

STAFF REPORT

# CITY OF LAKE OSWEGO

## PLANNING AND BUILDING SERVICES DEPARTMENT

APPLICANT

City of Lake Oswego on behalf of Uplands  
Neighborhood Association

FILE NO.

LU 17-0001

LOCATION

Uplands Neighborhood

STAFF

Sarah Selden, Senior Planner

DATE OF REPORT

February 1, 2017

PLANNING COMMISSION HEARING DATE

February 13, 2017

### I. APPLICANT'S REQUEST

The City of Lake Oswego is making this application for the Uplands Neighborhood Association to:

- Adopt the Uplands Neighborhood Plan ("Plan") as part of the Neighborhood and Special District Plans volume of the Comprehensive Plan;
- Amend the Transportation System Plan (TSP) to include a new pathway section on Uplands Drive; and
- Amend the Community Development Code (LOC 50) to add the Uplands R-10 Overlay District ("Overlay"), LOC 50.05.012.

Ordinance 2734, which would enact these changes, is attached as Exhibit A-1.

### II. APPLICABLE REGULATIONS

A. Any Applicable State Law

Oregon Revised Statute 197.307: Approval Standards for Certain Housing in Urban Growth Areas

B. City of Lake Oswego Comprehensive Plan

Land Use Planning:

**Development (Community Development Code)**

Policy A-1.b

Policy A-1.d

**Design Standards and Guidelines**

Policy C-1

Policy C-5

**Land Use Administration**

Policy D-1

Policy D-3

Policy D-4

Inspiring Spaces and Places:

**Goal 1**

Policy 1

Policy 3

Policy 7

Complete Neighborhoods and Housing:

**Housing Choice and Affordability**

Policy B-1

**Complete Neighborhoods**

Policy C-3

Policy C-5

Policy C-7

Connected Community:

**Safety**

Policy A-1

Community Health and Public Safety:

**Public Facilities and Services: Surface Water Management**

Policy 1

Policy 3

Policy 5

Policy 8

Community Culture:

**Civic Engagement**

Policy 1

Policy 9

C. City of Lake Oswego Community Development Code

LOC 50.07.003.3.c.	Published Notice for Legislative Hearing
LOC 50.07.003.16a	Legislative Decisions Defined
LOC 50.07.003.16b	Criteria for Legislative Decision
LOC 50.07.003.16c	Required Notice to DLCD
LOC 50.07.003.16.d.iii	Planning Commission Recommendation Required
LOC 50.07.003.16.e	City Council Review and Decision

III. BACKGROUND AND DISCUSSION

Introduction/ Background

**Neighborhood Planning**

Neighborhood plans are official elements of the City of Lake Oswego Comprehensive Plan, and are intended to address the unique characteristics of Lake Oswego’s individual neighborhoods. The Comprehensive Plan calls for the City to:

“Develop specific Neighborhood Plans and implementing measures as a means to enhance neighborhood livability and achieve desired neighborhood character. Adopt specific Neighborhood Plans upon finding that the proposed changes are in the public’s interest and consistent with the Comprehensive Plan. If appropriate, implementation may be accomplished through creation of a new zoning district or a new overlay zone.” (Land Use Planning Policy D-4).

Neighborhood plans do not serve as decision-making criteria for individual minor or ministerial development land use applications, e.g., land divisions or building permits. In order to require ministerial and minor development applications to “achieve desired neighborhood character” consistent with a neighborhood plan, the plan must be implemented through development regulations. The Planning Commission and staff have recommended that implementing code language be adopted concurrent with any neighborhood plan.

To date, five adopted neighborhood plans have been implemented with some form of neighborhood-specific zoning district or overlay zone. First Addition (R-6 and R-2 zones) and Old Town (R-DD zone) have their own zoning districts, and the Evergreen, Lake Grove and Glenmorrie neighborhoods have overlay zones that apply limited modifications to the underlying residential zoning. The Uplands R-10 Overlay District would be the sixth neighborhood to adopt a unique set of development standards.

**The Uplands Neighborhood**

The Uplands neighborhood is a low-density residential neighborhood of approximately 400 homes, which is primarily zoned R-10. The neighborhood also includes a significant amount

of land zoned for public functions and park and natural areas: the Lake Oswego Junior High and Uplands Elementary School properties, along with the 52-acre Springbrook Park.

The Uplands Neighborhood Association had been interested in developing a neighborhood plan since at least 2005, when they applied for plan development assistance but were not selected. Since that time, the neighborhood association continued their efforts toward the eventual development of a neighborhood plan and conducting pre-planning work, including a neighborhood survey and initial visioning.

In November 2014, the Planning Commission selected the Uplands Neighborhood Association among those to receive assistance with neighborhood planning projects in the coming year. The Uplands Neighborhood Association was the only group to request assistance with development of a new neighborhood plan; they desired a full plan that addressed all the major topics included in the City's Comprehensive Plan: land use, transportation, natural systems, parks and recreation, neighborhood involvement, and economic development. Among the goals of their planning process was to address contextually appropriate infill that maintains neighborhood character while allowing for future development; better manage stormwater; and reduce traffic speeds and enhance non-vehicular travel.

