

MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, November 21, 2006
Milwaukie City Hall Work Session Room

Councilors Present: David Bragdon (Council President), Carl Hosticka, Robert Liberty, Rex Burkholder, Brian Newman

Councilors Absent: Susan McLain (excused), Rod Park (excused)

Milwaukie Councilors Present: James Bernard (Mayor), Susan Stone, Carlotta Collette, Joe Loomis, Deborah Barnes

Milwaukie Councilors Absent:

Milwaukie Mayor James Bernard convened the Joint Work Session Meeting at 5:30 p.m.

1. THE MILWAUKIE TOWN CENTER PROJECT DEVELOPMENT GOALS AND PROJECT CRITERIA DISCUSSION

Mike Swanson, Milwaukie City Manager, welcomed the Metro Council and staff. He acknowledged the partnership of the City and Metro over the years. He wanted to review the progress of the Milwaukie Town Center project, to affirm direction, and to answer the electeds' questions. He talked about the history of the site. The plan was adopted in 2000. He appreciated the community involvement. The goal was to reconnect the City of Milwaukie to the Willamette River. He talked about the creativity in engineering and financing that he had experienced, and the decades-long process of accessing and designing the riverfront. He described the process for selecting the consultant. He distributed a handout about the Christmas ships (a copy is included in the meeting record). A major goal was to treat the river as a distinct presence in the area. He spoke about the history of the North Main project and the contributions of Metro staff. During the final stages of North Main, the family operating the Texaco station had their lease run out, and they approached the City. This gave them a full city block, to become the next project and continue the momentum of North Main. The City had also purchased a site on the other end of town. That was an exciting opportunity for a future project. He acknowledged the challenges, such as infrastructure. They were trying to retain Milwaukie's small-town character while providing new options.

Andy Cotugno, Metro Planning Director, concurred with Mr. Swanson about the cordial working relationship. He spoke about the process of transforming the vision into a real project. We were now seeing the proof of the pudding on the ground. There was an emphasis on keeping to the 2040 vision. He viewed this successful process as an opportunity for the City's electeds to share their experiences and their view of Metro as a good working partner. He felt such projects were an opportunity to encourage Oregon Department of Transportation (ODOT) staff to respect the other traffic in the area, not just to move cars through the neighborhoods. He said that this project was Metro's first transit project that didn't revolve around a light-rail station. Milwaukie was leading the market in that area. He felt the City and Metro shared similar visions, that there was a market for such projects. It was a risk that he felt would pay off. We were trying to provide a model that the private market would see was successful and would want to copy.

Phil Whitmore, Metro Planning Manager, acknowledged the challenges and dead-ends that they had had to work around. He said they had started with a good experience with North Main; it was

Metro's first loan project. The problem with the Texaco site was that, since it was such a desirable project, it took up all the Transit-Oriented Development (TOD) budget. The seller was very supportive and worked with the agency to find terms so that he could see the site turned into something that would benefit the area. On the environmental side, there had been a leak at the site, the tanks had been replaced, and the site had been vented, but it was still a significant cleanup. DEQ had issued a letter of no further action, which was a partial sign-off on future use. He talked about the negotiations involved in making the site acceptable for the project. The plan would drive further mitigation. He talked about the attractiveness of the site for the project, the location which linked North Main to existing downtown Milwaukie. It was an opportunity to create an upper-end development, with river views, that would make the whole area more attractive to private projects.

Mayor Bernard commented that the goals were not to totally change the community. He felt it might be better to say that the projects were providing an opportunity for downtown development. The focus was on the downtown core, not to change the entire community. Councilor Newman clarified that the change that was desired was to change the financial dynamics, not the character of the community.

