



CITY OF LAKE OSWEGO Planning Commission Minutes May 22, 2017

1. CALL TO ORDER

Chair Heape 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 Robert Heape, Vice Chair Bill Ward, and Commissioners Randy Arthur, Skip Baker, and William Gaar. Council Liaison Theresa Kohlhoff was also present.

Staff present were Scot Siegel, Planning and Building Services Director; Paul Espe, Associate Planner; Evan Boone, Deputy City Attorney; and Iris McCaleb, Administrative Support.

3. COUNCIL UPDATE

Councilor Kohlhoff provided an update on recent Council actions including City signing an Inter-Governmental Agreement (IGA) related to the Stafford area.

4. CITIZEN COMMENT

Stu Holbrook, 18940 Pilkington Road, Lake Oswego, 97035, stated his property was in the County and that when he purchased the property in 1989 his lot was allowed to be subdivided prior to comprehensive planning for the area. He indicated that the City was telling him that the lot would not be dividable due to City road allotment calculations and minimum lot size and that the City zoning designation R 7.5 would be applied upon annexation and the ordinance would make it no longer possible to subdivide, which likely was an oversight in his opinion. Mr. Holbrook requested the Commission look into the ordinance and change it back to match what the County said related to road allotment and density determination or grandfather his lot. He opined this change was unduly unfair to him and one other property in the area. He also noted there were issues in the area with flag lots and sewer. He also noted that if he were not able to subdivide he would not be likely to annex, which would mean loss of potential tax revenue to the City and fewer homes developed.

Chair Heape asked some clarifying questions of Mr. Holbrook and staff. Mr. Siegel clarified the provision for determining density had been in the Code since 1982. Chair Heape suggested the Commission could take this request under consideration. Mr. Siegel noted it would be a legislative amendment to the Code, which would have to be initiated by staff, the Planning Commission, or City Council. A Commissioner suggested Mr. Holbrook follow-up with Council members, as the Council would need to provide direction for the Commission to take action. Another Commissioner suggested he ask for support from the neighborhood association as well. Mr. Holbrook opined that the neighborhood association would not be supportive of his request. He suggested he would like to have a decision on paper so he could follow up with the Land Use Board of Appeals if necessary. Another Commissioner suggested seeking legal counsel.

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5. COMMISSION FOR CITIZEN INVOLVEMENT – GENERAL UPDATES

Commissioner Arthur attended the Mayor and Neighborhood Association Chair’s meeting and gave an update. Chair Heape provided an overview of the recent tour with the Westlake Neighborhood Association.

6 MINUTES

6.1 April 24, 2017

Consideration of the minutes was moved to the next meeting.

7. PUBLIC HEARINGS

7.1 Zoning Map Amendment from R-7.5 to Park and Natural Area (LU 17-0015); and Zoning Map Amendments from R-7.5 to R-10 (LU 17-0009 through LU 17-0014).

A request from the City of Lake Oswego for proposed amendment to Zoning Map from R-7.5 Single Family Residential (7,500 sq. ft. area per unit) to Park and Natural Area (PNA) to resolve conflicts with the Comprehensive Plan Map for the property located at 661 S. State Street (Lake Oswego Corporation Power Station Property); and requests from the City of Lake Oswego for proposed amendments to the Zoning Map from R-7.5 Single Family Residential (7,500 sq. ft. area per unit) to R-10 Single Family Residential (10,000 sq. ft. area per unit) for the properties listed below and portions of the public right of way.

Address (Land Use Case) Tax Map/Lot:

661 S. State Street – Lake Oswego Corp. Power Station and Right of Way
(21E10DA00200/LU 17-0015)

6150 Kenny Street and Right of Way **(21E18CC02800/LU 17-0009)**

5711 McEwan Road and Right of Way **(21E18CD10602/LU 17-0010)**

6135 McEwan Road and Right of Way **(21E18CC08400/LU 17-0011)**

6397 McEwan Road and Right of Way **(21E18CC06400/LU 17-0012)**

18485 Donlee Way and Right of Way **(21E18CC04200/LU 17-0013)**

18521 Donlee Way and Right of Way **(21E18CC04100/LU 17-0014)**

The Staff coordinator was Paul Espe, Associate Planner.