#### **Proposal Development and Public Involvement**

In February 2015, the neighborhood association formed a seven-member Neighborhood Planning Committee that included a mix of new and longstanding board members. Each committee member took responsibility for one Plan topic area, or chapter. Staff began working with the committee in March 2015 on their first task, a neighborhood survey to identify neighborhood priorities for the plan, and to provide an opportunity for neighbors to share their interests and concerns about neighborhood livability issues. The survey was conducted using Survey Monkey, with a postcard announcement mailed to each neighborhood address and an offer to deliver hard copies to anyone who preferred not to take the survey online. The association received 90 responses, and the results served as a foundation for drafting the Plan chapters.

In May 2015, the association held a biannual general membership meeting, publicized through a mailed survey, at which they presented the survey results and initial neighborhood inventory and analysis. The committee then developed the first draft of the Neighborhood Plan chapters, which were reviewed by staff, revised, and presented to the Planning Commission for a November 2015 work session. The draft Plan included Land Use Action Steps outlining several concepts for a proposed neighborhood zoning overlay. Following the initial draft plan and work session, the committee worked to refine the Plan and to further develop the overlay code concepts. The Planning Commission held a second work session in March 2016 to review an analysis of land use concerns related to the overlay code concepts, and provide feedback prior to the development of code language and the committee seeking neighborhood feedback. A third work session was held in May

2016 to look more closely at the question of lot sizes and zoning designations, and to discuss right-of-way facilities and encroachments.

A fourth and final work session was held in December 2016, following the Uplands Neighborhood Association's annual meeting at which a draft Plan and draft Code were presented, and the distribution of a third neighborhood survey to seek feedback on the proposed overlay code provisions. At the fourth work session, the Commission reviewed and provided feedback on a revised draft Plan and the draft Uplands R-10 Overlay District code language, and recommended advancing the amendments to public hearing. The Uplands Neighborhood Association board met on January 19, 2017 to review the public hearing version of the overlay code that incorporated changes in response to feedback from the Planning Commission, and voted unanimously to recommend the public hearing version of the code for public hearing and adoption.

#### Discussion

The following summarizes the proposed amendments in Ordinance 2734. For the proposed **Uplands Neighborhood Plan**, please see **Attachment B** to Ordinance 2734; for proposed amendments to the **Transportation System Plan (TSP)**, see **Attachment C**; and for the proposed **Uplands R-10 Overlay District** code provisions, see **Attachment D**. Attachment D also includes staff commentary that provides additional explanation of the proposed overlay district code.

#### **Uplands Neighborhood Plan (Attachment B)**

The proposed Plan includes seven chapters that serve to provide a complete overview of the neighborhood and its residents' vision for the future of Uplands. The chapters do not replace the city's Comprehensive Plan but provide a finer grained look at land use planning issues of importance to Uplands. With the exception of the first chapter, each includes an Inventory and Analysis to provide a factual basis and problem definition; Objectives that state broad goals identified through the neighborhood outreach process; and Action Steps to identify specific tasks needed to reach the neighborhood's objectives and realize their long term vision for Uplands. The Uplands Neighborhood Plan does not propose any new Policy statements for the Comprehensive Plan, but rather focuses on neighborhood advocacy and neighborhood-specific amendments to the Community Development Code (CDC), Transportation System Plan (TSP) and Capital Improvement Plan (CIP).

Following is a summary of each chapter:

- 1. Neighborhood History and Character**

Provides background and context, and summarizes the neighborhood's character as viewed by its residents.

- 2. Land Use**

Summarizes the neighborhood's development pattern, includes action steps calling for City adoption of the Uplands R-10 Overlay District, and neighborhood association efforts to more actively review and respond to land use proposals. The

key issues for this chapter are addressed in the Overlay and summarized in the description of Attachment D below.

### **3. Transportation**

Focuses on improving pedestrian facilities and setting a framework for a more consistent and functional right-of-way area. Streets in the Uplands neighborhood generally have rights-of-way (ROW) that are much wider than the publically improved area (50-80 feet vs. 20-30 feet). In most of the neighborhood, the area between the paved travel lane and private property line lacks curbs, pathways or sidewalks, which help to define the ROW edge. This area typically serves either as an extension of the abutting property owner's landscaping (shrubs and hedges, trees lawn, fences, rocks); privately maintained parking areas (paved or graveled), roadside drainage ditches; or pathways in very limited locations.

City Code (Article 42.18 Public Rights-of-Way and Easements) requires a permit for encroachments in the ROW, with some exceptions for lawns, plants and trees, guardrails and handrails, and mailboxes if they do not create a line of sight traffic hazard or conflict with federal Americans with Disabilities requirements (LOC 42.18.1015(2)).

