



**CITY OF LAKE OSWEGO  
Planning Commission Minutes  
February 8, 2016**

**1. CALL TO ORDER**

Chair Randy Arthur called the meeting to order at 6:30 p.m. in the Council Chamber of City Hall, 380 A Avenue, Lake Oswego, Oregon.

**2. ROLL CALL**

Members present were Chair Randy Arthur, Vice Chair John LaMotte and Commissioners Adrienne Brockman, Ed Brockman, William Gaar, Robert Heape and Bill Ward.

Staff present were Scot Siegel, Planning and Building Services Director; Jordan Wheeler, Deputy City Manager; Sarah Selden, Senior Planner; Leslie Hamilton, Senior Planner; Johanna Hastay, Associate Planner; Evan Boone, Deputy City Attorney; and Iris McCaleb, Administrative Support.

**3. COUNCIL UPDATE**

Councilor Jon Gustafson updated the Commission on Council actions and activities.

**4. CITIZEN COMMENT – Regarding issues not on the agenda**

None.

**5. COMMISSION FOR CITIZEN INVOLVEMENT**

Announcements included the upcoming Boards and Commissions Summit; a traffic engineering workshop; and that the Forest Highlands and Westridge Neighborhood Associations had invited the Commission to meet with them for neighborhood tours.

**6. MINUTES**

**6.1 Minutes of December 14, 2015**

Commissioner A. Brockman **moved** to approve the Minutes of December 14, 2015 as amended by Vice Chair LaMotte. Commissioner Gaar **seconded** the motion and it **passed 7:0**.

**7. CONTINUED PUBLIC HEARING**

**7.1 Southwest Employment Area Plan – Amendments to Comprehensive Plan and Community Development Code (LU 15-0077).**

A request by the City of Lake Oswego for adoption of the Southwest Employment Area (SWEA) Plan as a Special District Plan of the Comprehensive Plan, with implementing Community Development Code amendments. Continued from January 25, 2016, for deliberations only. Staff coordinator was Sarah Selden, Senior Planner.

Chair Arthur opened the hearing.

**Staff Report**

Ms. Selden noted two of the most significant issues were the extension of Jean Way and the amount of retail use in the area north of Willow Lane. She reported that the Advisory Committee and staff did not think the district would fail if there was no road extension and that an alternative to it might be to have connected access ways and pedestrian connections. Staff recommended the approach to design the Lakeview Boulevard, McEwan Road and 65<sup>th</sup> Avenue road improvement projects together in a process similar to the process being used for the Boones Ferry Road project.

In regard to the Jean Way extension the Commissioners compared slides showing the Recommended Land Use Concept that featured the Jean Road extension and an Alternative Land Use Concept without the extension. There was a question whether it might be more beneficial to spend the money on improved intersections and sidewalks - including a pedestrian way - instead of the road extension. Staff observed there would be room for a pedestrian pathway in the Alternative Concept.

During the discussion of the Jean Way extension there were comments to the effect that the Lakeview Boulevard, McEwan Road and 65<sup>th</sup> Avenue road projects should have higher priority and should be done first; that there could be a zone of benefit so developments would pay the City back for it; that Jean Way could be accomplished by redevelopment or as development occurred; concern that the Jean Way extension would encourage more truck traffic; and a suggestion that a pathway would create a more campus-like light industrial, setting. The Commissioners talked about existing and future truck traffic and noise. There was a suggestion to have the overlay code require loading areas and docks to be screened from, separated from, and oriented so they did not face residential property; and to prohibit redevelopment from configuring loading areas so that trucks backed into the right-of-way near the residential area. There was a concern regarding how installing a pedestrian pathway might impact development potential and/or facilities such as drainage facilities. There was a suggestion to put more office uses down towards Lakeview Boulevard and have the industrial uses elsewhere in the district whether or not Jean Way was extended. There was a suggestion that there could be more developable space for larger buildings in the area of Jean Way was not extended. There was a suggestion to leave the door open to a future extension for connectivity reasons especially in light of the constraint of the rail right-of-way. Additional observations were that the Commission had not heard from industry that the extension was important; that internal flow could be designed without the extension; that not having the extension would save City capital; and, that having the extension did not balance commercial and residential interests.

Commissioner Gaar **moved to drop the Jean Way extension from the SW Employment Area Plan**. Commissioner A. Brockman **seconded**. Discussion followed.

Ms. Selden clarified that passage of the motion meant not listing the Jean Way extension project on the Capital Improvement Plan and it meant removing the provisions of the overlay code that would preserve that alignment. She advised that taking it out of the plan did not prevent a property owner from putting a private road connection through their site. She suggested the Commission could specify that there should be a pedestrian connection. There was a suggestion from the Commission that Jean Way could terminate in a cul-de-sac. **The vote was conducted and the motion passed 5:2**. Vice Chair LaMotte and Commissioner E. Brockman voted no.

APPROVED: 04/11/2016

The Commission considered limiting the size of retail use in the area north of Willow Lane that was currently in the Industrial Park Overlay (IPO) zone. Under the proposal the overlay was to be removed and uses would be limited by applying the use-related section of the code. Potential options were to allow up to 35,000 sf retail use; allow a 35,000 sf building with sub-limits on interior retail uses; or continue to allow retail uses up to 10,000 sf but no longer specify limits on types of retail.

Commissioner A. Brockman was concerned that 35,000 sf was too large, noting it could be a large grocery store that would generate a lot of traffic but have relatively few employees.

