CITY OF OREGON CITY
PLANNING COMMISSION
AGENDA

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Monday, July 8, 2024 at 7:00 PM

Ways to participate in this public meeting:
- *Attend in person, location listed above. Please see the public comment guidelines below.*
- *Register to provide electronic testimony (email ocplanning@orcity.org or call 503-722-3789 by 3:00 PM on the day of the meeting to register)*
- *Email ocplanning@orcity.org (deadline to submit written testimony via email is 3:00 PM on the day of the meeting)*
- *Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045*

1. CONVENE MEETING AND ROLL CALL

2. APPROVAL OF MINUTES

2.a. Meeting Minutes Approval for 6.24.2024

3. PUBLIC COMMENTS

Please see the public comment guidelines below.

4. DISCUSSION

4.a. Park Place Concept Plan Code Refinement - Continued Discussion

5. COMMUNICATIONS

6. ADJOURNMENT

PUBLIC COMMENT GUIDELINES

Complete a Comment Card prior to the meeting and submit it to the clerk. When the Chair calls your name, proceed to the speaker table, and state your name and city of residence. Each speaker is given 3 minutes to speak. As a general practice, the committee does not engage in discussion with those making comments. Complaints shall be addressed at the department level prior to addressing the committee.

ADA NOTICE

The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

Video Streaming & Broadcasts: The meeting is streamed live on the Oregon City's website and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WFMC at 503-650-0275 for a programming schedule.

CITY OF OREGON CITY
PLANNING COMMISSION
MINUTES - DRAFT

Commission Chambers, Libke Public Safety Building, 1234 Linn Ave, Oregon City
Monday, June 24, 2024 at 7:00 PM

CALL TO ORDER AND ROLL CALL

Chair Stoll called the meeting to order at 7:00 PM.

Present: 6 – Chair Stoll, Vice Chair Paul Espe, Commissioner Dirk Schlagenhaufer, Commissioner Bob La Salle, Commissioner Karla Laws, Commissioner Brandon Dole

Absent: 1 - Commissioner Daphne Wuest

Staffers: 2 - Community Development Director Aquilla Hurd-Ravich, Planning Manager Pete Walter, Deputy City Attorney Carrie Richter

PUBLIC COMMENT

None

MEETING MINUTES

1. Meeting Minutes for Approval: June 10, 2024.

   A motion was made by Commissioner LaSalle, seconded by Commissioner Espe to approve the meeting minutes.

   The motion carried by the following vote: Yea: 6 - Commissioner LaSalle, Commissioner Laws, Commissioner Dole, Commissioner Schlagenhaufer, Vice Chair Espe and Chair Stoll

PRESENTATION

2. Community Director Aquilla Hurd-Ravich introduced the presentation. This was identified as an item on the workplan that the commission desired to understand better: How growth is accounted for in our infrastructure master plans. She introduced Public Works Director, John Lewis, and Senior Planner, Christina Gardiner-Robertson, as the presenters.

   Christina Gardiner-Robertson began the presentation by talking about Middle Housing. There are 2 categories of looking at availability of infrastructure: 1) Infill - One existing lot or 2) Land Use Review - Partition/Subdivision.

   For Infill – One Existing Lot, they must hook up to city utilities, 10% of the valuation of the project is to be used for street upgrades (in addition to the normal SDC feeds), and there is no transportation analysis required. For Land Use Review – Partition/Subdivision, they must hook up and build required city utilities and streets, provide a worst-case transportation analysis and applicant cannot build more than the original anticipated units without providing updated analysis.

John Lewis provided more information about Infrastructure Planning. Utility planning can be done mostly with engineering calculations, but the transportation portion is more difficult. The Master Plans ideally would be updated every 10 years to check for community interest changes, legislative changes and secondary provider changes.

Infrastructure Master Plans:

1) 2014 Sanitary Sewer
2) 2020 Stormwater – 15 drainage systems, unique to OC
3) 2012 Water (amended in 2021)
4) 2013 Transportation (amended in 2019)
5) Water Environment Services
6) South Fork Water Board
7) Specific Corridor
8) Parks and Recreation
9) Design Standards
10) Rate and SDC Studies

Commissioners had a few questions about stormwater and climate change, the de-watering system installed for the landslide area, and emergency preparedness for urban fire events.

John then spoke about the transportation plan. Every city struggles with transportation plans and funding to meet needs. He shared the TSP Goals and some assumed trends from 2010 to 2035 from the 2013 Master Plan.

A commissioner asked about the philosophy for street signal light timing. 3 agencies manage the lights around OC. Those at 213 would be managed by the state. The philosophy would be to move as much traffic as they can, but if you are an ODOT technician, your goal is to get traffic down the highway and side streets will line up. Lots of elements play into the timing including pedestrian as well as vehicle movement.

John also talked about Investment recommendations that included community input. There were 362 projects identified which totaled $222Million. Funding to come from development charges, gas taxes, vehicle registration fees, etc. There is a $84M funding shortfall to be addressed possibly through grants or voter bonds.

Commissioners provided comments and asked a few questions.

DISCUSSION

3. Park Place Concept Plan Code Refinement continuation

Planning Manager, Pete Walter, briefly reviewed what has been covered to date and reminded the commission that the goal is to have the legislative process begin late summer/early fall. He then covered the items the commission had commented on about changes wanted in the previous meeting regarding 17.21.030 Roof Design, 17.21.100

Solar Access, 17.21.040 Massing, 17.21.050 Porches and Entries, and 17.21.070 Approved Siding Materials.

Pete covered amendments for 17.21.105 Housing Diversity Standards. He reminded the commission that while writing clear and objective standards, there is an option for an applicant to apply for a modification through a land use process.

The next section was the 17.24 Neighborhood Commercial. There will need to be some discussion for the Conditional Use section 17.24.025 regarding what the NC zoned land amount is. Currently in the Concept Plan there are 12 gross acres of mixed-use land, of which Park Place has 4 acres. There is concern that the land would be used up by things such as stormwater facilities. There may be a consideration to prohibit it or make it a conditional use. Will need to include some discussion with Josh Wheeler, assistant city engineer, with what might be right locations for the regional ponds and if they can be in areas that are not in the NC specifically.

Additional items were outlined as listed on the PowerPoint slides. Added a new section specific to Park Place - 17.24.060 Additional Standards for Park Place Concept Plan Area. Part of this new section outlines "Additional Permitted Uses" which explains Civic uses and Residential Uses in the Commercial zone. A question was raised about the Live Work units count as commercial or as residential and the planning team will need to work out those details further.

There were some revisions suggested for Code section 17.65 – Master Plans and Planned Unit Developments for clarity.

The last item discussed was the Johnson Economics' Assessment of Development Expectations Report. Pete covered a few takeaways and the impact on design standards which he had listed on PowerPoint slides. It will be covered in more detail at the next meeting. Chair Stoll reminded the commission that we need to remember the lower income status of people who may be moving into the Park Place area due to the Diversity standards being set. There was additional discussion about commercial usages and if the report is visionary or more real time and what difficulties the developers may face.

COMMUNICATIONS

Next meeting will be July 8. The Johnson Economic report will be in the next meeting packet for review prior to the meeting for continued discussion. Then there will be continued work on the Park Place Concept Plan revisions.

ADJOURNMENT

Chair Stoll adjourned the meeting at 9:35 p.m.

CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: Planning Commission **Agenda Date:** 07/08/2024

From: Aquilla Hurd-Ravich, Community Development Director
Pete Walter, Planning Manager

SUBJECT:

Park Place Concept Plan Code Refinement

STAFF RECOMMENDATION:

At this time, staff recommends Planning Commission consider the information and presentation and provide direction as staff proceeds with code refinements.

EXECUTIVE SUMMARY:

The Park Place Concept Plan (PPCP) was adopted through Legislative File 08-01 in 2008. At the time the Oregon City Municipal Code was amended to implement the principles of the concept plan. Since then, land use regulations in the State of Oregon have changed and the City reviewed its first land use application in the concept plan area. That review illuminated some of the areas in code that need refining 16 years after the initial adoption of the concept plan. At this meeting, staff will present an overview of the work to date, the process moving forward to adopt code refinements, and three chapters of code with proposed amendments.

BACKGROUND:

This evening, staff will present initial drafts of the following code chapters:

- 17.62.061 and 16.08.043 - *Additional public park, trail and open space requirements in the PPCP.*
    - Note: numbering format of this draft code section is subject to further revision, but the same section will be added to both OCMC 17.62 – Site Plan and Design Review, and OCMC 16.08 – Land Divisions
    - 17.62 - Site Plan and Design Review
    - 16.08 – Land Divisions – Process and Standards
- 16.12.026 – *Street Design – Alleys*
- 17.08 – *Low Density Residential Districts*

The draft code sections, with explanation boxes, are attached to this report.

Staff has also included the Johnson Economics report "Assessment of Development Expectations / Commercial Component of the Park Place Concept Plan North Village". Staff handed out copies of this report at the June 20 Planning Commission meeting. This report includes analysis of the site zoned Neighborhood Commercial within the North Village area of the concept plan, and reviews the subject site, regional context, demographics, commercial market trends, commercial support and briefly comments on the impact of existing and proposed Design Standards.

At the June 24 meeting, staff continued presenting code revisions to the following chapters/sections of the OCMC:

- Section 17.21.105 – Park Place Concept Plan Housing Diversity Standards.
- Chapter 17.24 NC Neighborhood Commercial District
- Chapter 17.65 – Master Plans and Planned Unit Developments

At the June 10 meeting, staff presented initial drafts of the following chapters/sections:

- 17.04 – Definitions
- 17.10 – Medium Density Residential District
- 17.21 – Park Place Concept Plan Residential Design and Diversity Standards.

This project came about as the result of a master plan application that was denied by the City Commission for various reasons but overall the decision was that the application did not properly implement the principle Key Elements of the Concept Plan.

When the PPCP was adopted in 2008, the Oregon City Municipal Code (OCMC) was amended to implement the concept plan. The Park Place Concept Plan was implemented through Legislative File 08-01 which updated, revised, and added new code sections to OCMC, and adopted Comprehensive Plan designations for areas within the concept plan. Land in the North Village which has annexed to the City has a zoning designation of Neighborhood Commercial (NC), R-5 (Medium Density Residential), and R-10 (Low Density Residential). In 2008, OCMC 17.10 was amended to add a new R-5 zone district to allow for greater diversity of housing types. The existing Neighborhood Commercial zone district in OCMC 17.24 was refined to increase the number of permitted uses, restrict the size of stand-alone commercial buildings, and allow live-work units. Multi-family is allowed in Neighborhood Commercial, but it cannot be more than 50% of the building square footage on-site.

The PPCP was built principally on 11 Key elements:

1. Two primary north-south connections between Holcomb Boulevard and Redland Road (Swan Avenue and Holly Lane)
2. Two distinct mixed-use neighborhoods (North Village and South Village) that accommodate 1,459 new dwelling units
3. Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space.
4. An area for a new civic institution, such as a library or community center

5. A mix of housing types and ranges of affordability
6. An extensive system of off-street and on-street trails and pedestrian/bicycle connections
7. Innovative, “green” on-site stormwater treatment methods
8. Protected sensitive areas, including drainages and steep slopes
9. Streets and buildings oriented for solar access
10. The use of green edges to define neighborhoods and buffer developments
11. Integration of parks and open spaces into existing and future neighborhoods

In 2008 some of these key elements were codified, some were implemented through design standards, while others were envisioned to be implemented by future zone changes. Following the adoption of the PPCP, multiple infrastructure master plans were updated and adopted and these plans accounted for growth and new development in Park Place for example the 2013 Transportation System Plan and the 2020 Stormwater and Grading Design Standards.

However, since 2008 the land use paradigm in Oregon has shifted and multiple new regulations apply. For example, HB 2001 Middle Housing mandates were adopted by the City in 2022 allowing duplex, triplex, quadplex, townhomes, and cottage clusters on lots in single family zones. In 2017 Senate Bill 1051 changed the application of clear and objectives standards to apply to all housing development and not just needed housing. Discretionary standards are no longer applicable to any housing development regardless of the classification of “needed” housing. *(Needed housing means housing by affordability level, as described in ORS 184.453 (4), type, characteristics and location that is necessary to accommodate the city’s allocated housing need over the 20-year planning period in effect when the city’s housing capacity is determined. 197A.018).* Most recently, in 2024 SB 1537 requires jurisdictions to grant “mandatory adjustments” if a development meets certain thresholds.

Taking most of these changes into account since 2008, staff has endeavored to propose revised code that will more completely implement the 11 Key Elements while remaining clear and objective. The attached memo, Implementation Narrative, dives more deeply into each of the Key Elements, how they were codified, and any proposed code revisions that staff has so far identified.

Staff has identified multiple OCMC chapters, sections, and one change to the TSP that could be revised through this code refinement process:

1. 17.04 Definitions
2. 17.10 Medium Density Residential Districts (R-5 and R-3.5)
3. 17.21 Residential Standards- Park Place Concept Plan
4. 17.24 Neighborhood Commercial
5. 17.62 Site Plan and Design Review
6. 16.08 Land Divisions
7. 16.12.026 Street Standards- Alleys
8. 17.65 Master Plans
9. Transportation System Plan- Trails and multimodal connectivity

Legal Issues

A memo from the Deputy City Attorney is attached to this staff report that explains some of the legal issues and boundaries that must be considered when implementing the the PPCP. The concept plan is just that, a concept or a big idea that expressly acknowledged the need for future study and adjustment through implementing zoning regulations. The purpose for the attached memorandum is to identify the legal limitations that may inform and influence how the City balances these various policies in a way that best achieves the PPCP plan objectives.

Process Overview

This process is a typical legislative process. The Planning Commission will review proposed code revisions. Staff will bring the proposals back to City Commission for a check-in before beginning the legislative hearings. Additionally, we will make a presentation to the Citizen Involvement Committee and Park Place Neighborhood Association prior to beginning legislative hearings. At the conclusion of the code review, staff will return to the Planning Commission with amended chapters that reflect your feedback and direction.

- Planning Commission Code Review: Spring/Summer
- City Commission Work Session check-in: Summer
- Citizen Involvement Committee and PPNA Presentations: Summer
- Planning Commission legislative hearings: Summer/Fall
- City Commission adoption hearings: Fall 2024

Next Steps

Staff will present the following chapters at the June 24, 2024 meeting:

- Chapter 17.08 – Low Density Residential District
- Chapter 17.24 NC Neighborhood Commercial District
- Section 16.12.026 – Street Standards – Alleys
- Chapter 17.65 – Master Plans and Planned Unit Developments
- Chapter 17.62 – Site Plan and Design Review
  - New section - additional public park and open space requirements for PPCP

16.12.026 Same—Alleys.

Alleys with public access easements on private property shall be provided in the Park Place and South End concept plan areas for the following districts R-5, R-3.5, R-2, MUC-1, MUC-2 and NC zones unless other permanent provisions for private access to off-street parking and loading facilities are approved by the decision maker.

Pursuant to OCMC 16.12.033, an applicant may request modification of the alley requirement due to the presence of the following overlay districts if the decision maker determines that the requested modification would minimize disturbance to sensitive natural resources and steeply sloped or unstable sites in the following situations:

1. New residential development located wholly or partially within the Natural Resources Overlay District regulated by OCMC 17.49; and
2. New residential development located wholly or partially within the Geologic Hazards Overlay District regulated by OCMC 17.44.

All alleys intended to provide access for emergency vehicles shall be a minimum width of twenty feet. The corners of alley intersections shall have a radius of not less than ten feet and shall conform to standards approved by the city engineer. Access easements and maintenance agreements shall be recorded on affected properties.

Explanation:

This revision creates a new, clear and objective standard to offer a modification of the alley requirements within sensitive NROD habitat areas and geologic hazards overlay districts.

Public alley access may not be feasible nor practicable in these areas due to the additional grading, cut and fill and impervious surfaces that alleys require and the need to minimize disturbance to sensitive natural resources and steeply sloped or unstable sites within these overlay districts.