The Engineering Department recommends that any property owner making improvements near the road contact the City to review their proposal. This is important even if an encroachment permit is not required, because the ROW serves as a system of connected facilities that require movement or flow: vehicle, bike and pedestrian travel, and stormwater drainage. Altering the ROW can have significant impacts on the flow of these systems, and particularly for stormwater, could have impacts on downstream neighbors. The flow of these systems and the hilly neighborhood topography make each ROW location unique; this necessitates a site-specific approach for ROW improvements.

The Neighborhood Association and City have observed that private improvements in the right-of-way can help to beautify the neighborhood, but are typically done in an un-coordinated manner, often without review by the City for potential ROW line of sight traffic hazards or the necessity for encroachment permits. The Plan includes an action step calling for the Neighborhood Association to conduct outreach to Uplands property owners encouraging a more consistent and coordinated pattern of ROW improvements, through distribution of ROW guidelines to residents, which are outlined in the Plan. The Engineering Department would benefit from having a plan for neighborhood ROW improvements to better respond to requests from property owners, and to serve as a starting place for public improvements. The guidelines were developed collaboratively between Neighborhood Planning Committee members and the City's Engineering and Planning staff.

#### **4. Natural Systems**

Describes the unique topographic, surface water, tree and wildlife conditions in Uplands, with a focus on stormwater management. Key issues regarding stormwater result from lack of infrastructure, poor drainage and sloping topography; these issues are documented in the Plan. Tying to the ROW Action Steps in the Transportation chapter, Natural Systems Action Steps focus on the opportunity to design and implement the Wembley Park Road Rehabilitation CIP project in a way that improves stormwater management, and the Neighborhood Association's role in promoting improved neighborhood infrastructure.

#### **5. Open Space and Recreation**

Highlights Springbrook Park and Iron Mountain Park as key neighborhood assets, and their importance to the livability and character of Uplands. Objectives and Action Steps focus on Neighborhood Association outreach and partnerships to support existing Friends groups for each park, continuing to maintain and enhance these natural areas.

#### **6. Neighborhood Involvement**

Provides neighborhood objectives to increase and diversify involvement in the association, with a focus on emergency preparedness planning and communications.

#### **7. Economic Development**

Acknowledges and supports code-compliant home occupations, and calls for neighborhood review and monitoring of home based businesses and applicable City Codes to ensure continued compatibility with residential uses. (There is no commercial zoning in Uplands.)

### **Transportation System Plan Amendments (Attachment C)**

The Transportation System Plan 2015-2015 was adopted in 2014 and included all but one desired transportation project in the Uplands neighborhood. The proposed TSP amendments are proposed to expand an Uplands Drive shoulder pathway that is currently listed in the TSP to be constructed from Wembley Park Road to Ridgecrest Drive. The proposed TSP amendment would extend the project from Ridgecrest north to Country Club Road.

Uplands Drive is one of the more heavily trafficked streets in the neighborhood, and currently provides limited to no space for pedestrian travel off the paved travel lane. The extension would add an additional 1,600 lineal feet of pathway to provide a safer and more direct pedestrian route to Country Club Road for residents along the north eastern stretch of Uplands Drive and along Eagan Way. The pathway would connect to an existing shoulder pathway along the south side of Country Club Road, and to a TriMet bus stop located at the Upland Drive/Country Club Road intersection. The TSP amendments revise the project

description in Table 14 and revise two Pedestrian and Bicycle Projects maps that include this section of roadway.

### **Uplands R-10 Overlay District (Attachment D)**

The purpose of the proposed Overlay is to promote development that is compatible with existing and desired neighborhood character. The Overlay is more comprehensive than the previous three neighborhood overlays adopted for the Glenmorrie, Lake Grove, and Evergreen neighborhood, and includes five major sections with 12 standards that serve to modify or add to the existing Community Development Code. A summary of the code provisions is provided below, and additional analysis can be found in the staff commentary provided in Attachment D.

#### Front Yard Setbacks

The distance that homes are set back from the front property line varies throughout the neighborhood, however, many homes in Uplands are set back well beyond the required 25 foot front setback distance. In most cases, the unimproved public right-of-way between the road and front property line creates additional distance to the house. The distance that homes are set back in Uplands is a factor of topography, views, lot shape and how homes were developed (e.g. 1940s subdivision vs. individual lot development) as well as a trend of increasing lot coverage with new development.

The generous front yard area is one of the unique characteristics of the Uplands neighborhood, and there is concern that as properties redevelop, new homes will increasingly be built at or closer to the minimum 25 foot setback, which will change the character of the neighborhood. The Overlay proposal establishes front yard setbacks based on the average distance that abutting homes are set back from the front property line. This proposal is intended to create compatible home siting, while responding to the varying setback distances in different areas of the neighborhood.