Chair Heape opened the hearing. Mr. Boone outlined the applicable criteria and procedures. At time of declarations no conflicts of interest were reported. Commissioner Arthur stated he could have a potential conflict of interest by virtue of his home being within the Lake Oswego Corporation membership area. Mr. Boone indicated that a declaration of potential conflict of interest was all that was necessary. No one challenged any Commissioner’s right to consider the applications.

Staff Report

Mr. Espe presented the staff report. He explained that the proposal implemented recommendations of the 2015 Audit of the Comprehensive Plan (Plan) and Community Development Coded (CDC), including revisions to the Comprehensive Plan Map and Zoning Map to remove conflicts between the two maps.

Proposed Amendments:

- Amends Zoning Map from R-7.5 to R-10 for identified properties and public right of way in the Rosewood Neighborhood.
- Amends Zoning Map from R-7.5 to PNA for the Lake Oswego Corp. Power Station property.

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Low Density Zoning Designations:

- R-10 and R-7.5 are Low Density single-family residential Zoning Designations.
 - R-10: Minimum Lot Size is 10,000 sq. ft.
 - R-7.5: Minimum Lot Size is 7,500 sq. ft.

Mr. Espe showed a map and provided some history about the Rosewood Neighborhood and historic Comprehensive Plan designations north and south of Kenny Street, when the Urban Services Boundary was amended, and the dates affected properties were annexed. He pointed out the three parcels on McEwan Road which were erroneously zoned R-7.5 upon annexation to the City. He stated that changing the zoning might affect the development potential of two properties: 6135 McEwan Road and 6150 Kenny Street; he noted that 6135 McEwan Road was 55,650 sq. ft. and could potentially be divided into six lots under R-7.5, but only five lots under the R-10 zoning designation. He indicated that 6150 Kenny Street was 27,260 sq. ft. and could be potentially divided into three lots under R-7.5 and two lots under R-10 zoning. He added that the remaining lots that were incorrectly zoned R-7.5 were too small to be divided.

Mr. Espe pointed out that the Lake Oswego Corp. property at 661 S. State Street, was designated Park and Natural Area (PNA) on the Comprehensive Plan Map and R-7.5 on the Zoning Map and that the lot also had a Resource Protection (RP) overlay for the Oswego Creek stream corridor. He advised that the zoning designation of PNA would not affect the current use of the property for a private utility.

Mr. Espe shared maps of and reviewed each individual lot proposed for change. He also noted other considerations:

- Proposed zone map changes would not result in nonconforming land use.
- The uses were permitted in each zoning designation.

Mr. Espe concluded the staff presentation and provided the staff recommendation:

- The proposed zone change met the Lake Oswego Comprehensive Plan Goals and Policies and Lake Oswego Code.
- Staff recommended approval of the proposed zoning map amendments.

Questions of Staff

Staff clarified the land use case file numbering in response to a question from Commissioner Ward.

In response to a question from Chair Heape regarding the S. State Street property, staff confirmed the zone change would be from R-7.5 to PNA. In response to a follow up question from Chair Heape as to whether there would be any added resource protection with the zone change, staff clarified that there was currently an RP overlay that encompassed the whole property that applied whether it was public land, private open space, or residential use. Commissioner Arthur recalled the Commission had toured the Lake Oswego Corp. property on S. State Street.

Public Testimony

Proponent

Lisa Volpel, 5655 Kenny Street, Lake Oswego, 97035, stated she lived in Rosewood and was the Co-Chair of the Rosewood Neighborhood Association. She shared that at one of their general meetings a vote was taken and everyone present agreed that each of the subject

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Rosewood Neighborhood properties that was zoned R-7.5 should be rezoned R-10. She noted that a lot of work had been done to get to where they were today and she thanked staff. She added that they were looking forward to the Comprehensive Plan determining the zoning in that area and encouraged the Commission to follow staff's recommendation.