Through a Type II process, an applicant may request modification of this public improvement standard as part of a land division or other land use application.

PPCP Key Element:

8. Protected sensitive areas, including drainages and steep slopes.

Chapter 17.08 LOW DENSITY RESIDENTIAL DISTRICTS

17.08.010 Designated.

The R-10, R-8 and R-6 residential districts are designed for low density residential development.

17.08.020 Permitted uses.

Permitted uses in the R-10, R-8 and R-6 districts are:

A. Single-family detached residential units;

B. Accessory uses, buildings and dwellings;

C. Duplexes;

D. Triplexes;

E. Quadplexes;

F. Townhouses;

G. Cottage clusters;

H. Residential homes;

I. Parks, playgrounds, playfields and community or neighborhood centers;

J. Home occupations;

K. Family day care providers;

L. Farms, commercial or truck gardening and horticultural nurseries on a lot not less than twenty thousand square feet in area (retail sales of materials grown on-site is permitted);

M. Temporary real estate offices in model homes located on and limited to sales of real estate on a single piece of platted property upon which new residential buildings are being constructed;

N. Transportation facilities.

17.08.025 Conditional uses.

The following uses are permitted in the R-10, R-8 and R-6 districts when authorized by and in accordance with the standards contained in OCMC 17.56:

A. Golf courses, except miniature golf courses, driving ranges or similar commercial enterprises;

B. Bed and breakfast inns/boarding houses;

C. Cemeteries, crematories, mausoleums and columbariums;

D. Child care centers and nursery schools;

E. Emergency service facilities (police and fire), excluding correctional facilities;

F. Residential care facilities;

G. Private and/or public educational or training facilities;

H. Public utilities, including sub-stations (such as buildings, plants and other structures);

I. Religious institutions;

J. Assisted living facilities; nursing homes and group homes for over fifteen patients.

17.08.030 Reserved.

Editor's note(s)—Ord. No. 22-1001, § 1(Exh. A), adopted June 1, 2022, repealed § 17.08.030, which pertained to master plans and derived from Ord. No. 18-1009, adopted July 3, 2019.

17.08.035 Prohibited uses.

Prohibited uses in the R-10, R-8 and R-6 districts are:

A. Any use not expressly listed in OCMC 17.08.020, 17.08.025 or 17.08.030;

B. Marijuana businesses.

17.08.040 Dimensional standards.

Dimensional standards in the R-10, R-8 and R-6 districts are as follows:

Table 17.08.040

Standard	R-10	R-8	R-6
Minimum lot size[1]			
Single-family detached, duplex and triplex	10,000 square feet	8,000 square feet	6,000 square feet
Quadplex and cottage cluster	10,000 square feet	8,000 square feet	7,000 square feet
Townhouse	1,500 square feet	1,500 square feet	1,500 square feet
Maximum height: All	35 feet	35 feet	35 feet
Except cottage cluster unit	25 feet	25 feet	25 feet
Maximum building lot coverage	40%,	40%,	40%,
With ADU	except 45%	except 45%	except 45%
Cottage cluster	None	None	None
Minimum lot width: All	65 feet	60 feet	50 feet
Except townhouse	20 feet	20 feet	20 feet
Minimum lot depth: All	80 feet	75 feet	70 feet
Except townhouse	75 feet	75 feet	70 feet
Minimum front yard setback: All	20 feet, except 15 feet — Porch	15 feet, except 10 feet — Porch	10 feet, except 5 feet — Porch
Except cottage cluster	10 feet	10 feet	10 feet

Minimum interior side yard setback: All	8 feet	7 feet	5 feet
Except townhouse	0 feet (attached)/8 feet (side)	0 feet (attached)/7 feet (side)	0 feet (attached)/5 feet (side)
Minimum corner side yard setback	10 feet	10 feet	10 feet
Minimum rear yard setback	20 feet, except ~~15 feet — Porch 10 feet — ADU, cottage cluster~~	20 feet, except ~~15 feet — Porch 10 feet — ADU, cottage cluster~~	20 feet, except ~~15 feet — Porch 10 feet — ADU, cottage cluster~~
Porch	15 feet	15 feet	15 feet
ADU	10 feet	10 feet	10 feet
Cottage cluster	10 feet	10 feet	10 feet
Garage setback	20 feet from ROW, except 5 feet Alley	20 feet from ROW, except 5 feet Alley	20 feet from ROW, except 5 feet Alley
Minimum separation from between existing dwelling unit abutting the Park Place Concept Plan boundary and new dwelling unit	40 feet	40 feet	40 feet

Notes:

1. For land divisions, lot sizes may be reduced pursuant to OCMC 16.08.065.
2. Accessory structures may have reduced setbacks pursuant to OCMC 17.54.010.B.
3. Public utility easements may supersede the minimum setback.

Explanation:

The proposed addition to Table 17.08.040 includes the new setback requirement between existing dwelling units outside of the Park Place Concept Plan boundary and new dwelling units within the plan area. The intent of this revision is for additional clarity by including the setback that is discussed under the section 17.10.080.C.(3) to the table in addition to the written text.

Also, the table is slightly modified to show the required rear yard setbacks more clearly for porches, ADUs and cottage clusters, though no changes are proposed to these setbacks.

PPCP Key Element:

10. The use of green edges to define neighborhoods and buffer developments.

17.08.045 Exceptions to setbacks.

A. Projections from Buildings. Ordinary building projections such as cornices, eaves, overhangs, canopies, sunshades, gutters, chimneys, flues, sills or similar architectural features may project into the required yards up to twenty-four inches.

B. Through Lot Setbacks. Through lots having a frontage on two streets shall provide the required front yard setback on each street. The required rear yard setback is not necessary.

Explanation:

The word "setback" is added for greater clarity. Per definition 17.04.1110 - Setback. "Setback" means the minimum distance by which the footprint of all buildings or structures shall be separated from a lot line.

PPCP Key Element:

N/A. This revision is added for greater clarity to the existing code section only.

17.08.050 Density standards.

A. Density standards in the R-10, R-8 and R-6 districts are as follows:

Table 17.08.050

Standard	R-10	R-8	R-6
Minimum net density: All	3.5 du/acre	4.4 du/acre	5.8 du/acre
Except cottage clusters	4 du/acre	4.4 du/acre	5.8 du/acre
Maximum net density: All	4.4 du/acre	5.4 du/acre	7.3 du/acre
Except townhouses	17.4 du/acre	21.6 du/acre	25 du/acre

B. Exceptions.

1. Any dwelling units created as accessory dwelling units do not count towards the minimum or maximum density limits in Table 17.08.050.
2. Duplexes, triplexes and quadplexes shall count as a single dwelling unit for the purposes of calculating maximum net density. Total dwelling units within a development may count for the purposes of calculating minimum net density.
3. Cottage clusters are exempt from maximum net density standards.

17.08.055 Additional standards for the Park Place Concept Plan Area.

A. Applicability. This section applies to all development in the Low Density Residential District within the Park Place Concept Plan Area.

B. Relationship of Standards. These standards apply in addition to and supersede the standards of the R-5 zone within the Park Place Concept Plan Area. In the event of a conflict, the standards of this section control.

C. Perimeter Transition. Along the boundary of the Park Place Concept Plan area where new development is proposed abutting existing residential development the following additional standards shall apply to create a perimeter transition.

1. Where any portion of a lot abuts existing residential development outside of the concept plan area boundary, uses shall be limited to residential uses and roads, parks, trails, and open space.

2. Where any portion of a lot abuts existing residential development outside of the concept plan area boundary, the minimum lot size for residential uses shall be a minimum of ten thousand square feet for single-family detached dwellings, duplexes and triplexes. Minimum lot size shall be one thousand five hundred square feet for townhouses. Minimum lot size shall be ten thousand square feet for quadplexes and cottage clusters. The minimum lot sizes specified shall not be eligible for modification or variance.

3. Where any portion of a proposed lot abuts existing residential development outside of the concept plan area boundary, all primary structures shall be set back a minimum of forty feet from existing dwelling units outside the plan boundary.

4. Within the forty-foot setback required in (3) above, a combination of landscaping and screening shall be provided to buffer the perimeter. The landscaping and screening shall meet one of the following standards:

    a. Utilize existing trees in compliance with the OCMC 17.41, resulting in preservation of a minimum of twelve inches total DBH per lot with trees spaced an average of one tree for every thirty linear feet along the southern property line. These trees may be located on residential lots or in an abutting tract created for tree preservation consistent with OCMC 17.41.050.B; or

    b. Preserving or planting native vegetation within or adjacent to the Natural Resources Overlay District in compliance with OCMC 17.49, provided that there is a minimum of twelve inches total DBH per lot with trees spaced an average of one tree for every thirty linear feet along the northern property line. These trees may be located on residential lots or in an abutting tract created for tree and habitat preservation consistent with OCMC 17.49; or

    c. Provide a combination of new landscaping and screening to include:

        i. A minimum of twelve inches of total DBH, or a minimum of an average of one tree with minimum caliper of two inches DBH for every thirty linear feet; and

        ii. A minimum six-foot tall, decorative, sight-obscuring fence or wall parallel to the plan area boundary. The fence or wall shall be constructed of wood, stone, rock, or brick. Other durable materials may be substituted with the community development director's approval. Chain-link fencing shall not be allowed to satisfy this standard.

5. An alternative perimeter transition may be proposed as part of a master plan per OCMC 17.65, provided it is consistent with the goals of the adopted Park Place Concept Plan.

Explanation:

The additional standards for the Park Place Concept Plan area within the R-10 district are intended to create a transition between older residential development and newer, more intense residential development within the concept plan area. The “Northern Perimeter” of the concept plan boundary abuts several older low-density subdivisions, including Trailview (zoned R-10), Wasco Acres (zoned R-6), and Tracey Heights (zoned R-6).

Larger setbacks, lot sizes and screening is desired in this transition area between newer development within the concept plan area and existing lower density development outside.

Screening within the forty-foot setback area may be accomplished through the preservation of existing trees, planting of native vegetation abutting the NROD area, or a combination of landscaping plantings and fencing.

Larger subdivisions may opt to place the landscaping buffer in a separate open space tract to be maintained by an HOA, whereas smaller land divisions or may choose a different approach.

PPCP Key Elements:

5. A mix of housing types and ranges of affordability.

10. The use of green edges to define neighborhoods and buffer developments.

17.62.061 and 16.08.043 - Additional public park, trail and open space requirements in Park Place Concept Plan Area

(Staff Note: the numbering format of this draft code section is subject to further revision, but the same section will be added to both OCMC 17.62 – Site Plan and Design Review, and OCMC 16.08 – Land Divisions)

A. Dedication requirements.

1. Where a proposed park, playground, trail, or open space shown within any of the adopted Plans and Figures listed under (3) below is located in whole or in part in a proposed residential land division, the applicant shall dedicate or reserve such area within the development pursuant to the standards of this section, provided that the reservation or dedication is roughly proportional to the impact of the development on the park system.

2. Acquisition by public agency. If the applicant is required to reserve land area for a park, trail or open space, such land shall be acquired by the appropriate public agency within 18 months following plat approval, at a price agreed upon prior to approval of the plat, or such reservation shall be released to the subdivider.

3. Adopted Plans and Figures:

a. Oregon City Parks and Recreation Master Plan Update (2008)

b. Oregon City Trails Master Plan (2004)

c. Oregon City Conceptual Trails Map (2004) Map – Existing and Proposed Trails (Trails L-5, L-6 and L-7)

d. Park Place Concept Plan (2008) – Figure 3-4. Concept Plan Street System Map (Off-Street Trails)

e. Park Place Concept Plan (2008) – Figure 3-8: Proposed Trail System

f. Oregon City Transportation System Plan (2013) - Figure 5. Multi Modal Connectivity Plan

g. Oregon City Transportation System Plan (2013) – Figure 19: Walking Solutions (P. 64)

h. Oregon City Transportation System Plan (2013) – Figure 20: Biking Solutions (P. 65)

i. Oregon City Transportation System Plan (2013) – Figure 21: Shared Walking and Biking Solutions (P. 66)

B. Non-Residential development park dedication.

Commercial development shall contribute to the creation of the parks, trails and open space within the Park Place Concept Plan boundaries by contributing a fee-in-lieu to the city to support the acquisition of needed park and open space land as follows:

1. The fee-in-lieu of dedication will be set by the city commission and adopted yearly in the city's fee schedule. The fee shall only be used by the city for park, trail and open space acquisition and interim site development.

2. The fee-in-lieu or other equivalent monetary contribution, approved by the community development director, shall be paid prior to approval of the first certificate of occupancy within the commercial development.

C. Residential development park dedication.

Residential development shall dedicate land for parks subject to the location and development standards requirement set forth in subsection F.

1. The minimum acreage of land to be dedicated shall be calculated as follows: (2.6 persons per dwelling units) × (total number of dwelling units proposed) × (four acres)/(one thousand persons).

Example: Total dwelling units = 50

2.6 x 50 x 4 / 1000 = 0.52 acres.

2. The city may accept a fee-in-lieu of dedication pursuant to subsection E of this section, if a suitable site meeting the criteria described in subsection F of this section is not available within the development site.

3. The required acreage shall be dedicated as part of a final plat, through a deed of dedication, or other acceptable document approved in form by the Community Development Director;

4. Dedication of open space may occur concurrently with development of a project. For phased development, the open space may be set aside in totality and/or dedicated in conjunction with the first phase of the development or incrementally set aside and dedicated in proportion to the development occurring in each phase.

Explanation:

The PPCP calls for the provision of 8-10 acre community park in the North Village area and a 3-5 acre neighborhood park in the South Village area that would be connected by extensive system of off-street and on-street trails and pedestrian/bicycle connections. As with the discussion of critical road infrastructure discussed above, the City is constrained in its ability to exact park land dedication and improvements tA o that which is roughly proportional to the impact of development. In order to deal with these limitations, city staff is proposing a formula similar to the one in place for residential development within Thimble Creek. OCMC 17.62.059 requires the dedication of park land or an in-lieu fee that is based on a proportional formula based on number of individuals in each dwelling multiplied by the number of dwelling units at four acres per 1000 people. Under this approach, every new housing unit will contribute its fair share for the park. If future development is so piecemeal that it precludes dedication of the minimum PPCP required parkland, the City will have to be prepared to buy whatever remaining pieces are necessary using the funds collected in-lieu fees, either through negotiation or eminent domain, if necessary.

PPCP Key Elements:

6. An extensive system of off-street and on-street trails and pedestrian/bicycle connections.

11. Integration of parks and open spaces into existing and future neighborhoods.

D. Reimbursement for additional dedication**.**

If a larger area for a park or open space is proposed than is required based on the per-unit calculation described in subsection C(3), the city shall reimburse the applicant for the value of the amount of land that exceeds the required dedication based on the fee-in-lieu formula expressed in subsection E.

E. Fee-in-lieu of Dedication.

The city may accept a fee-in-lieu as an alternative to this dedication at its discretion or may require a fee-in-lieu if a suitable site meeting the criteria described in subsection F of these provisions is not available within the development site. The calculation of the fee-in-lieu or other monetary contributions shall meet the following standards:

1. The amount of the fee-in-lieu of other monetary contributions shall be determined by a licensed, city selected appraiser retained by the applicant, who will value the excessive dedication assuming that zoning and other land use entitlement necessary for park and open space development are in place.

2. The fee-in-lieu or other monetary contribution shall be paid concurrently with the public dedication.

3. The fee-in-lieu or other monetary contribution is separate from and in addition to any Parks System Development Charges (SDCs) required pursuant to OCMC 13.20.

F. Location and development standards.

Park, trail and open space proposed for dedication shall be located as shown in the list of adopted plans and figures under A (3) above, as applicable, and meet the following locational and development standards:

1. North Village Community Park (8 acres)

    a. The total minimum amount of land in acres dedicated for the North Village Regional Park shall be 8 acres.

    b. At least half of the frontage of the North Village Community Park shall abut a publicly dedicated street. If located at an intersection, both street frontages may be combined to meet this standard.

    c. Minimum size dedication city will accept: three (3) acres, except that any proportional share calculated pursuant to the formula under section C.3 above that equals less than 3 acres may be satisfied through a fee-in-lieu per section (E).

    d. Minimum park dimension (width and depth): five hundred feet.

    e. The park shall be connected to the regional trail system and shall available for use by the general public.