#### Flag Lots

As defined by the Community Development Code (LOC 50.10.003.2 Definition of Terms):

*“A flag lot is a lot that:*

- a. Has the actual building site located behind another lot; and*
- b. Takes access from the street via:*
  - i. A driveway or access lane that is part of the lot and the width narrows to less than the minimum lot width for the zone; or*
  - ii. An access easement.”*

Several flag lots are located in the proposed Uplands R-10 Overlay, most of which have one home located behind another lot, were developed under previous flag lot standards, and are sited on oversized lots that maintain a sense of privacy and separation between homes. In 2010, as part of the second round of Infill code amendments, several changes were made to the flag lots standards, including orientation of development around 20 foot-wide

private access lanes, that act as mini streets for the flag lot homes. These changes were intended to lessen the isolation of rear (flag) houses from the neighborhood, facilitate the future extension of private access lanes to additional parcels, and create more site-sensitive setbacks.

The Uplands neighborhood has seen one flag lot development under these 2010 code amendments. With this development as an example, the Uplands Neighborhood Association asserts that current flag lot standards are incompatible with the existing and desired character of the Uplands neighborhood. Respondents to neighborhood surveys conducted in January and December 2016 affirmed support for limiting the number of flag lots on a parcel. Long access lanes, fences, and homes located ten feet off the lane result in a predominant view of hardscape, rather than the landscaped separation from homes that characterizes most of the neighborhood. Homes can also appear closely stacked together because the required front setback from the access lane for flag lots is ten feet, compared to the R-10 front setback of 25 feet for standard lots. Setbacks between abutting flag lot homes can also appear minimal, because the house and yard orientation is rotated; the 25 and 30 foot front and rear yard setback areas for non-flag are designated as side yards on flag lots, and allowed much smaller setbacks.

Access lanes serving two or more “rear” (flag) houses must also be planned to connect through the back of the lot to abutting developable property, “wherever practicable.” The access lane concept to create an intimate private lane cutting through blocks is not seen as compatible with the meandering street pattern in Uplands. The 2010 flag lot standards are geared toward areas where there are many abutting parcels with flag lot potential, and where a shared lane could provide a more organized and neighborly environment. In the Uplands neighborhood, such opportunities are limited. Further, if the Uplands R-10 Overlay limits flag lots to one rear lot, and prohibits connecting access lanes, the flag lot standards requiring dwelling orientation to the access lane no longer serve their intended purpose.

The proposed Uplands R-10 Overlay includes several standards to modify the flag lot standards in LOC 50.07.007.2. The proposal would limit the number of flag lots to one lot behind a non-flag lot, prohibit the extension of an access lane to abutting developable property, expressly provide that the front yard shall be parallel to the street, eliminate the building orientation requirement, and apply the R-10 base zone setbacks rather than the setbacks established by the flag lot code section. Please see the **Attachment D commentary** for additional information on the flag lot amendments.

One consideration with a limitation in the creation of flag lots is the concern that owners may have about a reduction of their development opportunities. Limitations on uses that create a demonstrable reduction in property values have the potential for triggering Measure 49 claims, which could result in a waiver of the limiting regulations in certain cases.

An analysis of Uplands R-10 tax lots, as depicted on **Exhibit E-1** shows that there are ten lots large enough to be partitioned into three lots, but too small to be divided into four lots, conservatively taking into account 20% of the lot for an access lane extending all the way through the property (as required for projection of the lane). Of those ten lots:

- Five lots would not be impacted by the proposed flag lot limitation. Two have sufficient width to be divided into three side-by-side lots, and three have sufficient width to accommodate two non-flag lots along the street frontage, and one flag lot behind.
- The five remaining lots are too narrow to be partitioned side-by-side, but have sufficient gross area to accommodate three 10,000 sq. ft. lots, one behind another. The proposed Overlay does not prohibit the creation of a full public street to provide street frontage to these lots, however their width is most likely too narrow to accommodate a public right-of-way. These five lots also have site constraints in the form of steep slopes and/or stream corridors. While these constraints do not limit the number of permitted lots, it may limit their development likelihood, even under current regulations. These five lots, which could only achieve their maximum density through the creation of two flag lots, may have their development potential impacted by the Overlay code.

Six additional parcels are large enough to be subdivided into four or more lots (two on the River West Church property). While not as common, flag lots served by access lanes can also be created through subdivisions. The Overlay code would not allow more than one flag lot to be created on a parcel through a subdivision process, and these parcels would need to create a public street. This could likely be accommodated on the majority of these parcels, however some could have their development potential impacted by the Overlay code.

#### Limitation on Impervious Surface

The amount of impervious surface is a concern because of its impact on stormwater in the neighborhood. In Uplands, stormwater management is a challenge for reasons that are both natural and manmade. Infiltration of rainwater is limited because the soils are typically fine grained (making them less permeable) and bedrock is located near the surface. Due to these conditions, much of the rainwater runs off the surface rather than infiltrating into the ground. This means that there are large volumes of water to manage in the winter, particularly during heavy showers or rains. Sloping topography over much of the neighborhood also means that runoff moves quickly downhill, and runoff is often present at volumes or velocities that cause erosion. The impermeable soil also results in low stream volumes fed by groundwater in the summer.

There is limited stormwater infrastructure in the Uplands neighborhood to manage runoff in a manner that protects property and natural resources, making a reduction in stormwater runoff particularly important.