In response to a question from Commissioner Gaar, Ms. Volpel clarified that she was testifying as an individual, not on behalf of the Rosewood Neighborhood Association. In response to a question from Commissioner Arthur, Ms. Volpel affirmed that this recommendation did address the issues she raised in the past. In response to a question from Mr. Boone, Ms. Volpel confirmed that her testimony related to the properties in the Rosewood area (LU 17-0009 through LU 17-0014).

Opponent

None.

Neither for Nor Against

None.

Rebuttal

None.

Questions of Applicant

None.

Deliberations

Regarding cases LU 17-0009 through 17-0014, no request was made for additional time to submit a final written argument. Chair Heaped opened deliberations.

Commissioner Arthur **moved** to approve LU 17-0009 through 17-0014 as proposed by staff. Commissioner Baker **seconded** the motion and it **passed 5:0**. The vote on the findings, conclusions and order was scheduled for June 12, 2017 at 6:30 p.m.

Regarding case LU 17-0015, Chair Heaped opened deliberations.

Chair Heape expressed his hope that the zone change would not mean a loss to the protected resource area and noted that staff had sufficiently addressed his concerns.

Commissioner Arthur **moved** to approve LU 17-0015 as proposed by staff. Commissioner Gaar **seconded** the motion and it **passed 5:0**. The vote on the findings, conclusions and order was scheduled on June 12, 2017 at 6:30 p.m.

8. OTHER BUSINESS

8.1 Update on Oswego Style Exception (PP 17-0003)

Mr. Siegel provided a brief update on this project, noting the Commission had a work session on April 24. Subsequently staff presented the options to the Council in May, expressing they agreed with the Commission's tentative approach recommending Alternative 3 – to update the variance design criteria in the Downtown Redevelopment Design District rather than create new styles. He reviewed the recommendations to create more clarity around the design

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variance options with which the Council agreed. There was also Council direction to review the design variance criteria with an eye toward supporting sustainability. The Council further discussed whether this should be a variance or if existing code standards should be amended to encourage sustainability in building design. Regarding the third track related to variance criteria allowing "alternative designs", there was consensus among the Council that the Code should be more explicit about which Plan provisions would apply. The Council felt the Urban Design Plan was still relevant today and the East End Redevelopment Plan design objectives were also still relevant.

Mr. Siegel added that Council provided feedback on the public process as well. He reviewed the updated schedule for the project, which included a public review draft and outreach for feedback on the proposal, with a public hearing draft scheduled to be considered by the Commission in July followed by a hearing before the City Council in September.

With regard to design variances, Vice Chair Ward observed that variances were sometimes time consuming to process, so he wondered how much of a handicap that would be to those who would like to develop downtown. Mr. Siegel clarified that design variances were more like adjustments than hardship variances, and his sense was that the process would still be discretionary but should be much clearer in terms of the language in the Code. He opined it was a balance between clear and objective standards and a discretionary review. Mr. Boone added that projects would still require a Development Review application regardless of the desire to seek a variance and would follow the same timeline.

Regarding support for sustainability as an exception, Chair Heape suggested including specific guidance regarding types of sustainability measures eligible for variances. Chair Heape noted that community social networking sites were an additional option for outreach and they were helpful for getting the word out.

Public Comment

None.

9. SCHEDULE REVIEW

Mr. Siegel provided an update on the schedule.

The Commission discussed the possibility of providing input to staff, in its role as Commission for Citizen Involvement (CCI), on the public notice requirements for tree removal applications. Mr. Siegel advised that the City had implemented new notification procedures as a result of the 2016 Tree Code Amendments, and that the City Council would be receiving an update on the Tree Code in September. He advised that the Commission should wait for direction from the Council on what types of changes needed to be made related to noticing, if any, that may come out of the Council's discussion. He suggested it would be helpful for the Commission to get an update on the process updates that had been proposed and implemented to date, such as the newly developed real-time tree permit website. Mr. Boone reminded the Commission of the scope of the CCI, which was relative to the land use process. Mr. Siegel reiterated that direction from the Council on September 19 on what role the PC should take should come first. Chair Heape agreed they would wait until further direction from the Council.

10. ADJOURNMENT

There being no other business Chair Heape adjourned the meeting at 8:15 p.m.