2. South Village Neighborhood Park (4 acres).

    a. The total minimum amount of land in acres dedicated for the South Village Neighborhood Park shall be 4 acres.

    b. At least half of the frontage of the South Village Community Park shall abut a publicly dedicated street. If located at an intersection, both street frontages may be combined to meet this standard.

    c. Minimum size dedication city will accept: two (2) acres, except that any proportional share calculated pursuant to the formula under section C.3 above that equals less than two acres may be satisfied through a fee-in-lieu per section (E).

    c. Minimum park width (east-west dimension): four hundred feet.

    d. Minimum park depth (north-south dimension: two hundred feet.

    e. A minimum of three acres of the park shall have a natural slope no greater than 10% to be developed with active recreation components.

    j. The park shall be connected to the regional trail system and shall available for use by the general public.

G. Open Space Dedication

1. An application for a subdivision, partition, replat or design review may propose the dedication and protection of open space areas as part of that process. However, this open space shall not be eligible to count toward the parkland dedication requirements of Subsections B, C, D, E, or F.

2. The types of open space that may be provided are:

    a. Land within the Natural Resources Overlay District (NROD) including natural areas of undisturbed vegetation, steep slopes, stream corridors, wetlands, wildlife habitat areas, and riparian corridors pursuant to OCMC 17.49. Open space located within the Natural Resources Overlay District shall be maintained pursuant to OCMC 17.49.160 – Standards for land divisions.

    b. Other “greenways” or linear areas linking residential areas with open space areas. These greenways may include the following features:

        i. Dedicated bicycle paths or footpaths connecting greenways between residences and recreational areas, streets and activity areas.

ii. Tree protection tracts created pursuant to OCMC 17.41.

iii. Land located underneath powerline easements that is privately owned and maintained but which provides for public access and use.

iv. Public off-street pedestrian and bicycle accessway that comply with the standards in OCMC 16.12.032.

3. A subdivision, partition, replat, or design review application proposing designation of open space shall include the following information as part of the application:

   a. Designate the boundaries of all open space areas; and

   b. Specify the manner in which the open space shall be owned, maintained, and administered; and

   c. Provide for public access to trails through easements or other approved legal instrument.

4. Dedication of open space may occur concurrently with development of a project. For phased development, the open space may be set aside in totality and/or dedicated in conjunction with the first phase of the development or incrementally set aside and dedicated in proportion to the development occurring in each phase.

J. Trails Dedication

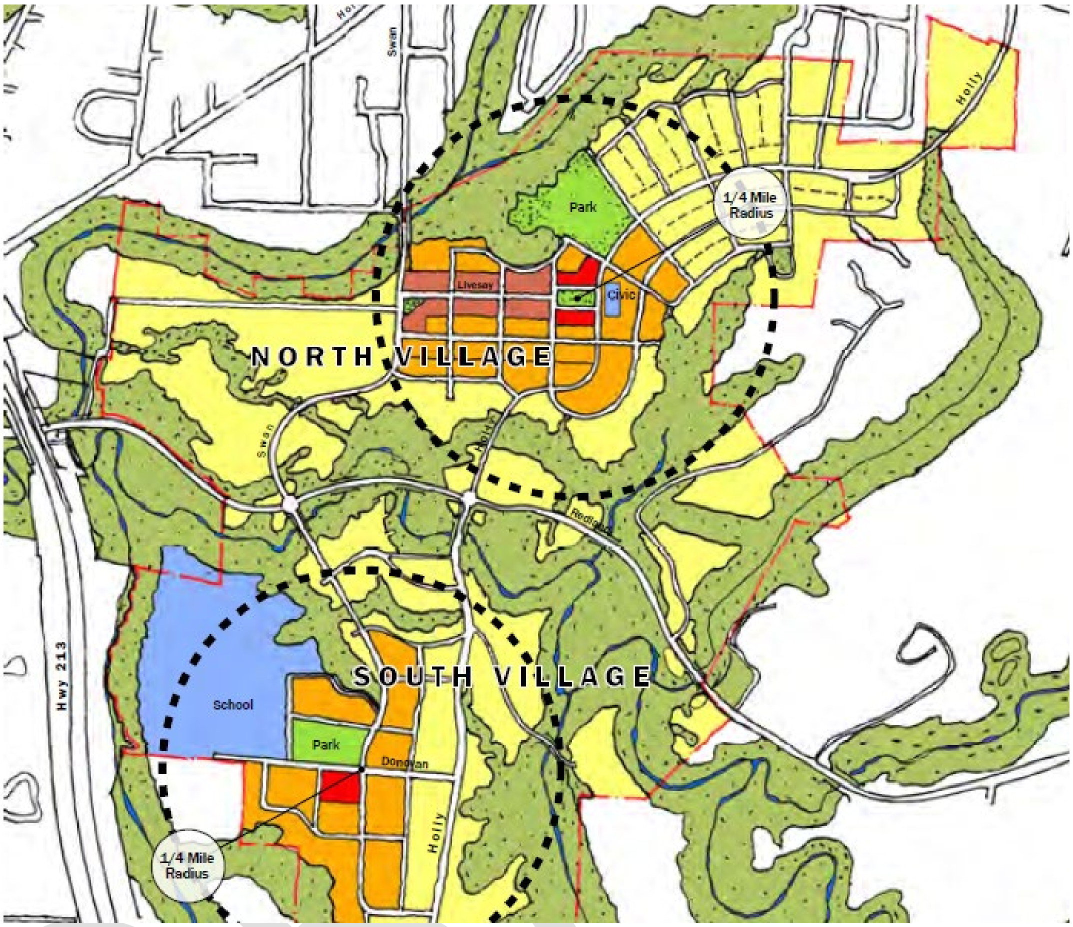
Where a proposed trail shown within any of the adopted Plans and Figures listed under Subsection A(3) above is located in whole or in part in a proposed residential land division, the applicant shall dedicate or reserve such area within the development pursuant to the standards of this section, provided that the trail reservation or dedication is roughly proportional to the impact of the development on the trail system.

1. The amount of land for trails is based on the city's level of service standard in the adopted 2008 Trails Master Plan and is estimated at 0.35 miles per 1,000 residents. This equates to 1.8 feet of linear trail per resident. The minimum acreage of land to be dedicated for trails shall be calculated as follows: ((Average Household Size based on the most recent decennial US Census)X (number of proposed units) X 0.35miles)/ 1000 = amount of land dedicated for trails

2. Location and development standards.

   a. Location and development standards for trails shall follow the adopted trails master plan.

Johnson Economics



Assessment of Development Expectations Commercial Component of the Park Place Concept Place North Village

Prepared for
City of Oregon City
March 2024

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621 SW Alder St, Suite 506
Portland, Oregon 97205

JOHNSON
ECONOMICS

TABLE OF CONTENTS

I. Introduction

Johnson Economics was retained by The City of Oregon City to evaluate expected development of commercially designated parcels within the Park Place Concept Plan. The plan envisioned a main street development pattern along Livesay Street, with a Village Green surrounded by commercial uses at the eastern edge. Prospective uses include coffee shops, bookstores, dry cleaners, and a café. Additional commercial tenants were also anticipated along Livesay to the west as ground floor uses. An additional small retail node was envisioned at South Village, located south of Redland Road.

This analysis focuses on the commercial concentration along Livesay Road and assesses the expected commercial development viability on these parcels.

II. Executive Summary

Site Location

The subject site is centrally located within the North Village of the Park Place Concept Plan area. At the current time, the site does not enjoy either visibility or access, both of which are critical to the success of commercial space. When the transportation system through the area is improved, most notably Holly Road, access will improve but this site will be at a competitive disadvantage for tenants vis-à-vis sites on major arterials with higher traffic volumes and visibility. Commercial development in the area is expected to be limited to tenants serving the local community, largely residents living south of Holcomb and north of Redlands roads.

Market Trends

The Oregon City submarket has seen a negligible level of new retail construction over the last several years, with the last notable product introduction occurring in the third quarter of 2007. Overall vacancy rates increased sharply during the 2009/2010 recession but recovered during subsequent years with modest levels of net absorption and no new construction. The overall vacancy rate has been rising significantly in the last half of 2023 and 2024 year to date despite a lack of new construction. The overall vacancy rate is currently estimated at 9.8% in the submarket.

Commercial Demand

Projected retail expenditures by category were reconciled with current estimates of retail supply in the area to assess retail demand, leakage, and potential sectors of opportunity at the subject site. Current residents in the designated trade area conduct much of their shopping outside the area, with our analysis indicating significant leakage of retail sales. On the supply side, many retail establishments dependent on customers from large trade areas (e.g., malls, Costco, Target, auto dealers, furniture stores) do not find adequate support in smaller markets, and instead draw residents from smaller markets to regional centers. The result is that much of the retail demand generated within the trade area will be met by supply outside this area.

Many retail categories are unrealistic at the subject site, with the retail categories outlined in the Park Place Concept Plan consistent with what would be expected at the subject site. Our analysis indicates demand for a range of tenant types, although the ability of the subject site to capture this demand is a function of the demographic and infrastructure in place when fully developed. The site will need a substantive amount of the planned residential development to be completed, as well as the Holly Road connection between Holcomb and Redlands before commercial development is viewed as viable at the site. Even when fully developed, the overall level of commercial demand is unlikely to provide much support for commercial space in mixed-use programs on the Livesay Main Street west of the commercial parcels.

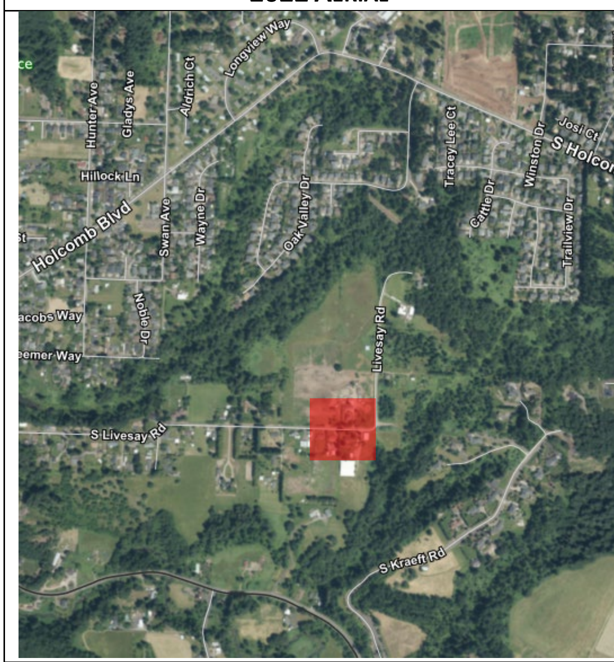
III. Site Analysis

Subject Site

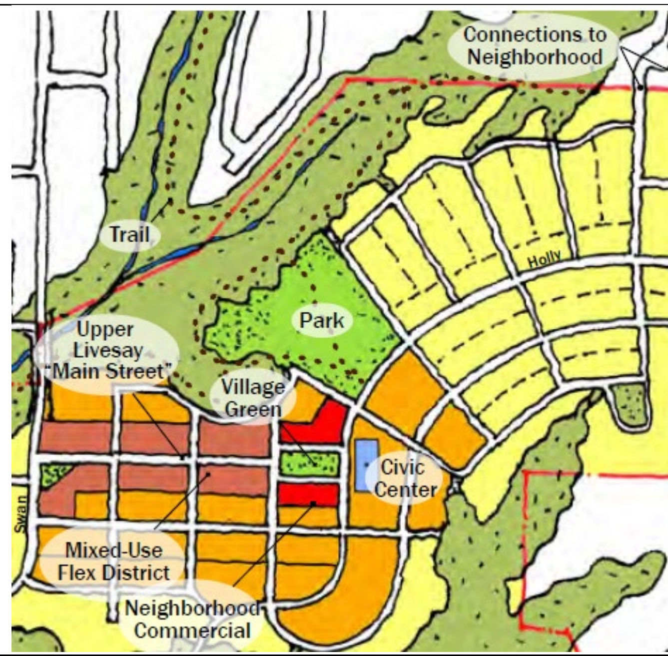
The subject site is currently located in a largely rural area, cut off from residential development to the north by the Livesay Creek canyon. The topography of the area has a significant impact on potential transportation links, and Holly Road was envisioned as the primary link between the two arterials serving the area, Holcomb Road to the north and Redlands Road to the south. At the current time, this roadway has not been extended. Current improvements along Livesay Road are low density residential, with a difficult and limited interchange at Redland Road the only access point.

Figure 3.1: Subject Site

2022 Aerial



Concept Plan

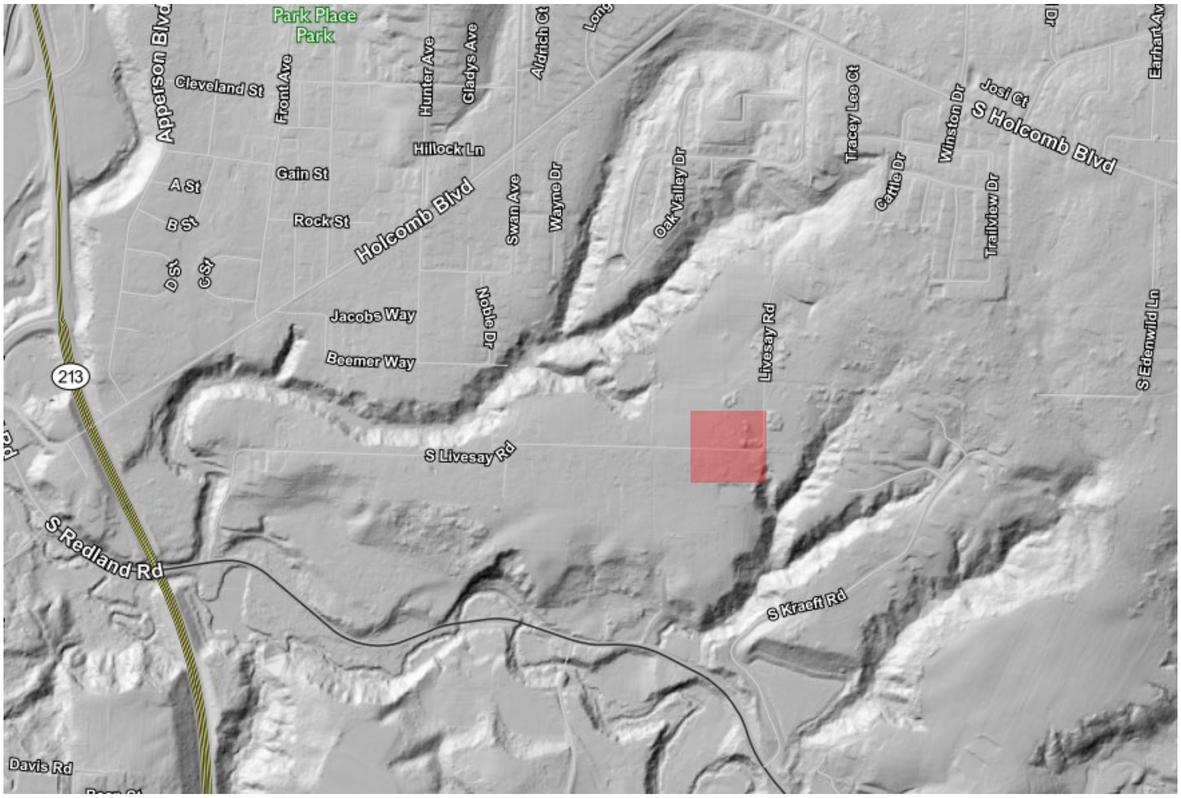


SOURCE: Clackamas County GIS, Concept Plan

Key locational attributes for commercial development include access and visibility. The site scores exceptionally low on both criteria currently. Extension of Holly Road from Holcomb to Redlands would increase both attributes. In addition, significant residential development in the surrounding properties would increase local buying power, but the topography of the area will limit pedestrian activity from the north and south.