The R-10 base zone does not have a limit on the amount of impervious surface on a lot. Lot coverage standards apply to all structures or portions that are over 30 in. in height, with some exceptions (e.g. retaining walls, portions of eaves), however this does not limit the area of driveway paving, patios, sports courts, or other hard surfaces. Maximum lot coverage in the R-10 zone ranges from 25% to 35% based on the height of the primary structure. This leaves another 65% to 75% of the lot area for other surface treatment. There is no landscaping requirement for single family construction in the R-10 zone.

Four other neighborhoods have neighborhood zoning districts or overlays that limit the amount of impervious surface. The limit in First Addition (R-6) and Old Town (R-0) is 60%. The limit in Lake Grove (R-7.5/R-10) and Glenmorrie (R-15) is 50%.

### Structure Design

The maximum permitted height in the R-10 zone is 30 feet on flat lots, and 34-35 feet on lots with slope in the building footprint. The hilly topography in Uplands creates many situations where abutting homes are at different grades, and where sloped building footprints allow for taller heights under the current dimensional standards.

Historically, residential development in Uplands has worked with these natural features. Oversized lots with small homes have provided generous separation between abutting dwellings, and the predominance of single-story ranches and split level homes has resulted in uphill homes of modest heights. As home size has increased with new development, setbacks have been minimized and older one- and 1.5-story homes have been replaced with taller structures, with development on uphill lots looming over established residences. The Overlay proposes three code provisions to limit overall building height, and to reduce the height and bulk of homes at the side yard setback. The maximum base height is proposed to be limited to 30 feet, regardless of slope; the additional permitted building height for roof forms and architectural features is proposed to be prohibited (as the Evergreen R-7.5 Overlay was recently amended); and the roof pitch that establishes the interior side yard setback plane is proposed to be lowered from a 12:12 pitch to a 6:12 pitch.

### On-Site Circulation – Driveway approach limitations

One neighborhood concern with recent development is the amount of impervious area in the front yard, and the extension of paving into the unimproved right-of-way edge in the form of multiple driveway approaches. The construction of two driveway approaches is permitted on lots with more than 75 feet of frontage, which applies to most lots in Uplands. The maximum width of a driveway approach, measured at the right-of-way, is 12 feet per garage stall, not to exceed 30 feet, for a street facing garage, and 24 feet for a side-loading garage. The additional driveway approach adds paved area to the front yard and ROW, which has an impact on the visual character of the neighborhood as well as the amount of impervious area. The Overlay proposes limiting driveway access points to one per frontage, which would still allow two driveways for corners lots.

## **Variances**

With the proposed Overlay, an applicant could still pursue a design variance through the Residential Infill Design (RID) review process to receive an exception to the Overlay's requirements for front yard setbacks, building height, and side yard setback planes. The RID approval criteria address components of neighborhood character consistent with the Neighborhood Association's concerns. They focus on design compatibility and scale within the context of a neighborhood, and include consideration of: setbacks, setback plane, and garage openings; distance and visibility from adjoining properties; preservation of existing trees and other features of perceived value to adjoining properties; topography; perceived building height, form, proportion, massing and orientation relative to adjoining properties; treatment of elevations exposed to adjoining properties; perceived sight lines to and from windows, decks and outdoor living spaces; fencing or screening; and landscaping.

## **IV. NOTICE OF APPLICATION**

### **A. Newspaper Notice**

On February 2, 2017, public notice of the proposed amendments and Planning Commission public hearing will be published in the *Lake Oswego Review*.

### **B. ORS 227.186 (Measure 56) Notice**

The City followed the procedures required by ORS 227.186 (Ballot Measure 56) for notification of the owners of property potentially affected by the changes. The notice was mailed to all property owners within the proposed Uplands R-10 Overlay District on January 23, 2017.

### **C. DLCD Notice**

Pursuant to LOC 50.07.003.16.c and ORS 197.610, staff provided required notice of the proposed CDC text amendments to the Oregon Department of Land Conservation and Development (DLCD).

### **D. Metro Notice**

Pursuant to Metro Code 3.07.810 and .820, staff provided notice of the proposed CDC text amendments to Metro not less than 35 days prior to the hearing date.

## **V. COMPLIANCE WITH APPROVAL CRITERIA**

Legislative amendments to the CDC shall comply with the following criteria:

A. Any Applicable State Law

**Oregon Revised Statute 197.307: Approval Standards for Certain Housing in Urban Growth Areas**

**Response:** This statute requires that jurisdictions provide a clear and objective approval path for “needed housing.” The proposed Uplands R-10 Overlay District, which applies to the development of single-family housing, maintains existing clear and objective language for single-family dwellings. The code amendments also maintain the existing Residential Infill Design (RID) Review variance procedure for granting exceptions to the Overlay standards and varying other dimensional standards, consistent with the two-track approach (clear and objective path and design review path) that is authorized by the statute.

This criteria is met.

