



TO: Kent Studebaker, Mayor
Members of the City Council

FROM: Johanna Hastay, AICP
Associate Planner

SUBJECT: Ordinance 2707 – An Ordinance of the City of Lake Oswego Amending the LGVC Overlay District (LOC 50.05.007) Relating to Parking Management (LU 16-0001)

DATE: April 21, 2016 **DATE OF MEETING:** May 3, 2016

ACTION

Conduct a public hearing on proposed Community Development Code (CDC) amendments implementing certain strategies of the Lake Grove Village Center Parking Management Plan (LGVC PMP) and the Planning Commission (Commission) recommendation to adopt the resolution.

SUGGESTED MOTION

Move to tentatively approve LU 16-0001 and direct staff to return with proposed findings and conclusions, together with a final version of Ordinance 2707, for adoption on May 17, 2016.

INTRODUCTION/BACKGROUND

The LGVC PMP is a guiding document with recommended strategies that are designed to address the range of parking challenges expressed by LGVC area stakeholders over the past 15 years. One of the recommended implementation measures is to adopt code amendments to four CDC sections: the Commercial Use Table, the Use-Specific standards, the LGVC Overlay District standards, and the Parking standards. The Planning Commission (Commission) recommended adoption of Ordinance 2707 at its March 14, 2016 public hearing and approved the Findings, Conclusion, and Order at its March 28, 2016 meeting.

The City Council (Council) held a study session on the proposed amendments at its April 19, 2016 meeting. The full record was provided for the Council’s review in advance of the study session, including the staff report (Exhibit D-1), findings from the Commission’s public hearing (Exhibit B-1), the Commission’s minutes (Exhibits C-1 and C-2), and all public testimony (Exhibits

G-1 to G-11). Please see Attachment B to Exhibit A-1.1, dated 03/15/16, for the code amendments recommended by the Commission. The commentary boxes in this attachment provide additional rationale for each amendment.

DISCUSSION

The proposed amendments are in compliance with applicable City Comprehensive Plan policies and Special District plans, state laws, and statewide planning goals. The amendments respond to public input received during development of the proposal and at the Planning Commission public hearing.

At the study session, the Council discussed the proposed changes to the allowed parking modifiers that could be used in the LGVC. Staff was asked to provide further information on those points for the Council's consideration at the May 3 public hearing.

The Advisory Committee is proposing to eliminate the "access to transit" modifier for properties within the LGVC as it determined that the existing transit service levels were too infrequent to offset the parking reduction. Please see Page 19 of Attachment B for the proposed code amendment. The Council questioned if removal of this modifier was contrary to a City-wide goal to encourage transit-oriented development. The Advisory Committee felt it would be appropriate to offer the "access to transit" modifier only when TriMet provides frequent bus service on Boones Ferry Rd., which may happen in the next few years as the new employee transit tax kicks in. The tax will likely generate \$4.3 million in the first year, growing by \$4.3 million/year over ten years, to be spread across the entire Portland region.

The Council also requested that staff research a recent case study where a food use was not allowed in an existing tenant space due to lack of available parking and whether or not other parking exemptions might be appropriate to consider in the LGVC. There is an empty tenant space behind Phô Lavang's, in the shopping center building at 16120 Boones Ferry Rd., which was previously fully occupied by Blockbuster Video. The owner of Phô Lavang's wanted to add an ice cream or frozen yogurt shop behind the existing restaurant. This type of food use was likely considered a "specialty food store" with a minimum parking requirement of 6.6 spaces/1,000 sq. ft. of gross floor area (GFA). Planning determined that there were insufficient parking spaces to support this new use.

Currently, a sit-down restaurant is required to provide 13.3 spaces/1,000 sq. ft. of GFA. The Advisory Committee is proposing to increase that minimum to 15.3 spaces/1,000 sq. ft. of GFA, consistent with Metro standards. Besides disallowing the "access to transit" modifier, the Advisory Committee is also proposing to disallow the use of compact parking spaces. Council requested that staff look at the following Downtown Redevelopment Design District (DRDD) parking exemption to see if it might be plausible to use something similar in Lake Grove. This would be in addition to modifiers and exceptions that are to be retained such as the "development size" and "pedestrian/bicycle access" parking modifiers, remote/shared parking, reductions when providing a Village Gathering Place, etc. The DRDD-parking exemption is as follows (LOC 50.05.004.9.a.vii):

- vii. In the portion of the downtown shopping and business district shown on Figure 50.05.004-L: Downtown – No Additional Required Parking, (*map removed*), no additional parking shall be required for existing or proposed uses when:
- (1) A **retail** (*emphasis added*) use locates in an existing structure, or
 - (2) An existing structure is expanded, the ground floor footprint does not increase in area, and no parking is removed.

