project in the plan, so that eventually once we have that money coming in, we could offer some sort of store font improvement grant money.

Councilor Poling stated he feels the biggest challenge in the downtown overlay is going to be parking capacity that's available within each of the blocks, with availability there for commercial space and obviously having the right number of spaces for what businesses we want to bring in. He stated he really doesn't know how we even look at that as we look at the possibility of where those would even fit.

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City Planner Laurie Oliver Joseph replied to get at that, it has been discussed before and there is a section in here that allows for reduced parking. She explained it is on page 11 of the staff report, it states "for any structure meeting the applicability provisions of site development review or conditional use, the Planning Commission may grant reduced off street parking standards within the following parameters". She explained it will list certain sections, in one section it is 100% reduction in capacity because we have small blocks, because of existing historic buildings, etc. She explained that applies to a very particular area and then there's up to a 25% reduction for other areas. She explained we did add that reduced off street parking requirements do not apply to mixed use or multifamily buildings because there was a concern then that you would have pretty much everyone parking on the street. She stated that's probably something to look at again. She stated the other thing that she really wants to look at is doing some sort of a parking study downtown to see where there might be an opportunity to have a public parking lot. She thinks that that would be fantastic, and again, that's one of the things that's in the 50-year plan scope of work.

City Planner Laurie Oliver Joseph went over the 50 Year Plan Scope of Work. She explained we have a standard RFP draft that that this will go into, but she wanted to bring Council the scope of work specifically to look at to make sure that Council feels that this is capturing what we want to be looking at, knowing however, that as we get going on this process there would be opportunities still to make any amendments to the scope of work. She explained starting out, she thinks to kick it off we would have a visioning process with the community, the stakeholders, with council and that's going to kind of determine what the overall look and feel of the City should be moving forward. She has included looking at potential locations for a future community center, schools, municipal offices, parks, and downtown public parking. She stated this could also touch on the aesthetics, and do you want to have different standards for colors in the downtown area or architectural requirements. She stated it doesn't have to be that list, it could be additional items to look at. She explained, then development of a Citywide communications and outreach strategy and this is to keep the general public informed of each step of this process.

She would also want the consultant to develop a web page on the City's website with details about the ongoing project and then also opportunities for citizens to provide input at key points in the process. She explained we had something like this set up actually when we went through the transportation system plan updates and there was an interactive map and people could comment on the areas of the city that had known issues or deficiencies. She stated that's something she would be very interested in seeing them set up and manage for us. She talked about the update to the housing needs analysis and buildable lands inventory, she has the planning horizon listed there and then completion of a new economic opportunity's analysis. She explained these two plans need to be looking at the same planning horizon, that's why we need to update both. She explained this is something that Peter suggested we add #5, review of the current UGB lands to determine if any areas are unlikely to urbanize due to topography slope and or other factors. If there are areas that we don't expect to have developed, then we could look at a UGB swap process. She explained that's definitely going to be worth our time to do. She stated establishment of urban reserves to meet the projected land needs for a 50-year planning horizon if it's warranted. She stated within that, then we would want to see a report that discusses the infrastructure needed to support potential land that's included in the urban reserves and then

updates to the comprehensive plan map and policy's, as well as the zoning map, as applicable to support the establishment of urban reserves or the UGB swap. She stated maybe there's certain lands that are currently in the UGB, or are in the city, that perhaps should be rezoned for a different use. She explained under #7 "review and update the city's comprehensive plan policies and the Scappoose Development Code", she would like specifically to update the Scappoose Development Code regulations to reflect natural resource protection and climate change. She would like to have each of our sensitive land's chapters, which she's listed, updated in response to climate change and natural resource protection. She knows Councilor Lesowske asked about a tree canopy study and she wasn't sure if that would fall within this or that was something that would be a standalone project that would sort of feed into this eventually, but she could add it here.

Councilor Lesowske stated his suggestion would be within this 50-year plan. If we were to look at our current inventory and looking 50 years out and how that would mitigate climate change by having a larger canopy within the City. He thinks that they would support each other very well.

City Planner Laurie Oliver Joseph stated she did feel like it would fall under this, but it's probably worth spelling out just so that they know that it is something we're looking for. She explained the updates to the Scappoose Development Code She went over the chapters that she knows she would like to have updated ~ downtown overlay chapter, site development review, conditional use, off street parking and loading and then the landscaping, screening and fencing. She stated this would be reflective of the outcome of the visioning process of what the community wants the City to look and feel like further down the road.

Mayor Burge stated he doesn't know how you do this, but is there any way to do future visioning? He stated if we are looking at a 50-year plan shouldn't we be kind of at least looking at how future technologies may impact a wide range of things. He stated we should be kind of thinking about how technology is going to change the way cities run and operate.

Councilor Lesowske stated, like how do you incorporate innovation.

City Planner Laurie Olive Joseph replied she can add that as maybe a kind of stand-alone report, a road map for what we can be considering or adjusting as we go.

Mayor Burge replied especially in codes we are looking to change, maybe we don't need as much downtown parking because maybe we need more places for cars to pull over to drop their passengers off and then the car can move on, versus parking. He stated even today there's that changing environment.

Councilor Lesowske stated I find that this proposal is very valuable and allows for all of the work that we've been discussing over the last I don't know how many years, in trying to actually have a vision of what Scappoose will look like and have a vehicle to get there. I think that's the major step that we need to take and so I'm excited to see what the RFP produces and is able to deliver, so thank you for this work.

Councilor Haugen stated, Laurie referenced the climate change piece, and he thinks we really would be remiss if we didn't have a strong hydrological modeling component that looks at NOAH's sea level change projections right now. He stated having that incorporated into a 50-year plan will be invaluable on all different levels.

Councilor Haugen thanked Laurie for bringing this to Council.

Adjournment

Mayor Burge adjourned the work session at 7:00 p.m.

Attest:

City Recorder Susan M. Reeves, MMC