B. Applicable Provisions of the City of Lake Oswego Comprehensive Plan

Staff finds that the following Comprehensive Plan Policies are applicable to this proposal:

***Land Use Planning Chapter Policies (Statewide Planning Goal 2)***

Development (Community Development Code)

A.1.b: *Maintain land use regulations and standards to: \*\*\* (b) promote compatibility between development and existing and desired neighborhood character.*

**Response:** The proposed CDC amendments promote compatibility of new single-family development by revising standards for front yard setbacks, flag lots, structure height, and side yard setback plane design to be more compatible with the existing Uplands neighborhood character, which is marked by a predominance of generous front yards, one and one-and-a-half-story homes, and a meandering street network.

This criteria is met.

A-1.d: *Provide for the implementation of adopted neighborhood plans.*

**Response:** The Uplands R-10 Overlay District code provisions and TSP amendments are proposed to implement the proposed Uplands Neighborhood Plan, which includes Action Steps calling for these specific amendments.

This criteria is met.

Design Standards and Guidelines

C-1. *Enact and maintain regulations and standards which require:*

- a. *New development to enhance the existing built environment in terms of size, scale, bulk, color, materials and architectural design;*

**Response:** The purpose of the proposed Uplands R-10 Overlay District is to promote new development that enhances the neighborhood by providing greater compatibility with existing development in terms of size and scale. In the Uplands neighborhood, existing R-10 zone dimensional standards allow new development to be taller and closer to the street than most existing homes.

The hilly topography results in buildings on some lots looming over buildings on neighboring lots. This is accentuated by the low heights characteristic of ranch-style homes in the neighborhood. The allowed height of 34-35 feet on lots with sloping topography and sloped lots, combined with additional allowed height for roof forms and architectural features, permits new development that is typically much taller than neighboring structures in the Uplands neighborhood, and can detract rather than enhance the neighborhood environment. While all R-10 lots are subject to the same height standards and allowances, the topography of Uplands results in incompatible building heights.

The minimum required front setback of 25 feet is also less than the distance that homes are typically set back in Uplands. The proposed Overlay establishes front yard setbacks based on the established setbacks of neighboring homes to create more contextually appropriate building siting, and to help maintain the generous front yards unique to Uplands' character.

These proposed amendments are intended to ensure that new development enhances the neighborhood by complementing surrounding development.

This criteria is met.

C-5. *Adopt and maintain clear and objective standards for needed housing, pursuant to state law.*

**Response:** The proposed Uplands R-10 Overlay District is consistent with this policy. See above response to Section B, Applicable State Law.

## Land Use Administration

*D-1. Coordinate the development and amendment of City plans and actions related to land use with other affected agencies, including county, state, Metro, federal agencies and special districts.*

**Response:** Metro and the DLCD were notified of the proposed text amendment at least 35 days prior to the first Planning Commission hearing, as required by Metro Code and State law.

This criteria is met.

*D-3. A Neighborhood Association may request, or a group of citizens may submit a petition requesting, that the City Council initiate a process to prepare a Neighborhood Plan and implementing measures, without fee.*

**Response:** The Uplands Neighborhood Association requested that the City assist in developing a neighborhood plan. This request was approved by the Planning Commission during their review of requests for neighborhood planning assistance, and affirmed by the City Council in their 2015 review of Planning Commission goals. Implementing measures for neighborhood plans, including CDC and TSP amendments, are recommended for adoption concurrent with the Plan to provide the regulatory basis for the Plan's vision and objectives.

This criteria is met.

*D-4. Develop specific Neighborhood Plans and implementing measures as a means to enhance neighborhood livability and achieve desired neighborhood character. Adopt specific Neighborhood Plans upon finding that the proposed changes are in the public's interest and consistent with the Comprehensive Plan. If appropriate, implementation may be accomplished through creation of a new zoning district or a new overlay zone.*

**Response:** The purpose of the proposed Uplands Neighborhood Plan is to enhance neighborhood livability with regard to transportation, stormwater management, parks, and neighborhood involvement. The Plan also identifies the defining aspects of Uplands' neighborhood character and those that residents feel are important to maintain. The Plan's Land Use Action Steps call for the adoption of a new Uplands R-10 Overlay District to maintain this desired character as new development occurs, and outlines the specific code provisions to be included in the Overlay.

The Uplands Neighborhood Association developed the Plan and Overlay based on input from residents in the best interest of their neighborhood and to implement their long-term neighborhood vision.

This criteria is met.

### ***Community Culture***

#### **Civic Engagement Goal (Statewide Planning Goal 1)**

*1: Provide citizen involvement opportunities appropriate to the scale of a given planning effort, \*\*\*\*.*

*2: Ensure that information related to land use planning and decision-making is readily accessible to the public and easy to understand.*

**Response:** Since the beginning of the planning process, the Uplands Neighborhood Association has held four general membership meetings at which the Plan and Code were discussed. General membership meetings were noticed with a mailed newsletter, neighborhood sign, and on Nextdoor.com. Eighteen board meetings were held during the planning period, noticed by neighborhood sign, and typically on Nextdoor.com. The Neighborhood Association also conducted three surveys during the planning process to get input on the neighborhood's vision and priorities, provide feedback on the Plan objectives and action steps, and respond to the proposed Overlay provisions. Fourteen of the 15 Neighborhood Association board members met on January 19, 2017 and gave final unanimous approval to forward the public hearing version of the amendments to the Planning Commission for public hearing. The Planning Commission also held four work sessions with the Uplands Neighborhood Planning Committee to review and provide feedback on the Plan and Code. A notice required by ORS 227.186 (Ballot Measure 56) was sent to all property owners in the Uplands R-10 zone with information about the proposed code changes, and a notice of public hearing was sent to all Lake Oswego Neighborhood Association chairs, along with local and regional organizations, including LONAC, the Lake Oswego Chamber of Commerce, and Metropolitan Homebuilders Association, and affected public agencies.