Any significant development in the area will require an improved link to Holcomb or Redlands to meet transportation needs. The cost of these improvements will be significant and would require a large development to offset the required infrastructure investment. Even with improved access the site is likely to suffer from a lack of visibility, limiting commercial options to smaller tenants supported by the immediate community.

FIGURE 3.2: SUBJECT SITE AND TOPOGRAPHY

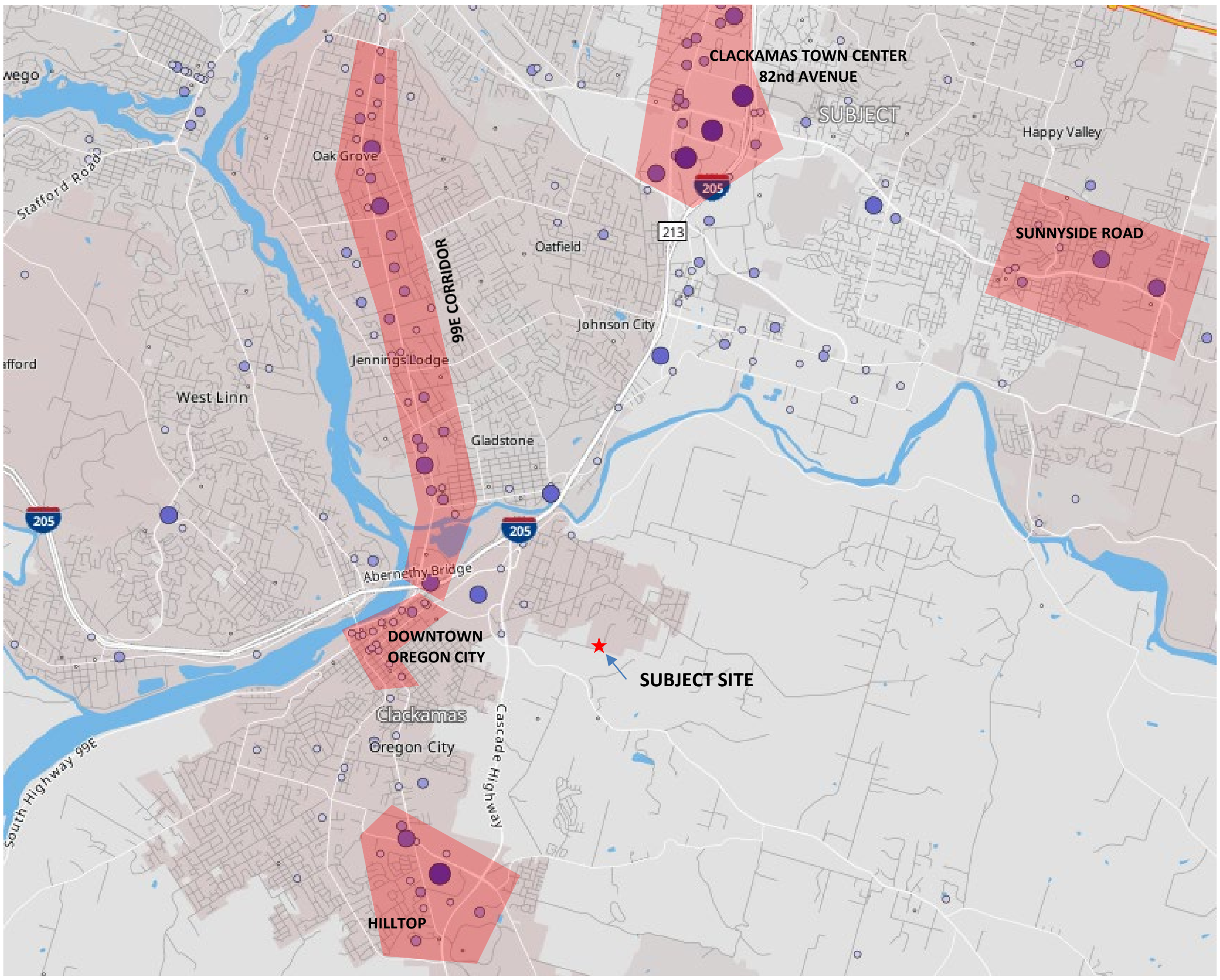


SOURCE: Clackamas County GIS, LIDAR

REGIONAL CONTEXT

The subject site's location is expected to limit support for commercial uses to a trade area east of Highway 213 and south of the Clackamas River. Major retail concentrations are found along Highway 99E and downtown Oregon City to the west of the site, in the Hilltop area south of the site, and in the Clackamas Town Center and 82nd Avenue corridor concentrations to the north via I-205.

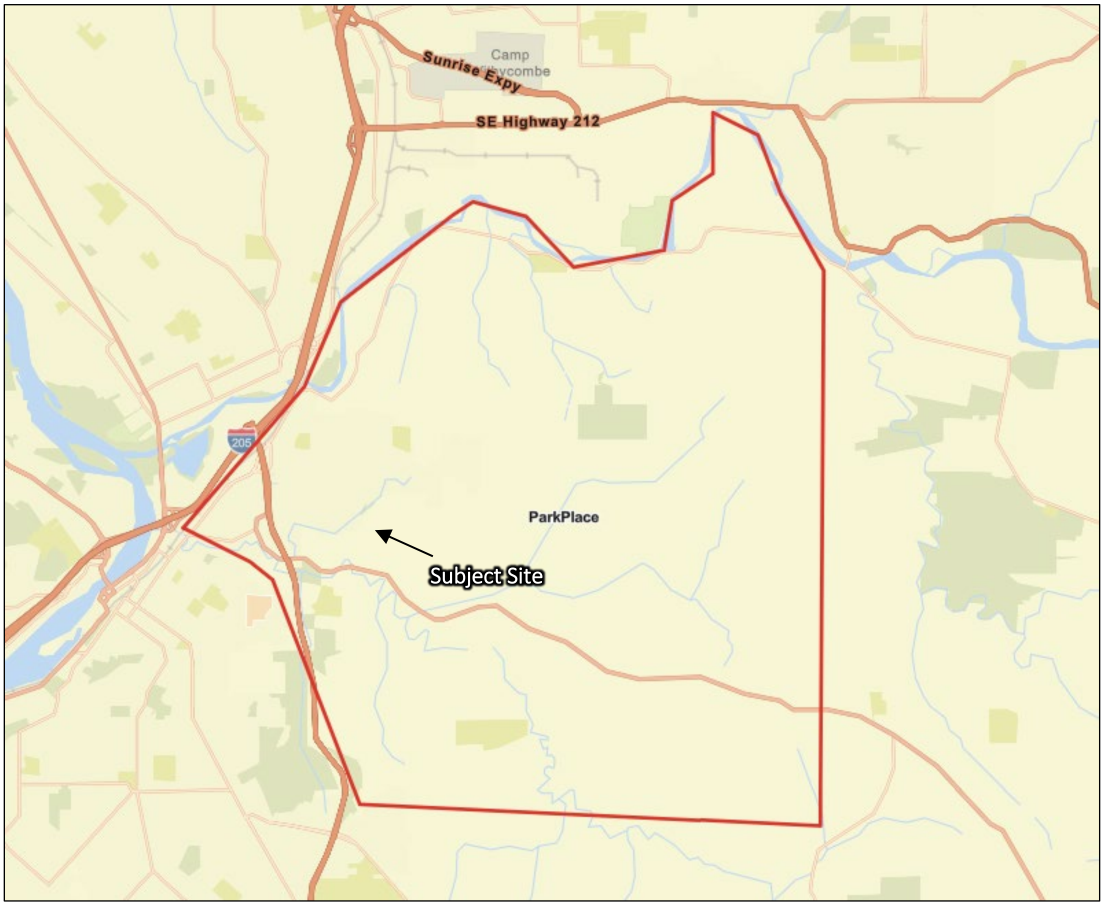
FIGURE 3.3: REGIONAL CONTEXT



SOURCE: US Census Bureau LEHD data and JOHNSON ECONOMICS

When evaluating the potential for commercial uses at the subject site, we will analyze the demand in the primary market area (PMA) as outlined following. The PMA is limited by major retail concentrations as well as the Clackamas River. Additional support may be derived from the area to the east, but the area is rural in nature and outside of the UGB. As such, residential density and buying power is limited.

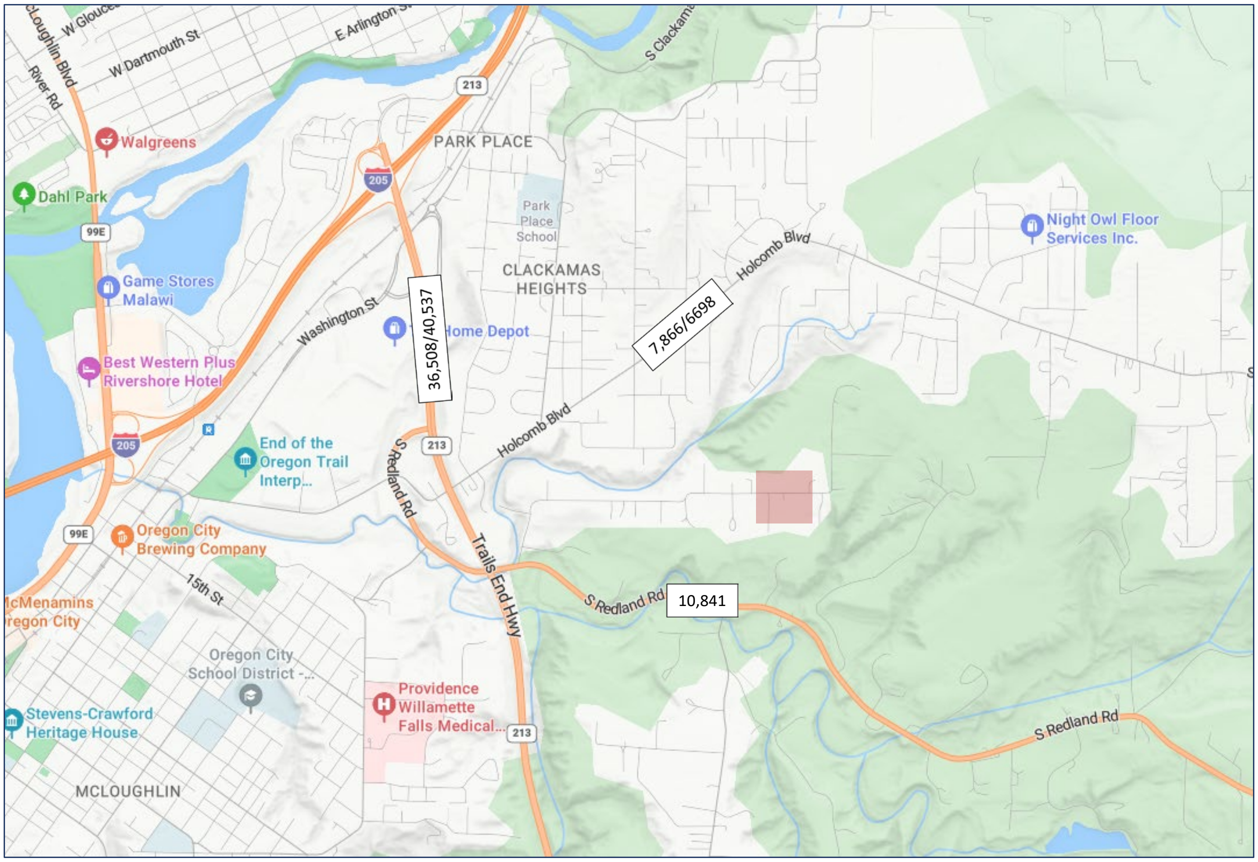
FIGURE 3.4: PRIMARY MARKET AREA



SOURCE: *Johnson Economics*

The greatest traffic volume proximate to the subject site is on Highway 213, with an average daily trip volume between 36,000 and 40,500. Redland Road to the south has almost 11,000 daily trips, while Holcomb has between 6,700 to 7,900 trips. The site has no visibility from any of these routes and will require improvement of Holly to have full access to either Holcomb or Redland Road.

FIGURE 3.5: 2022 TRAFFIC VOLUMES



SOURCE: Oregon Department of Transportation, JOHNSON ECONOMICS

DEMOGRAPHICS

Demographic information was collected within a two-, five-, and ten-mile radius from the subject site. Of these three bands, we consider the 2-mile ring to be the most relevant due to the limited scale of anticipated retail and limited exposure and access. The estimated population within two miles of the subject site was just under 27,600 in 2023. Growth has been modest since 2010, average 0.7% during that period. The number of households is estimated at just over 11,000, reflecting an average household size of 2.5. The current income distribution in the area is relatively low, with a median household income of $71,800 in 2023.

While development of the concept plan area is expected to increase the demographics significantly, anticipation of that growth has not yet shown up in third party demographic forecasts. Our expectation is that new development in the concept plan area will add roughly 1,800 households in the immediate area, although it may take ten to fifteen years to realize this growth.

FIGURE 3.6: KEY DEMOGRAPHICS, TWO-, FIVE-, AND TEN-MILE RINGS

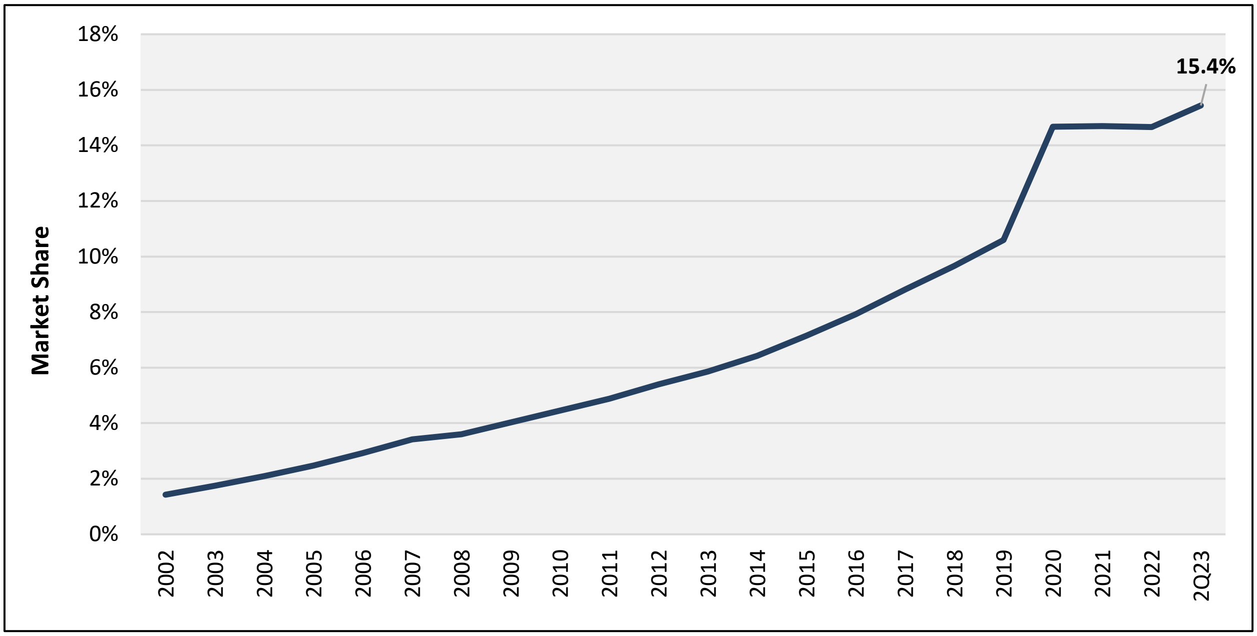
	Radius		
	2 mile	5 mile	10 mile
Population			
2010 Population	25,253	143,039	535,477
2023 Population	27,599	156,269	584,055
2028 Population Projection	27,888	157,887	585,967
Annual Growth 2010-2023	0.7%	0.7%	0.7%
Annual Growth 2023-2028	0.2%	0.2%	0.1%
Households			
2010 Households	10,073	55,379	210,767
2023 Households	11,014	60,399	228,729
2028 Household Projection	11,131	61,008	229,144
Annual Growth 2010-2023	0.6%	0.5%	0.8%
Annual Growth 2023-2028	0.2%	0.2%	0.0%
Avg Household Size	2.50	2.60	2.50
Avg Household Vehicles	2.00	2.00	2.00
Housing			
Median Home Value	$383,756	$422,384	$449,786
Median Year Built	1974	1981	1977
Owner Occupied Households	6,769	42,298	145,533
Renter Occupied Households	4,362	18,711	83,611
Household Income			
< $25,000	1,300	6,165	26,117
$25,000 - 50,000	2,144	10,106	36,405
$50,000 - 75,000	2,430	11,003	38,062
$75,000 - 100,000	1,273	7,713	29,877
$100,000 - 125,000	1,161	6,327	25,821
$125,000 - 150,000	1,024	6,406	20,607
$150,000 - 200,000	951	6,225	23,637
$200,000+	730	6,454	28,203
Avg Household Income	$93,242	$107,779	$110,755
Median Household Income	$71,831	$84,482	$86,531

IV. COMMERCIAL MARKET TRENDS

In this section we focus on retail market trends in Primary Market Area (PMA) and the surrounding metro area. The limited amount of retail in the PMA provides limited insight into retail market patterns, so we have included data at the regional level as well.