Kenny Asher, community development public works director for the City of Milwaukie, said 50% of the time was spent chasing money. He acknowledged the work that had been done in laying in some infrastructure that had made his job much easier. He talked about putting the advisory committee together. He thanked the Metro Council for their incredible support, starting with acquisition of the site. He recognized that Metro had put a lot of eggs in one basket in this project and appreciated the support in terms of staff, policy, financial, and site preparation. Staff had been creative and supportive. He reviewed the work done since site acquisition, including the intergovernmental agreement (IGA), financial and community negotiations. The City had made some zoning changes in order to maximize the benefit of the site. There had been some concern in the community about changing the size of the project, but they were working through those issues. He acknowledged the work of the various staff and consultants. He talked about the meetings that had taken place, including concerned citizens. The farmers' market had been a flashpoint. People were also concerned about the IGA, the parking, traffic, environmental issues, and they realized they could have done a better job of communicating to the citizens. There had always been strong commitment from the City to the farmers' market, but that did not come across. There was an opportunity to find an even better site for the market. He talked about the education process in talking to the committee members and citizens. All of this information would be reflected in the formation of the request for proposals (RFP).

Councilor Newman observed that there were also residents of neighboring communities who had been involved, people from farther away who viewed downtown Milwaukie as their downtown. Mr. Asher concurred, recognizing the impact that this area had for people who lived to the south and east. The RFP should be released by the end of the year. He talked about the upcoming process. He saw construction happening in spring 2008. Mayor Bernard thanked Councilor Newman for his efforts in getting Milwaukie on the radar. Councilor Newman in turn thanked the Metro staff who had encouraged him to be creative in finding support for the project. Mayor Bernard empathized with the difficulties presented in getting funding. He hoped there would be future opportunities to collaborate.

Councilor Burkholder talked about the difficulties in getting a successful project built, in the face of resistance to change. He talked about some of the issues involved in creating successful mixed-use developments. He hoped the current project could be used as a laboratory, to learn what

worked and what didn't, and how private investment could best be leveraged and motivated. People were also resistant to accepting more density in order to attract choice investments. He saw this as an educational opportunity. He felt there was a challenge in having some examples in place for people to accept the concept.

Councilor Newman commented that he had recognized a regional pattern of investment—a lot occurred downtown and on the edge, but there was a gap in between, with older malls and infrastructure that were showing signs of age. It did not attract the type of investments most residents wanted. He felt the values that were incorporated into the current projects were very important—community and a thriving economy, and to help the City gain revenue to provide the services people needed. The buildings were not as important as the people they served.

Councilor Collette thought that people did adapt to having a larger project; their sense of scale changed. It took a while for people to accept a construction site; as it turned into a community it would be more accepted. She agreed about the difficulty of changing things too much or too rapidly. Community participation and gradual change were important, as was design. It was a new thing for people here to be living downtown. Councilor Newman shared that one of the residents of the North Main had applied for a position on the riverfront board. That was a great example of how people could become engaged.

Mayor Bernard was impressed at how private investment could be motivated to contribute to public projects. He recognized the reduction in car traffic that could occur with mixed-use. Councilor Collette felt this could be a catalyst for attracting diverse investment. Councilor Loomis said people in the community were very concerned about the impacts of parking, once the projects were in place. The height of the building was of concern to him also. The river views would have to get higher and higher as they stacked back away from the river. He felt the process with staff had been very open and honest. He appreciated Metro's cooperation. He said the farmers' market community came from all over town. Similar activities took place on a daily basis, not just 25 Saturdays. He wanted to be sensitive to the need to keep youth involved, so they would be attracted to stay here. He didn't want people to be priced out of the area.

Councilor Stone was anxious to see what the parking impacts would be once North Main opened. She wondered about underground parking and would like to see more information on that. Councilor Newman said the RFP would be a chance to ask a lot of those sorts of questions. Councilor Stone agreed that the community did not want to see more congestion or density. She would like to see more investment in downtown to attract shoppers.

Mayor Bernard said there was no choice about density. The people were going to be coming here. The choice was to take control of the process and put the growth where we wanted it. His main concern was lack of funds. He was open to being creative and innovative in making this happen.

There being no further business to come before the City of Milwaukie and Metro Councils, Mayor Bernard adjourned the meeting at 6:39 p.m.

Prepared by, ,



Dove Hotz

Council Operations Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF
NOVEMBER 21, 2006**

Item	Topic	Doc Date	Document Description	Doc. Number
1	Town Center	11/21/06	To: Metro Council From: Mayor James Bernard Re: Riverplace Marina to Milwaukie	112106c-01