These criteria are met.

### ***Inspiring Spaces and Places***

- 1: *Adopt implementation measures and guidelines that ensure:*
  - a. *New development in residential areas complements the existing built environment in terms of size, scale, bulk, height, and setbacks.*

**Response:** The proposal is consistent with this policy, which is similar to Land Use Policy C-1. See response to Policy C-1, above.

3: *Establish standards for new development to preserve and enhance the natural environment, and to integrate natural features and functions.*

**Response:** The proposed Overlay includes a regulation limiting the total amount of impervious area to 50% of a lot. This standard, similar to existing requirements in four other neighborhoods, is intended to help reduce stormwater runoff, resulting erosion and transfer of pollutants and sediment into the city's streams and Oswego Lake. The proposed Overlay also limits the front yard to 30% impervious area, which is intended to reduce stormwater runoff flowing more directly into the street, where stormwater management facilities are limited. These standards are intended to promote landscaped area over paved surfaces, and provide greater natural infiltration.

*This criteria is met.*

7: *Enhance the unique character of Lake Oswego's neighborhoods and commercial districts as the City grows and changes by adopting plans, codes, guidelines and other implementation measures.*

**Response:** The Uplands Neighborhood Association's requests to develop a neighborhood plan, beginning in 2005, were in anticipation of change in the neighborhood, and then in response to an increased level of new residential development in recent years. The proposed Uplands R-10 Overlay responds to observations about new development and is intended to help shape this change in a way that enhances the neighborhood.

This criteria is met.

***Complete Neighborhoods and Housing (Statewide Planning Goal 10)***

Housing Choice and Affordability

B-1: *Provide and maintain zoning and development regulations that allow the opportunity to develop an adequate supply and variety of housing types, and that accommodate the needs of existing and future Lake Oswego residents.*

**Response:** The Uplands Neighborhood Plan and Uplands R-10 Overlay District maintain the existing base zoning of R-10, which permits one detached or attached (zero lot line dwelling) home per lot, with a minimum size of 10,000 square feet. One secondary dwelling unit is also permitted on each lot. The Overlay does include

one requirement, for flag lots, that may limit the creation of new homes on a small number of lots.

Lake Oswego's Housing Needs Analysis (HNA), adopted in 2013, shows that Lake Oswego has more low-density residential land than will likely be needed by the year 2035 to accommodate demand for single-family homes in the R-7.5, R-10 and R-15 zones. The HNA estimates a dwelling unit capacity of 1,646 units in these zones, and a demand for 783 units, leaving a surplus of 863 units. The potential loss of residential flag lots as described on pages 9-10 above is minimal, and does not impact the City's ability to meet future low-density residential housing needs.

This criteria is met.

### Complete Neighborhoods

*C-3: Support development of Neighborhood Plans to maintain and enhance livability and desired neighborhood character. Neighborhood plans shall be determined to comply with and implement the Comprehensive Plan.*

*C-7: Require infill housing to be designed and developed in ways to be compatible with existing neighborhood character.*

**Response:** The proposal is consistent with these policies, which are similar to Land Use Policy C-4. See response to Policy C-4, above.

*C-5: Develop and implement a Transportation System Plan (TSP) that assures multimodal access from residential neighborhoods to transit stops, commercial services, employment areas, parks, and other activity centers.*

AND

### **Connected Community Chapter Policy (Statewide Planning Goal 12):**

#### Safety

*A-1. Designate, implement, and maintain routes for walking and biking that support safe movements from residential areas to, through and along schools, parks, transit, employment centers, town centers, neighborhood villages, and commercial corners and neighborhood commons.*

**Response:** The Uplands Neighborhood Plan includes eight Action Steps for improvements to the public right-of-way, aimed at providing safe pedestrian connectivity through the construction of pathways, consideration of traffic calming devices and improved crosswalks, and outreach and planning efforts to improve right-of-way edge for pedestrians, until future pathways can be

constructed. The proposed TSP amendments extend the Uplands Drive pathway project to help link residents neighborhood to Country Club Road facilities, including a transit stop and shoulder pathway that connect Uplands to destinations beyond the neighborhood.

These criteria are met.