The commercial real estate market has undergone dramatic changes over the past decade. Within the retail segment, the shift to online shopping has reduced the need for brick-and-mortar space, especially from retailers selling physical goods. Pre-COVID, online retailing accounted for around 10% of all retail spending – after gaining roughly one percentage point per year over the last few years. During COVID, the online market share jumped to 15%, and the growth has continued above this level in 2023. In general, the retailers that have remained competitive in physical stores are those with the highest per-square-foot sales. This has resulted in lower space needs among the remaining brick-and-mortar stores, resulting in weaker space demand than indicated purely by the shift in market share.

FIGURE 4.1: E-COMMERCE SHARE OF ALL RETAIL, UNITED STATES (2002-2023)



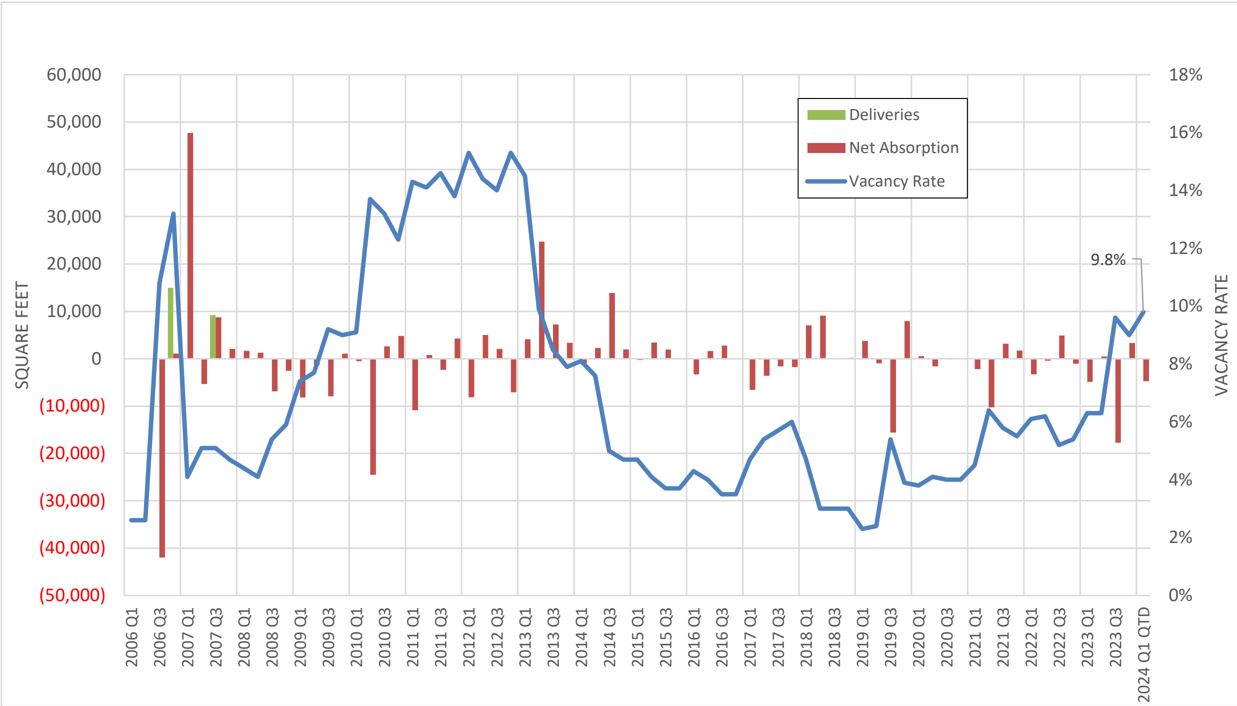
SOURCE: U.S. Dept. of Commerce, JOHNSON ECONOMICS

An older trend, which continues to change the retail market, is the shift from goods to services. Since the middle of the last century, the share of personal spending on physical goods has declined from over 60% to around 30%. Commercial tenants that benefit from this shift include restaurants, coffee shops, healthcare providers, beauty salons, and financial advisors. This has led to increased demand for smaller spaces while demand for large spaces has declined due to online competition. Over the past decade, only one-fifth of the net absorption of retail space has been driven by physical goods retailers, as service providers and eating/drinking places have dominated.

The Oregon City submarket has seen a negligible level of new retail construction over the last several years, with the last notable product introduction occurring in the third quarter of 2007. Overall vacancy rates increased sharply during the 2009/2010 recession but recovered during subsequent years with modest levels of net absorption and no new construction. The overall vacancy rate has been rising significantly in the last half of 2023 and 2024 year to date despite a lack of new construction. The overall vacancy rate is now estimated at 9.8% in the submarket.

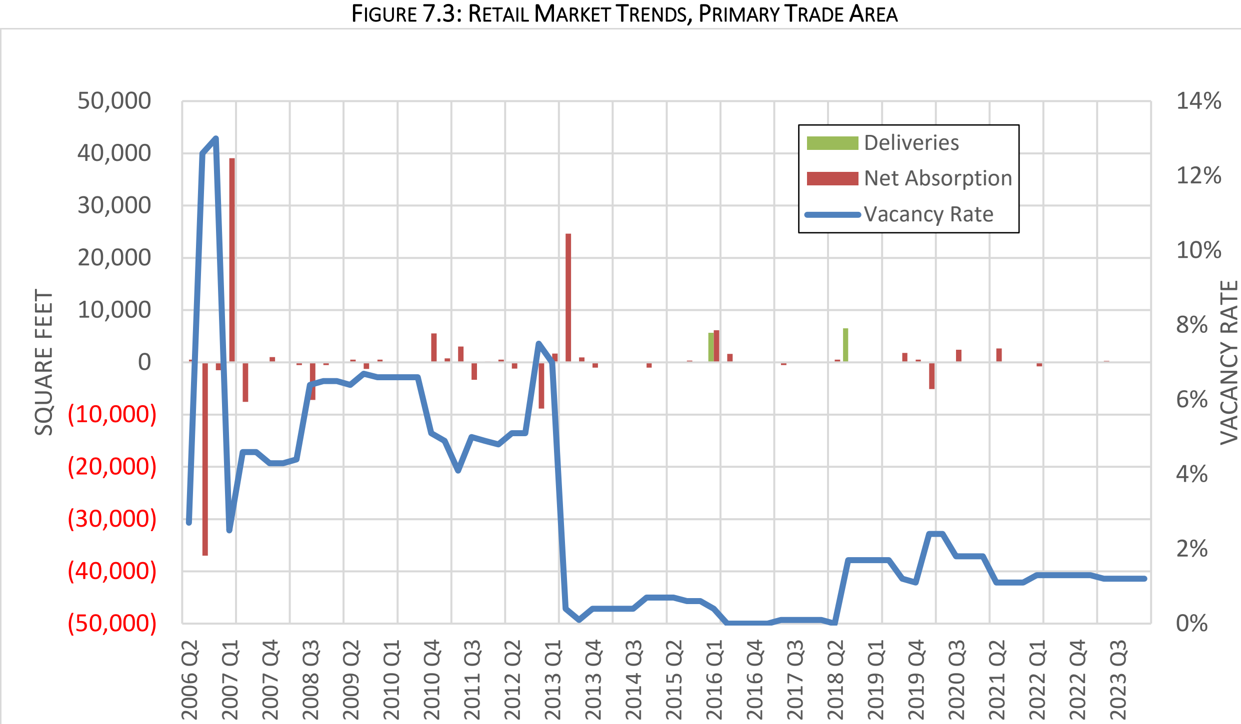
Market data for the Primary Trade Area (PTA) is of limited value but does reflect the limited scale of the market.
The local vacancy rate is very tight at less than 1.0%.

FIGURE 4.2: RETAIL MARKET TRENDS, OREGON CITY SUBMARKET, 2006-2024 YTD



SOURCE: CoStar, JOHNSON ECONOMICS

FIGURE 7.3: RETAIL MARKET TRENDS, PRIMARY TRADE AREA



SOURCE: CoStar, JOHNSON ECONOMICS

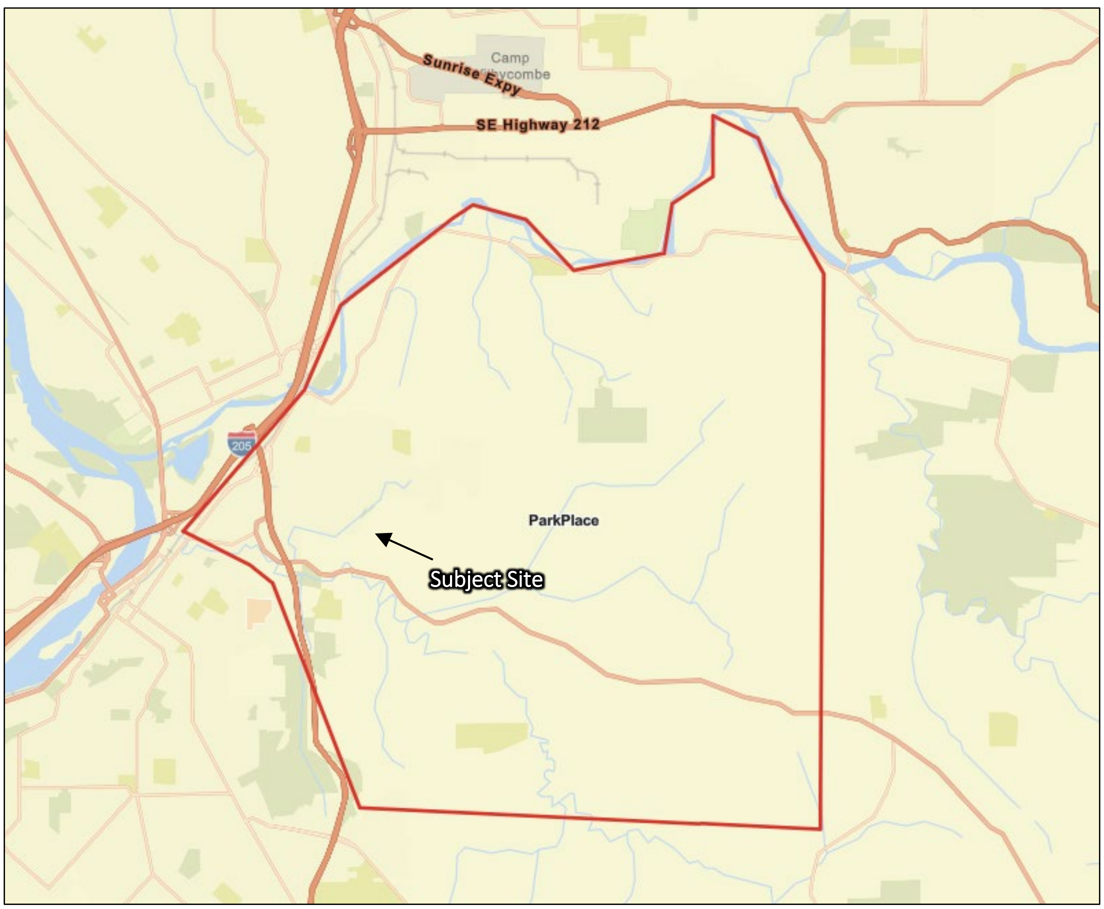
V. COMMERCIAL SUPPORT

RETAIL SALES

The first step in assessing the potential demand for commercial space at the subject site is to delineate the geographic area from which the subject development is likely to draw demand for retail and services. For this determination, we assume that each household in the surrounding area will use the nearest commercial center for most of their needs. Though households typically shop at multiple locations, we assume that the nearest commercial center has the advantage in capturing shopping traffic from the household if the type of retail or service is provided at this location.

The subject site is centrally located within the Park Place district, but too far from major arterials to capture a significant level of drive by traffic. The area is not a significant employment center and serves as a bedroom community, and as such is not expected to have a large daytime population to supplement expenditures.

FIGURE 5.1: PRIMARY MARKET AREA



SOURCE: *Johnson Economics*

Current residents in the PTA conduct much of their shopping outside the PTA, due to the residential character of the area and the concentration of commercial supply outlined previously in this report. On the supply side, many retail establishments dependent on customers from large trade areas (e.g., malls, Costco, Target, auto dealers, furniture stores) do not find adequate support in smaller markets, and instead draw residents from smaller markets to regional centers. On the demand side, many trade area residents have employment or leisure activities outside of the market and do some of their shopping in conjunction with these trips. The result is that much of the retail demand generated within the PTA will be met by supply outside this area.

A comparison of current retail spending by households in the PTA to current retail sales at stores within this area reveals these patterns of spending leakage. For this analysis, we rely on estimates by Environics/Claritas. Data on retail spending is based on the Consumer Expenditure Survey conducted by the Bureau of Labor Statistics, while data on sales by retailers is sourced from the Census Bureau's Retail Sales Survey and Economic Census.

FIGURE 5.2: SUMMARY OF RETAIL DEMAND AND SALES, PRIMARY TRADE AREA (2023)

	2023		Opportunity Gap	%
MAJOR CATEGORY	**Demand ($)**	**Supply ($)**	**Surplus ($)**	**Leakage**
Motor Vehicle and Parts Dealers	54,803,522	8,670,018	46,133,504	84%
Furniture and Home Furnishings Stores	5,228,299	2,864,309	2,363,990	45%
Electronics and Appliance Stores	3,733,882	3,184,468	549,414	15%
Building Material and Garden Equipment and Supplies Dealers	17,249,735	17,841,591	(591,856)	-3%
Food and Beverage Stores	33,421,037	25,069,723	8,351,314	25%
Health and Personal Care Stores	13,669,386	2,234,809	11,434,577	84%
Gasoline Stations	18,375,280	2,351,882	16,023,398	87%
Clothing and Clothing Accessories Stores	11,545,869	2,048,885	9,496,984	82%
Sporting Goods, Hobby, Musical Instrument, and Book Stores	3,853,122	4,240,978	(387,856)	-10%
General Merchandise Stores	29,679,245	26,674,524	3,004,721	10%
Miscellaneous Store Retailers	5,071,730	4,037,988	1,033,742	20%
Food Services and Drinking Places	30,437,369	10,598,474	19,838,895	65%
TOTAL	$227,068,476	$109,817,649	$117,250,827	52%

SOURCE: Claritas, JOHNSON ECONOMICS

Many retail categories are unrealistic at the subject site. As indicated, big box stores and typical mall tenants dependent on central locations that can attract regional traffic are unlikely to locate at the subject site. The retail categories outlined in the Park Place Concept Plan are more consistent with what would be expected at the subject site. To convert current and projected sales volumes to demand for retail space, we apply typical per-square-foot sales in each retail category. We have focused on retail segments with significant local leakage, and which are prospective tenant types in the subject project.