Under this parking exemption scenario, the ice cream shop behind Phô Lavang’s could have moved into the existing tenant space without adding any parking spaces, even though the shopping center is frequently at or near parking capacity with no nearby public parking available.

Please note that there is a long-standing interpretation that the reference to “retail” in this DRDD-parking exemption includes food retail such as restaurants, but that is not a City-wide interpretation. The City-wide “retail” parking minimum is 3.33 spaces/1,000 sq. ft. of GFA, significantly less than the requirement for any food uses. If this parking exemption was added to the LGVC, the same use interpretation might apply.

The DRDD-parking exemption only applies to a specific bounded area of the downtown. That small area includes the Block 136 public parking garage, a public surface parking lot, dozens of on-street parking spaces, and is in close proximity to the public surface parking lots between First St. and State St. and near the Trolley Station. The publically available parking helps offset the use of the exemption. Even with those public parking spaces, the First Addition-Forest Hills NA has stated that there is significant parking spillover into the nearby residential areas.

Staff notes that the downtown core is platted in an easily walkable block pattern near hundreds of homes connected by a complete sidewalk system, access to transit, and (intermittent) bike lanes. The Lake Grove area is characterized by a lack of pedestrian/bike connectivity to the residential neighborhoods and long blocks. The Boones Ferry Rd. improvements will make the corridor less auto-centric, for example by improving sidewalks and adding mid-block crossings, but very little on-street parking exists (2% of all Lake Grove parking) and nearly all of it is in the neighborhoods (e.g., Oakridge and Waluga).

The Advisory Committee carefully considered the proposed amendments and believes that the Lake Grove commercial area has different needs and fewer options for ensuring adequate parking than the downtown commercial area; a parking exemption tailored to the DRDD may not be a good fit with the Lake Grove area. The Council should anticipate that if a proposal is put forth to add this exemption for Lake Grove, there could be opposition from the businesses the LGVC PMP intended to serve and from neighborhood representatives.

ALTERNATIVES & FISCAL IMPACT

There are no fiscal impacts associated with adoption of Ordinance 2707.

RECOMMENDATION

Based on the Planning Commission recommendation and the information presented in this report, staff recommends that the Council tentatively approve LU 16-0001 and direct staff to return with proposed findings and conclusions, together with a final version of Ordinance 2707, for adoption on May 17, 2016.

EXHIBITS

A. Draft Ordinances

- A-1.1 Draft Ordinance 2707, 04/07/16 (supersedes Exhibit A-1)
 - Attachment A – Reserved for City Council Findings (not included)
 - Attachment B – Proposed Draft Code Amendments, 04/21/16 (supersedes 03/15/16 version)

B. Findings, Conclusion and Order

- B-1 Planning Commission Findings, Conclusions and Order, 03/28/16
(Please note that Attachment B referenced in the Findings is not included. Refer to Attachment B (04/21/16) of Draft Ordinance 2707 (Exhibit A-1.1). The complete set of Findings can be viewed using the link below.

C. Minutes

- C-1 Planning Commission Minutes, 02/22/16
- C-2 Planning Commission Draft Minutes, 03/14/16 (not approved or reviewed by the Planning Commission)

D. Staff Reports

- D-1 Planning Commission Staff Report, 02/10/16

E. Graphics/Plans

None

F. Written Materials

- F-1 Letter of Compliance from Metro, 01/28/16

G. Letters

- G-1 Letter from Don and Suzanne Conklin, dated 01/20/16

- G-2 E-mail from Barry Hasson, dated 02/03/16
- G-3 E-mail from Peter York, dated 02/11/16
- G-4 Letter from Cheryl Uchida, Waluga NA, dated 02/22/16
- G-5 E-mail from Barry Hasson, dated 02/24/16
- G-6 E-mail from Barry Hasson, dated 02/24/16
- G-7 E-mail from Barry Hasson, dated 02/24/16
- G-8 Letter from Don and Suzanne Conklin, dated 03/03/16
- G-9 E-mail from Peter York, dated 03/12/16
- G-10 E-mail from Josh Carter, dated 03/03/16
- G-11 E-mail from Larry Ludwig, dated 03/24/16

Staff reports and public meeting materials can be found by visiting the project web page. Use the link below to visit the City's "Project" page. In the "Search" box enter LU 16-0001 then press "Submit":

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

Staff reports and public meeting materials for the Lake Grove Village Center Parking Management Plan can be found by visiting the project web page. Use the link below to visit the City's "Project" page. In the "Search" box enter PP 13-0007 then press "Submit".

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