***Community Health and Public Safety Chapter***

**Public Facilities and Services: Surface Water Management Policies (Statewide Planning Goal 6)**

1. *Use natural systems and non-structural methods to treat, convey and dispose of storm water runoff at the source to the extent allowed by site characteristics.*
3. *Protect and improve existing drainage systems and easements by:*
  - a. *Prohibiting the encroachment of structures and other permanent improvements over public storm drainage lines and within easements and drainage ways.*
  - b. *Discouraging modification to existing open drainage ways that negatively impact surface water function.*
5. *Require all development and redevelopment to implement measures to minimize runoff from the development site during and after construction.*
8. *Provide and maintain development standards that promote Low Impact Development to improve water quality, reduce impervious surfaces, promote infiltration, and preserve open space.*

**Response:** The Overlay standard limiting the total amount of impervious area on the lot to 50% ensures that half of the lot area provides for natural and non-structural infiltration of stormwater, to the extent permitted by the soil conditions. The goal is to reduce runoff and the need for structural methods to treat and manage stormwater on-site. The Neighborhood Plan also proposes several Natural Systems Action Steps to improve stormwater management in the public right-of-way, including minimizing encroachments that modify roadside drainage systems, and integrating stormwater management into the Wembley Park CIP project.

These criteria are met.

***Community Culture Chapter/ Civic Engagement Policies (Statewide Goal 1):***

1. *Provide citizen involvement opportunities appropriate to the scale of a given planning effort, and ensure those affected by a Plan have opportunities to participate in the planning process.*

9. *Utilize broadly representative, special citizen advisory bodies to provide input on implementation of the Comprehensive Plan and other related land use planning matters.*

**Response:** Citizen involvement opportunities have included over twenty neighborhood meetings, three neighborhood surveys, and mailed notice to all R-10 property owners of the proposed amendments and opportunity to comment at the Planning Commission hearing.

The seven-member Uplands Neighborhood Planning Committee, designated by the Neighborhood Association board, led the planning effort with ongoing input from the full board.

These criteria are met.

C. Lake Oswego Community Development Code Procedural Requirements

LOC 50.07.003.3.c.	Published Notice for Legislative Hearing
LOC 50.07.003.16a	Legislative Decisions Defined
LOC 50.07.003.16b	Criteria for Legislative Decision
LOC 50.07.003.16c	Required Notice to DLCD
LOC 50.07.003.16.d.iii	Planning Commission Recommendation Required
LOC 50.07.003.16.e	City Council Review and Decision

**Response:**

The Community Development Code 50.07.003.16.a defines “legislative decisions” to include amendments to the CDC and to Comprehensive Plan policies. Public hearings by the Planning Commission for recommendations to the City Council for “legislative decisions” are required to have at least 10 days prior published notice, per LOC 50.07.003.16.d.iii and 50.07.003.3.c. Notice is defined as being published in a newspaper of general circulation in the City of Lake Oswego at least ten days in advance of the hearing, and mailed at least ten days in advance to the Commission for Citizen Involvement and to all recognized neighborhood associations. The notice shall include:

- i. The time, date, and place of the public hearing;
- ii. A brief description of the proposed legislative amendment; and
- iii. A phone number for obtaining additional information.

Notice of the public hearing was posted at City Hall, the Adult Community Center, the Library, and Palisades building on February 3, 2017. The hearing notice was published in the Lake Oswego Review newspaper on February 2, 2017. Legislative notice was mailed per LOC requirements on January 24, 2017.

The criteria for a legislative decision are addressed in Sections A and B, above. The City notified DLCDC and Metro of the proposed action 35 days before the initial evidentiary hearings.

These criteria are met.

## VI. CONCLUSION / RECOMMENDATION

The proposed amendments are in compliance with applicable City Comprehensive Plan policies, state laws, and statewide planning goals. The amendments respond to neighborhood input and incorporate feedback from the Planning Commission during its public work sessions on the proposal.

Based on the information presented in this report, staff recommends that the Commission recommend adoption of Ordinance 2734 (including all attachments) to the City Council.

### EXHIBITS

This staff report and all exhibits referenced below are part of the record and can be found by visiting the land use webpage for case file LU 17-0001. A link is provided at the end of this report.

#### A. Draft Ordinances

- A-1 Draft Ordinance 2734, dated 01/25/17
  - Attachment A – Reserved for City Council Findings (not included)
  - Attachment B – Proposed Neighborhood Plan, 02/01/17
  - Attachment C – Proposed TSP Amendments, 02/01/17
  - Attachment D – Proposed Uplands R-10 Overlay Code, 02/01/17

#### B. Findings, Conclusion and Order (no current exhibits)

#### C. Minutes (no current exhibits)

#### D. Staff Reports (no current exhibits)

#### E. Graphics/Plans

E-1 Map of Dividable Lots

#### F. Written Materials

#### G. Letters (no current exhibits)

BACKGROUND MATERIAL AND REFERENCES

Staff reports and public meeting materials that were prepared for these code amendments can be found by visiting the project web page for LU 17-0001.

Use the link below to visit the City's "Project" page. In the "Search" box enter LU 17-0001 then press "Submit":

<http://www.ci.oswego.or.us/projects>