FIGURE 5.3: PROJECTED UNMET RETAIL SPACE DEMAND GENERATED BY PTA HOUSEHOLDS (2023 AND 2043)

	2023	23-43	Average	Supportable SF	
	Leakage	**Growth**	**Sales/SF**	**Current**	**Future**
Automotive parts and accessories stores (NAICS 44131)	$1,404,250	$1,334,007	$338	4,150	8,092
Hardware stores (NAICS 44413)	$330,793	$570,907	$318	1,041	2,836
Nursery, garden center, and farm supply stores (NAICS 44422)	$1,783,125	$811,947	$654	2,726	3,968
Supermarkets and other grocery (except convenience) stores (NAICS 44511)	$7,010,382	$13,037,851	$729	9,614	27,494
Specialty food stores (NAICS 4452)	$529,231	$394,267	$261	2,027	3,538
Beer, wine, and liquor stores (NAICS 4453)	$2,181,535	$1,212,201	$473	4,610	7,172
Pharmacies and drug stores (NAICS 44611)	$10,690,225	$5,340,992	$790	13,540	20,304
Optical goods stores (NAICS 44613)	$325,219	$177,951	$283	1,149	1,778
Clothing stores (NAICS 4481)	$7,150,653	$3,592,613	$529	13,522	20,315
Florists (NAICS 4531)	$215,535	$111,032	$386	558	846
Office supplies, stationery, and gift stores (NAICS 4532)	$429,573	$429,425	$251	1,710	3,420
Pet and pet supplies stores (NAICS 45391)	$175,081	$465,160	$286	612	2,236
Full-service restaurants (NAICS 722511)	$9,696,233	$6,163,780	$516	18,785	30,727
Limited-service restaurants (NAICS 722513)	$6,951,446	$5,193,341	$456	15,235	26,617
Snack and non-alcoholic beverage bars (NAICS 722515)	$343,361	$793,537	$255	1,346	4,457
Total, Targeted	$41,921,835	$33,642,134		90,626	163,801

[1] Survey of trade publications and financial reports for publicly traded retailers in 2021-22, inflation-adjusted to 2024 levels.

SOURCE: Environics, trade publications, retailer financial reports, JOHNSON ECONOMICS

While the analysis indicates demand for a range of tenant types, many of these will prefer a location that is more centrally located within their market area. As an example, categories such as apparel are considered comparison goods, in which buyers will prefer a location that allows for convenient cross shopping such as a regional mall. Drug stores prefer convenient drive through access and prefer to locate on arterials. Snack and non-alcoholic beverage bars include coffee and tea shops and could be viewed as a prospective tenant category at the site. There are a few other categories that may consider this location, but the competitive environment will favor locations with better access and/or visibility.

The previous analysis covers retail and food/beverage sales, but not professional, medical, or personal services, which have become important retail tenants in recent years. In 2018, JOHNSON ECONOMICS conducted an in-depth analysis of the location patterns of service providers relative to surrounding populations. The analysis analyzed 230 commercial areas/nodes in the region, with focus on establishments in commercial/retail centers. Based on the typical ratios between establishments and the surrounding household base observed in this analysis, we estimate the following support for commercial services in the PTA. It is important to note that this reflects total support for such facilities, and that these needs are already met by existing facilities elsewhere in the region. The service demand is therefore presented as prospective demand that the subject site can compete for going forward.

The tenant categories are listed in order of number of average-size establishments supported by the PTA households. Physicians are at the top of the list, with support for 1.9 average-size establishments supported by the demographics within the PTA, increasing to 5.3 supported by households withing a two-mile ring. Based on the average size of clinics, these figures correspond to a total need for 24,609 square feet in the PTA. Again, much of this will be among establishments that for assorted reasons prefer locations with a broader regional draw or locations close to hospitals. Only a minority can therefore be captured by space within the Park Place Concept Plan. In addition to physicians, 4 other tenant categories exhibit unmet demand for at least one average-size establishment.

FIGURE 5.4: PROJECTED SERVICE SPACE DEMAND GENERATED BY CDA HOUSEHOLDS (PTA AND 2 MILE RING)

SERVICE DEMAND BY RADIUS	ESTABLISHMENTS		Average Size (SF)[1]	SQUARE FEET	
Category	**PTA**	**2 Mile**		**PTA**	**2 Mile**
Physician/clinic	1.9	5.3	12,623	24,609	66,421
Dentist	1.8	5.0	2,136	3,949	10,657
Chiropractor/physical therapy	1.7	4.5	2,486	4,137	11,166
Auto service/carwash	1.6	4.4	4,607	7,426	20,042
Hair/nail/spa	1.6	4.3	1,873	2,964	7,999
Insurance	1.4	3.7	2,891	3,959	10,685
Bank	0.9	2.4	4,909	4,387	11,840
Fitness	0.8	2.0	13,819	10,412	28,104
Real estate agent	0.7	1.8	1,224	810	2,186
CPA	0.6	1.7	1,198	773	2,086
Attorney	0.6	1.7	1,829	1,151	3,106
Financial advisor/broker	0.6	1.6	921	560	1,512
Vet/animal clinic	0.6	0.0	2,271	1,315	0
Total	***14.8***	***38.4***		***66,451***	***175,805***

[1] 2018 survey by Johnson Economics of establishments in commercial space in the Portland Metro Area.

SOURCE: JOHNSON ECONOMICS

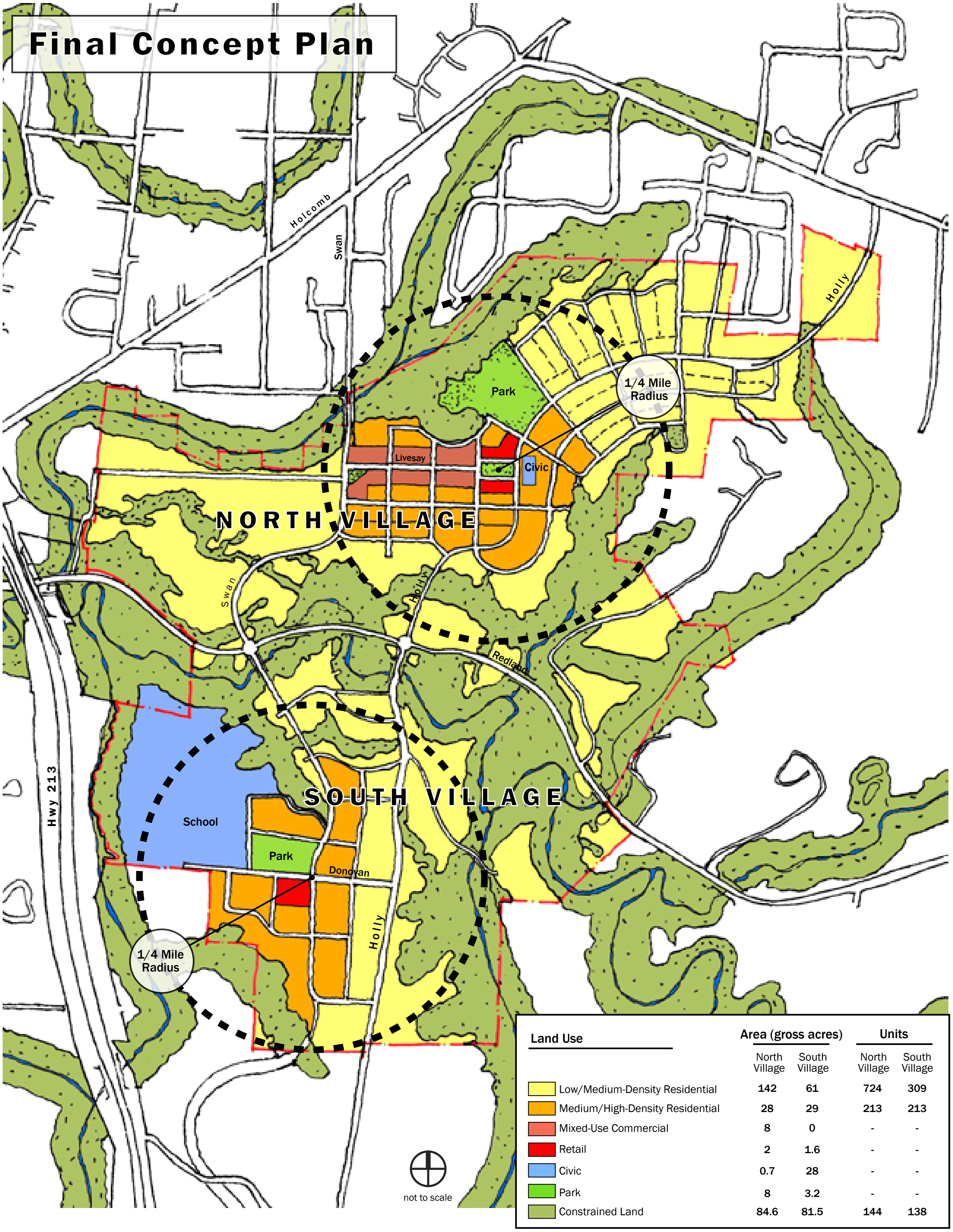
VI. IMPACT OF DESIGN STANDARDS

Oregon City's municipal code contains a number of design standards for commercial buildings under 17.62.055. The following are standards we feel could substantively impact commercial development in the area.

- Site setbacks and frontage – For sites with 100 feet or more of frontage, at least 60% of the site frontage width shall be occupied by buildings within five feet of the property line.
  - This standard may impact commercial development if the site configuration is not deep enough to allow an adequate parking to square footage ratio. Single story retail typically has an FAR of about 0.25 to allow adequate parking. If a site has a long frontage and limited depth, the requirement may preclude a viable layout.
- Building orientation – All buildings along the street frontage shall have a functional primary entrance facing the street.
  - This standard often requires multiple entrances to an individual commercial space, with a separate entrance oriented towards the parking field. This can be challenging to tenants as it can be difficult to monitor multiple access points, particularly for a small tenant with a single employee. In addition, the configuration of the space is often less efficient.
- Corner lots – The primary entrance of the building shall be located at the corner of the building, or within 25' of the corner of the building.
  - The impact of this is similar to the building orientation standards.
- Windows – Minimum window requirements for ground floor commercial space required windows for a minimum of 60% of the street facing façade, and 30% of the ground floor facades.
  - The impact of this will vary by retail tenant type. For many of the anticipated tenants this will not necessarily pose a significant issue. Exterior windows can reduce the efficiency of retail space, precluding or limiting shelving and storage along these frontages. As an example, major drug store chains such as CVS and Walgreens have only limited exterior windows.

The city is currently drafting additional standards for Livesay "Main Street." While not yet available we understand that they may be like those recently adopted for the Thimble Creek Concept Plan area. The following are some standards from Thimble Creek that would be expected to substantively impact commercial development if adopted for Park Place.

- Maximum footprint - All uses permitted are limited to a maximum footprint for a single tenant of 10,000 square feet.
  - This is unlikely to impact expected commercial development at the subject site, as anticipated tenants would be smaller in size.
- Drive-throughs and gas stations prohibited.
  - These will limit the market, and the impact of the drive-through prohibition may impact selected tenants such as coffee shops and pharmacies. The subject site is not expected to be attractive to auto-oriented uses in any case due to its' limited access and visibility.
- Minimum building height shall be 25' or two stories.
  - This will pose a significant challenge to commercial development, as retail is almost always single story. The 25' height could be reached using a parapet, but this will add cost.
- Minimum floor area ratio (FAR) shall be 0.5.
  - This effectively requires a structured parking solution or for retail space to be under parked on site. Available street and/or district parking may be able to address this, but many tenants will not accept this type of solution.
- Site design standards - Parking areas shall be located behind the building façade that is closest to the street and shall not be located on the sides of buildings.
  - This standard could make configuration difficult, particularly for parcels without adequate depth.



Land Use	Area (gross acres) North Village	Area (gross acres) South Village	Units North Village	Units South Village
Low/Medium-Density Residential	142	61	724	309
Medium/High-Density Residential	28	29	213	213
Mixed-Use Commercial	8	0	-	-
Retail	2	1.6	-	-
Civic	0.7	28	-	-
Park	8	3.2	-	-
Constrained Land	84.6	81.5	144	138

Figure 1-1. Park Place Concept Plan Urban Growth Diagram

This map is for concept planning purposes only. The specific locations of natural resource boundaries, open space, parks, land uses, roads, trails, infrastructure and related improvements may change and is subject to on-site verification and design at the time of development.

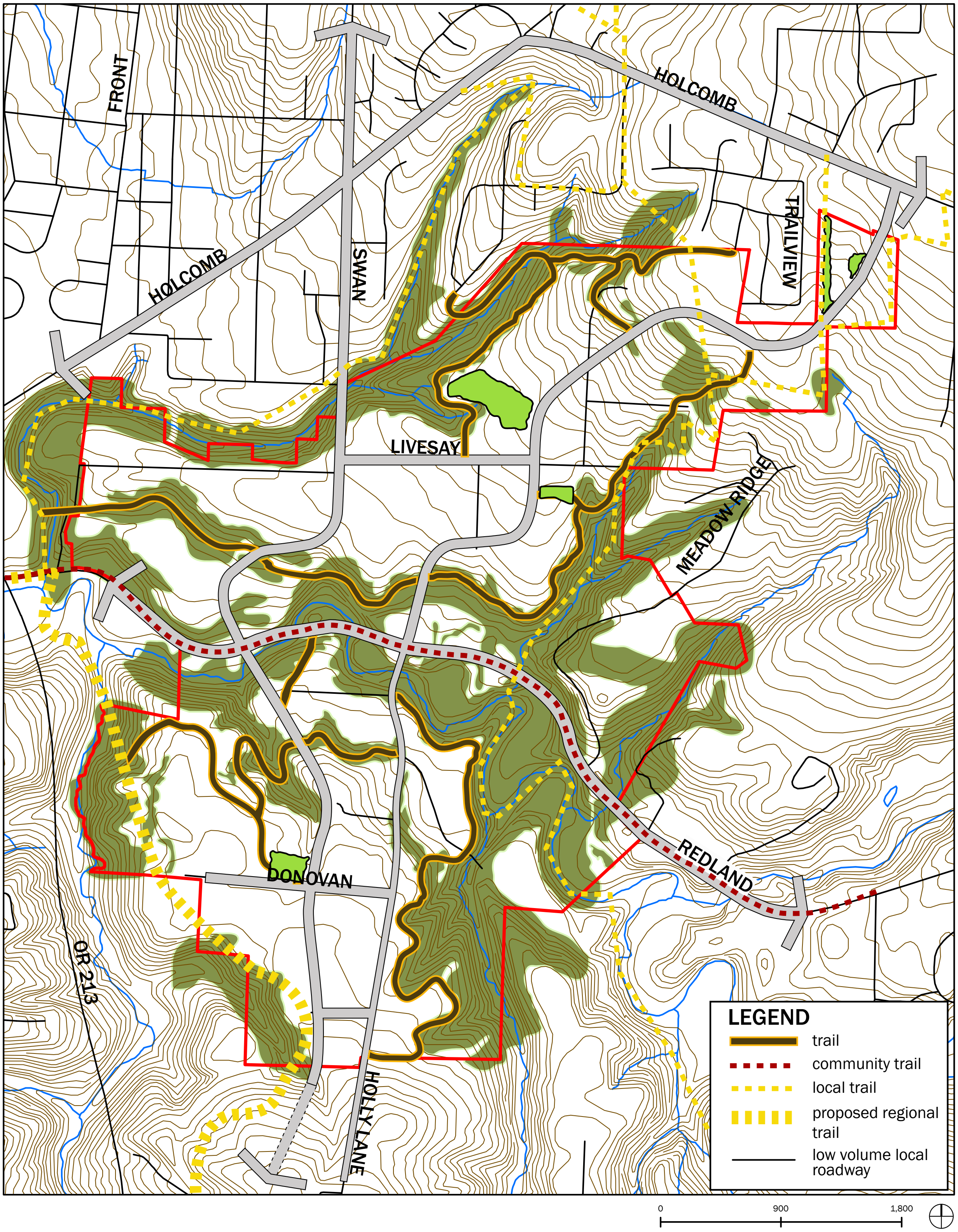


Figure 3-8. Proposed Trail System

This map is for concept planning purposes only. The specific locations of natural resource boundaries, open space, parks, land uses, roads, trails, infrastructure and related improvements may change and is subject to on-site verification and design at the time of development.