Staff and the Commissioners looked at the sizes of the Taylor Made Labels building, the Lake Grove Shopping Center, and the former Walmart store. There was approximately 12,000 sf of ground floor area in a building at the SE corner of Boones Ferry/Pilkington, and about 10,000 sf in the Neighborhood Commercial (NC) strip at the Jean/Pilkington intersection.

The Commissioners discussed a suggestion to allow up to 35,000 sf of retail use along the Boones Ferry Road frontage and at the Taylor Made Labels site and to limit retail in the southern half of the SWEA to 10,000 sf. One reason for the smaller limit for the southern half of the district was because it was closer to the residential area in the south; Willow Lane was the dividing line.

Points offered during this discussion included that too many sites/uses/curb cuts along Boones Ferry Road would result in more congestion and high accident rates and discourage development; that there should be better quality retail/employment type uses there than the existing Goodwill and self-storage facilities; and that there should not be large retail uses in the core of the industrial park (where retail use should be accessory retail use). There was a suggestion to not have any cap on the size of retail on the sites along Boones Ferry Road and to simply rely on the size of a site and the standards and setbacks that would apply to control what was developed on it. Commissioner A. Brockman questioned why the City needed to plan larger retail there when the Bridgeport and Lake Grove shopping centers were nearby. Staff discussed offering flexibility in allowed types of retail use for building owners in order to help them keep their spaces leased.

Commissioner LaMotte **moved to not apply any square footage maximum in the area north of Willow Lane and to allow the new list of uses [referring to the future revised commercial uses table] and allow the design standards to govern what was built there.** **The motion failed for lack of a second.**

During the discussion of the motion several aspects were clarified. The new commercial uses table had not yet been adopted; the table would be adopted as a result of the code streamlining process; and it would consolidate specific types of retail uses listed in the current table into a more general category of "retail" uses. Small auto dealerships and food markets would not be considered retail uses. Ms. Selden reported that the Advisory Committee had supported the flexibility that would result from the new use table and anticipated it would be applied in the current IPO area. She clarified that the Committee had not discussed an approach of not regulating retail by size and only regulating it by use. Commissioner E. Brockman suggested an amendment to the motion that would lift the size restriction on the sites on which the Committee wanted to allow opportunities to have larger buildings [such as the Taylor Made Labels site and sites north of Boones Ferry Road and north of Rosewood] and apply the 10,000 sf limit in the southern part of the district. Ms. Selden advised that the City had to at least comply with the Metro Title 4 cap on retail that set a limit of 60,000 sf retail size in a single building, on a single parcel or on adjacent parcels. She clarified the current

cap in the IPO was 20,000 sf. There were responses from individual Commissioners to the effect that a 60,000 sf retail cap was too large to be considered much of a cap and that they needed more details about what uses would or would not be allowed in the area north of Willow Lane.

Some Commissioners anticipated that traffic, parking and total curb cuts along Boones Ferry Road would be addressed when proposed future developments there provided traffic studies. Staff responded to the question of what future uses would be permitted, pointing out that Attachment B (Ordinance 2706), Regulatory Action 1.a. described how the permitted uses in the areas of the current IP and IPO zones would be amended. It was also pointed out that the document also contained the list of 'Desired Land Uses' that were the results of the Sticky Note Exercise.

The Commission looked again at the three potential options related to limiting retail uses. They observed that the second option to allow retail up to 35,000 sf meant relying on the size of the site, the allowed uses there, and the applicable standards and setbacks to manage what would be built on the site. Ms. Selden advised that a simple 35,000 sf cap would provide maximum flexibility to the developer. The frequent failure and turn-over rate of smaller-sized retail uses was mentioned. Commissioner A. Brockman indicated she preferred to just have retail that supported the office and industrial uses in the district, cautioning that allowing larger retail in the district would weaken nearby retail areas such as Lake Grove.

Commissioner LaMotte **moved to recommend the option to allow individual retail uses up to 35,000 sf.** Commissioner E. Brockman **seconded** the motion and it **passed 5:1:1.** Commissioner A. Brockman voted no and Commissioner Ward abstained.

Commissioner A. Brockman explained that she voted no because she didn't think these types of commercial uses belonged in there and that it should be a beautifully done office-campus supporting industrial uses and that it diluted other commercial areas.

When asked if passage of the motion meant restricting office uses in certain locations, staff clarified that the proposed plan allowed the same office uses throughout the IPO zone.

The commission discussed Lakeview Boulevard improvements. They agreed by consensus to support the staff recommendation for Lakeview Boulevard and combination of infrastructure improvements broken up into manageable parts as noted by Mr. Siegel and to include a design plan with citizen and business involvement in the impacted areas.

Commissioner Ed Brockman **moved to continue LU 15-0077 for deliberations only to March 14, 2016.** Commissioner A. Brockman **seconded** the motion and it **passed 7:0.**

## 8. WORK SESSIONS

### 8.1 Lake Grove Village Center Overlay – Code Streamlining (LU 15-0064)

Amendments to portions of the Lake Oswego Code (Chapter 50 – Community Development) for the purpose of streamlining and clarifying various code provisions related to the Lake Grove Village Center Overlay. Some of the provisions were identified as having policy implications. The public hearing was scheduled for February 22, 2016.

Ms. Hamilton highlighted aspects of the code staff recommended changing. In regard to display window requirements, she explained that the City did not want to be "window police"; there were too many different building plane requirements; current code said that small