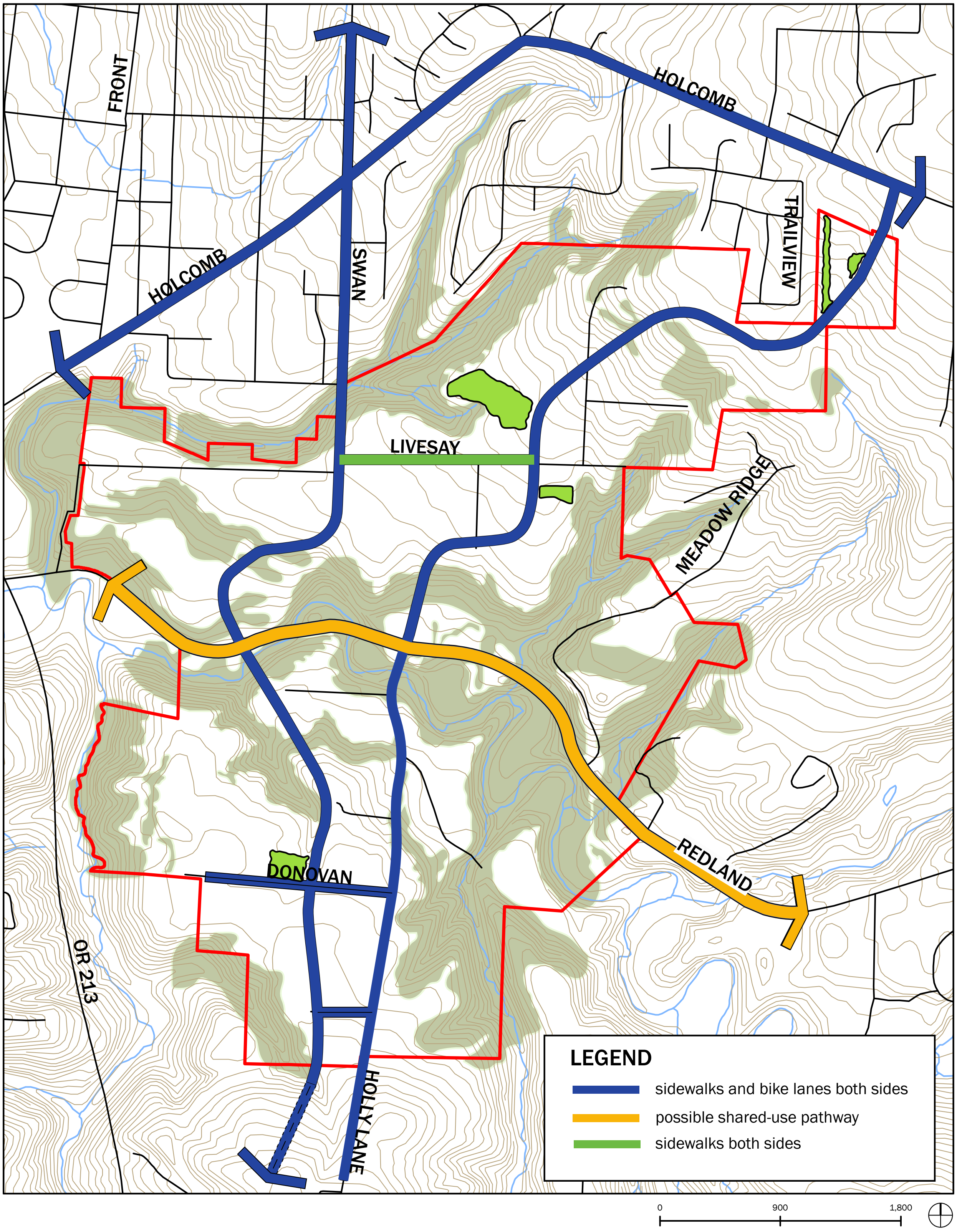
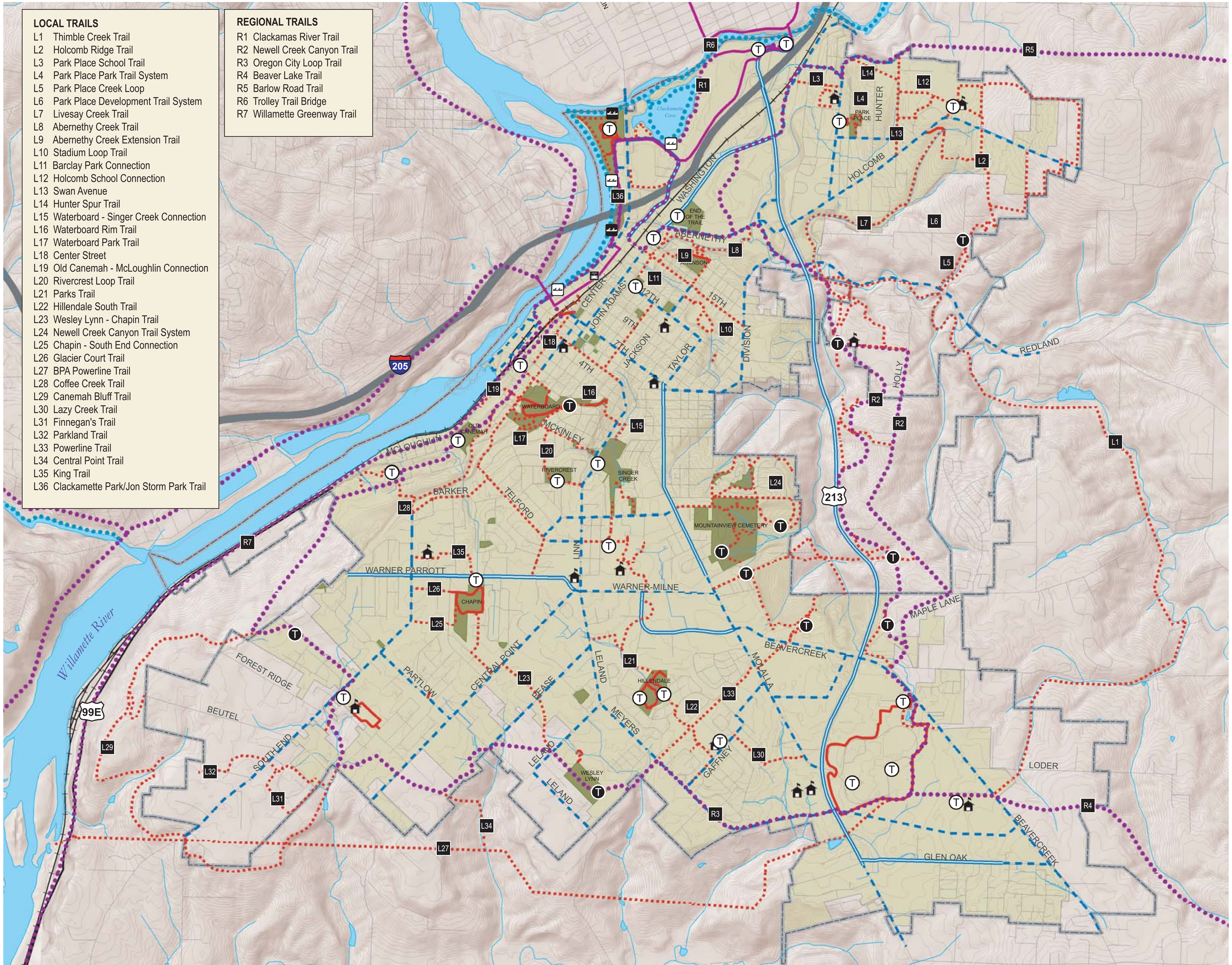


Figure 3-9. Proposed Bicycle and Pedestrian System

This map is for concept planning purposes only. The specific locations of natural resource boundaries, open space, parks, land uses, roads, trails, infrastructure and related improvements may change and is subject to on-site verification and design at the time of development.



Oregon City Conceptual Trails Map

Existing and Proposed Trails

LEGEND

METRO REGIONAL TRAILS
- EXISTING TRAIL
- PROPOSED TRAIL
- PROPOSED RIVER TRAIL

EXISTING AND PROPOSED TRAILS
- EXISTING COMMUNITY TRAIL
- PROPOSED COMMUNITY TRAIL
- EXISTING LOCAL TRAIL
- PROPOSED LOCAL TRAIL

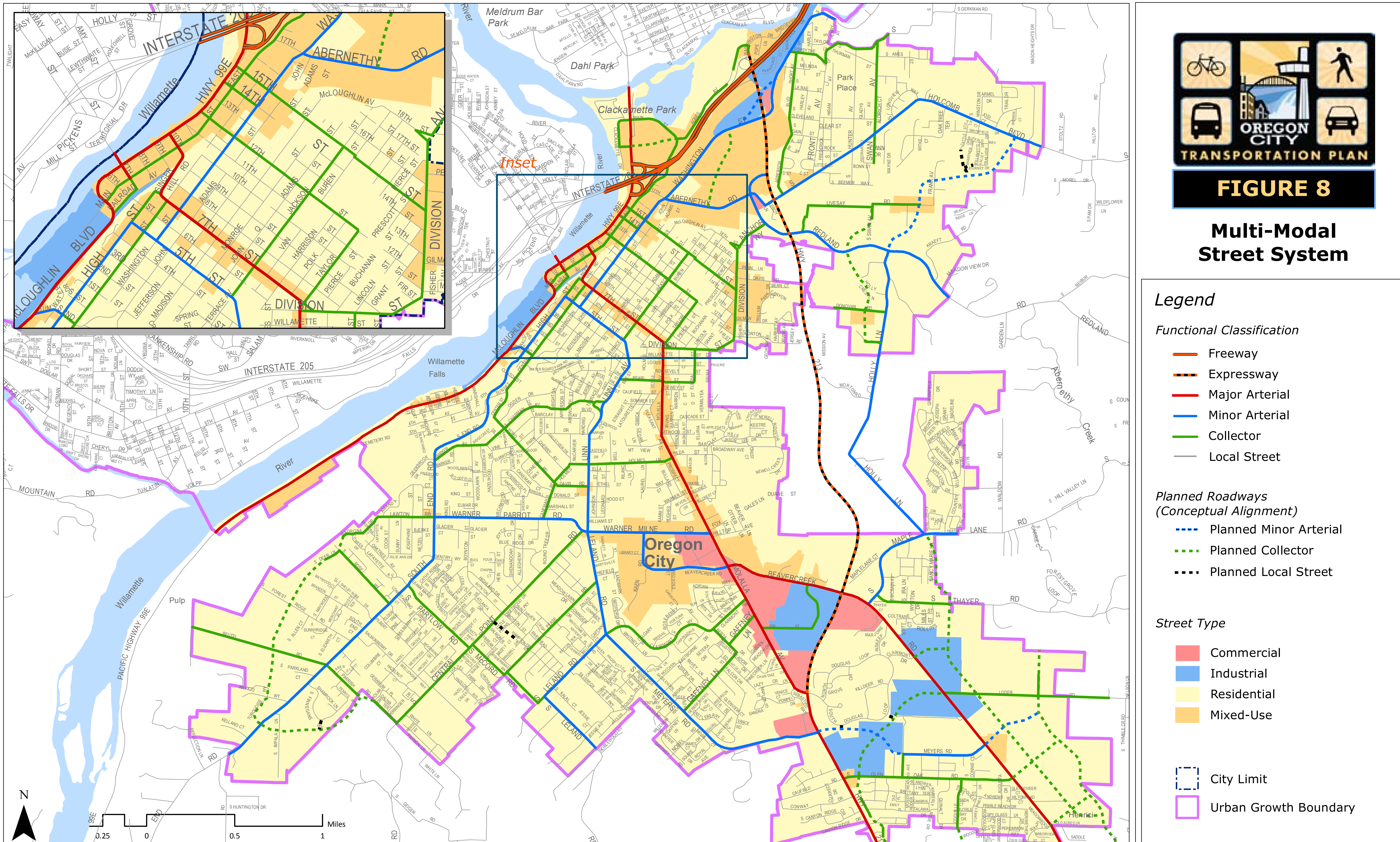
TRAILHEADS
- EXISTING BOAT LAUNCH
- PROPOSED BOAT LAUNCH
- EXISTING TRAILHEAD
- PROPOSED TRAILHEAD

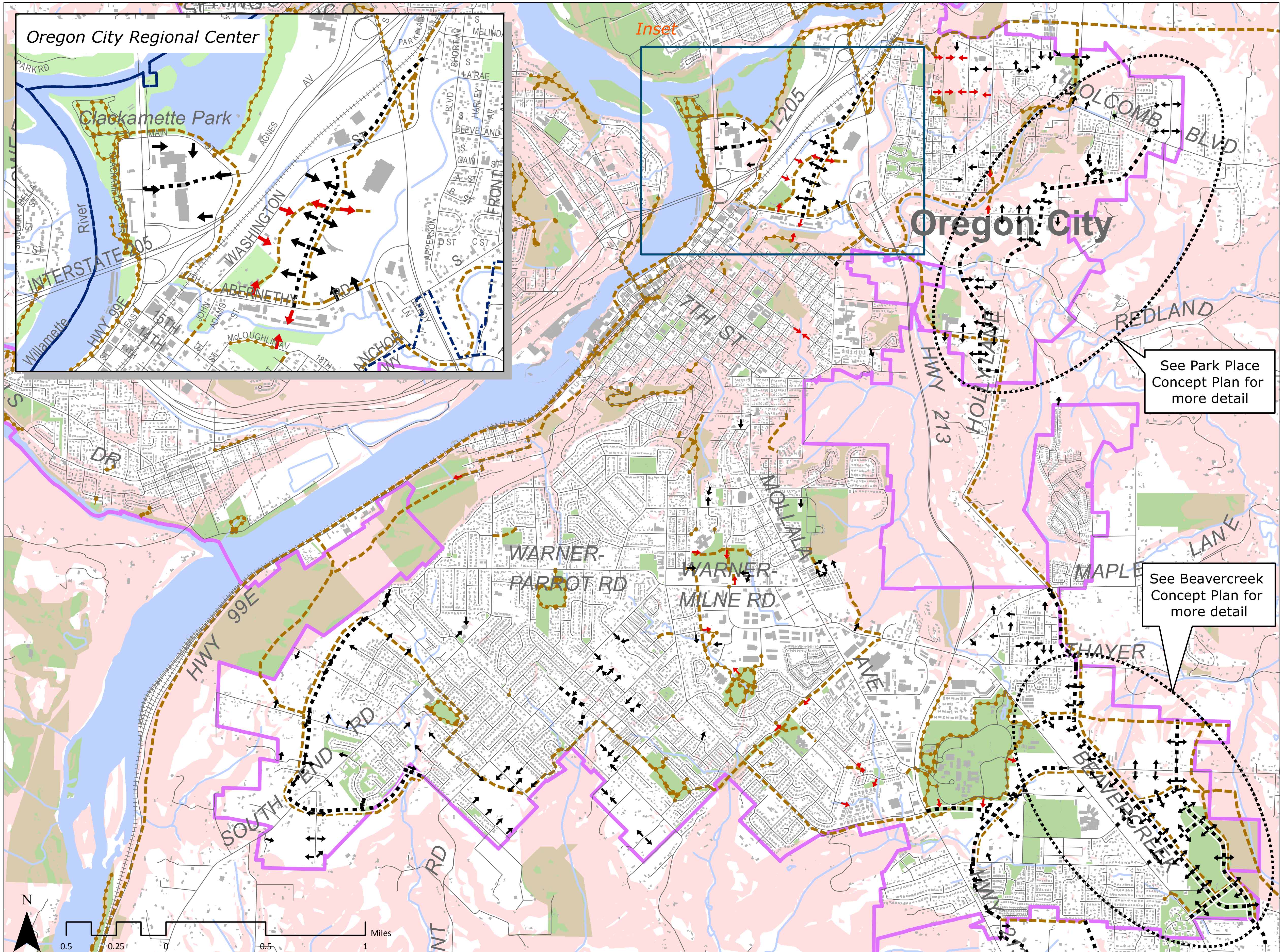
- URBAN GROWTH BOUNDARY
- OREGON CITY LIMITS
- PARKS
- SCHOOLS
- TRANSIT CENTER

N

0 0.5 1
Miles

Source: Metro RLIS Lite (2003)
Oregon City Geographic Information Systems


OREGON CITY
TRANSPORTATION PLAN
FIGURE 8
Multi-Modal Street System
Legend
Functional Classification
Freeway
Expressway
Major Arterial
Minor Arterial
Collector
Local Street
Planned Roadways (Conceptual Alignment)
Planned Minor Arterial
Planned Collector
Planned Local Street
Street Type
Commercial
Industrial
Residential
Mixed-Use
City Limit
Urban Growth Boundary
Oregon City
Inset
Willamette River
Clackamette Park
Dahl Park
Meldrum Bar Park
Park Place
Willamette Falls
INTERSTATE 205
MOUNTAIN RD
PACIFIC HIGHWAY 99E
N
0.25
0
0.5
1
Miles



OREGON CITY TRANSPORTATION PLAN

FIGURE 5

Multi-Modal Connectivity Plan

Legend

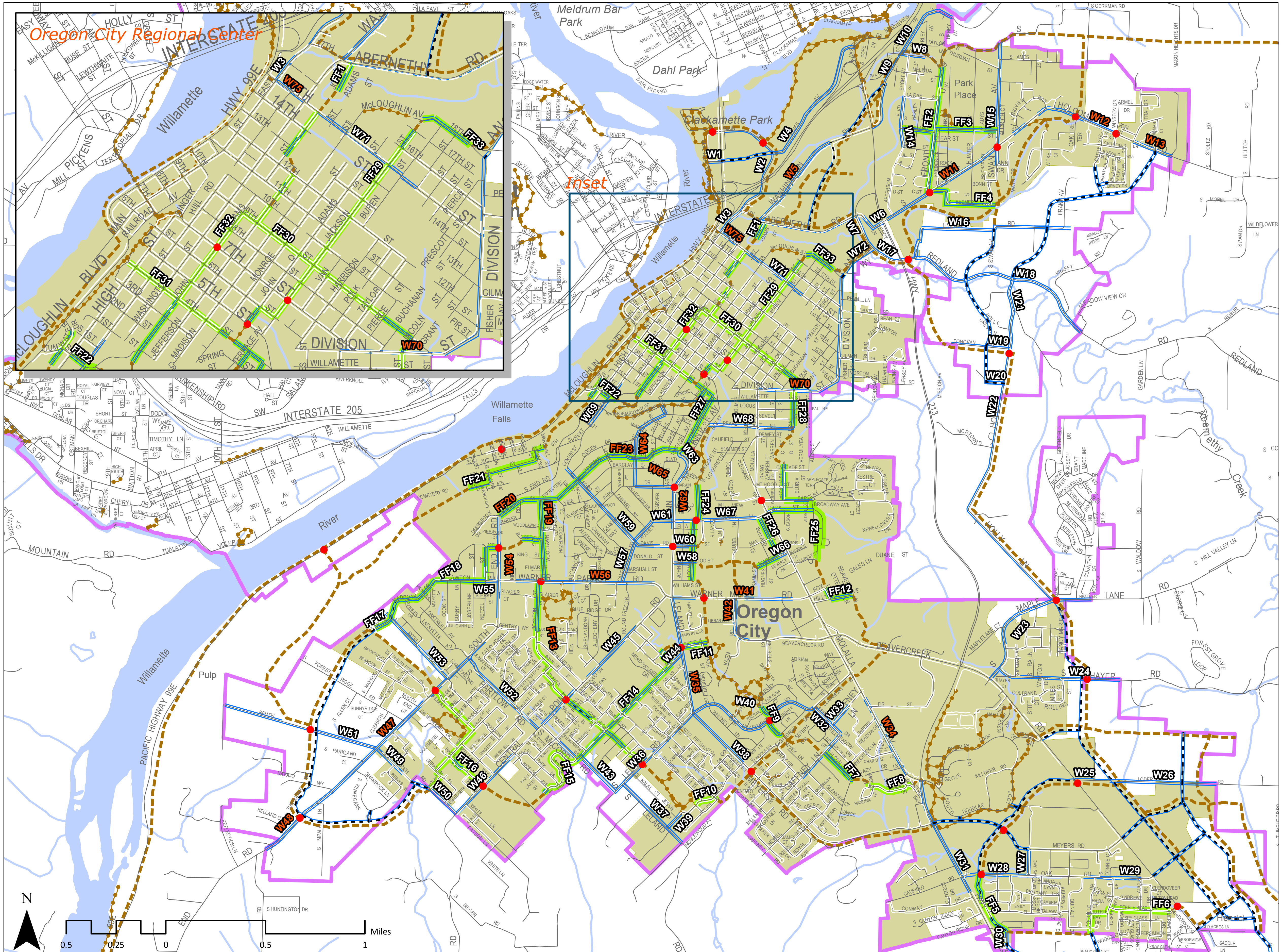
Street Connectivity

- Existing Street
- Planned Roadway Extension (Conceptual Alignment)
- Potential Street Extension

Trail Connectivity

- Existing Shared-Use Path
- Planned Shared-Use Path (Conceptual Alignment)
- Potential Trail Connection

- Steep Slope
- Building
- Stream
- River
- Park/Public Property
- Urban Growth Boundary
- Railroad



OREGON CITY TRANSPORTATION PLAN

FIGURE 19

Walking Solutions

Legend

Existing Streets

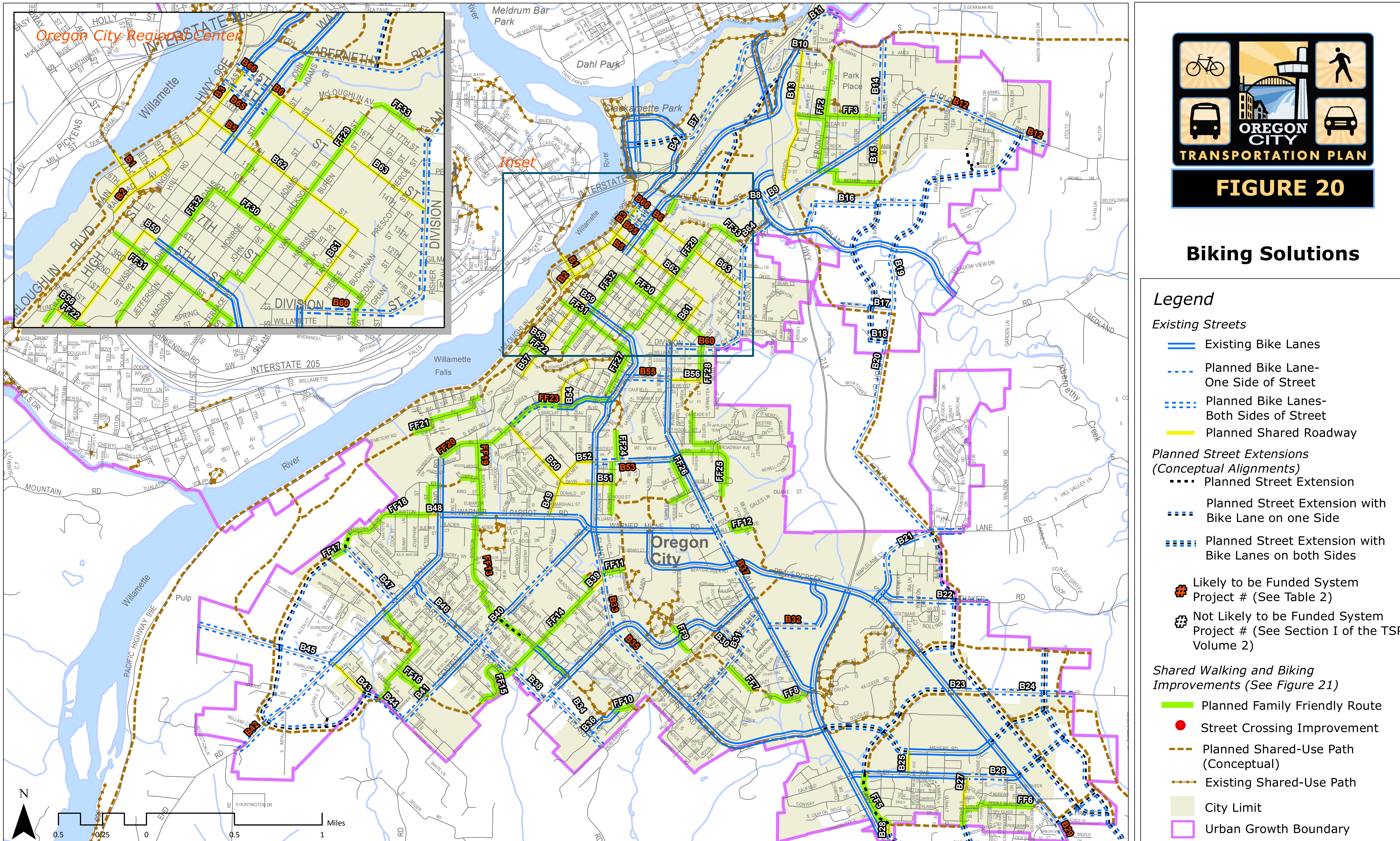
- Existing Sidewalk
- Planned Sidewalk Infill- One Side of Street
- Planned Sidewalk Infill- Both Sides of Street

Planned Street Extensions (Conceptual Alignments)

- Planned Street Extension
- Planned Street Extension with Sidewalk on one Side
- Planned Street Extension with Sidewalks on both Sides
- Likely to be Funded System Project # (See Table 2)
- Not Likely to be Funded System Project # (See Section I of the TSP Volume 2)

Shared Walking and Biking Improvements (See Figure 21)

- Planned Family Friendly Route
- Street Crossing Improvement
- Planned Shared-Use Path (Conceptual Alignment)
- Existing Shared-Use Path
- City Limit
- Urban Growth Boundary


OREGON CITY
TRANSPORTATION PLAN
FIGURE 20
Biking Solutions
Legend
Existing Streets
Existing Bike Lanes
Planned Bike Lane-One Side of Street
Planned Bike Lanes-Both Sides of Street
Planned Shared Roadway
Planned Street Extensions (Conceptual Alignments)
Planned Street Extension
Planned Street Extension with Bike Lane on one Side
Planned Street Extension with Bike Lanes on both Sides
Likely to be Funded System Project # (See Table 2)
Not Likely to be Funded System Project # (See Section I of the TSP Volume 2)
Shared Walking and Biking Improvements (See Figure 21)
Planned Family Friendly Route
Street Crossing Improvement
Planned Shared-Use Path (Conceptual)
Existing Shared-Use Path
City Limit
Urban Growth Boundary
Oregon City Regional Center
Inset
Oregon City
Willamette
Willamette Falls
Clackamette Park
Dahl Park
Meldrum Bar Park
Park Place
Miles
0.5 0.25 0 0.5 1
N

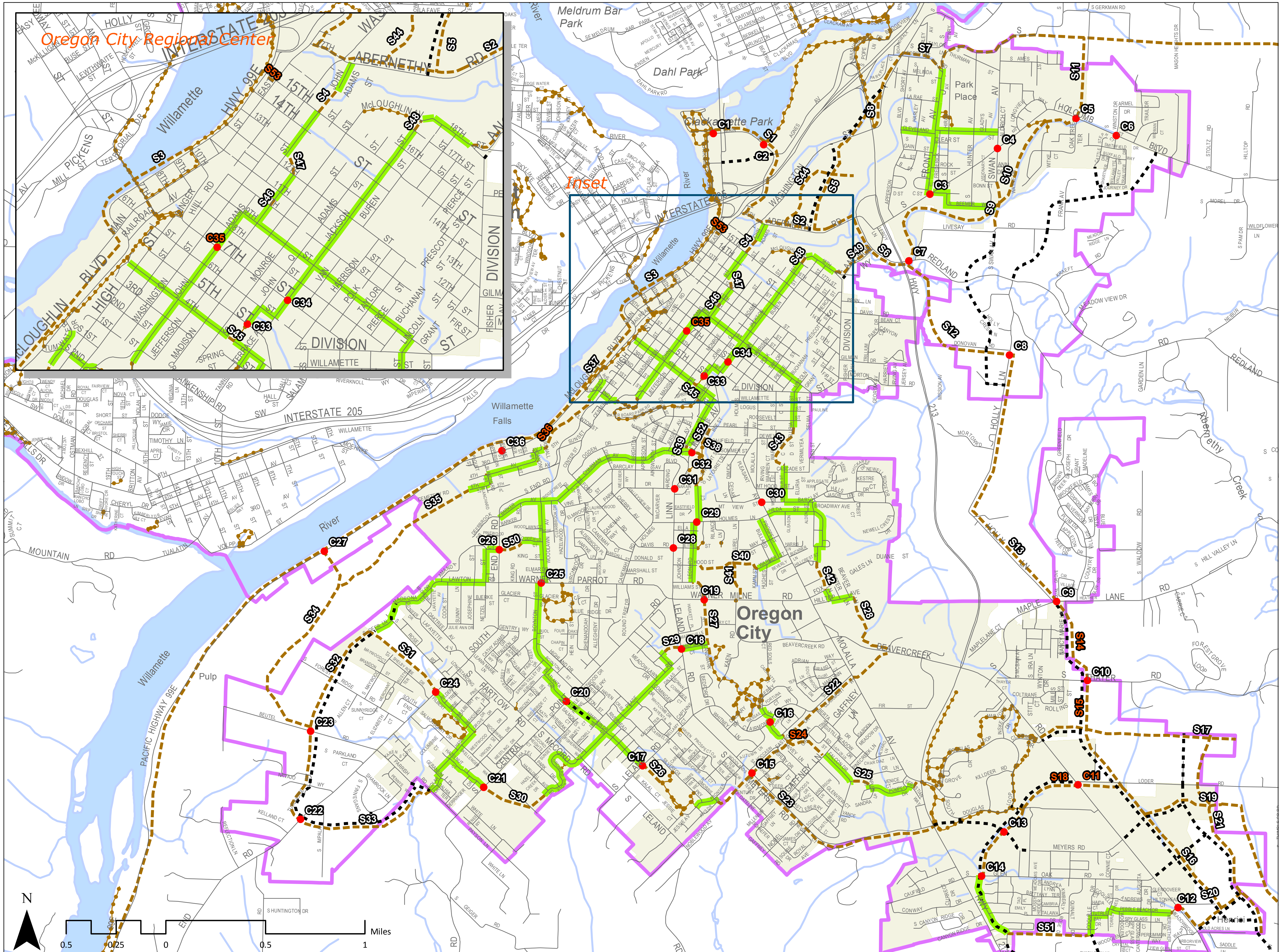


FIGURE 21

Shared Walking and Biking Solutions

Legend

Shared Walking and Biking Improvements

- Planned Family Friendly Route
- Street Crossing Improvement

Shared-Use Paths

- Existing Shared-Use Path
- Planned Shared-Use Path (Conceptual)

- Likely to be Funded System Project # (See Table 2)
- Not Likely to be Funded System Project # (See Section I of the TSP Volume 2)

- Planned Street Extension (Conceptual Alignment)
- City Limit
- Urban Growth Boundary