

Memorandum

Date: May 24, 2024

To: West Linn Planning Commission

From: Darren Wyss, Planning Manager

Subject: Climate Friendly and Equitable Communities Work Session #2

At its June 5, 2024 meeting, the Planning Commission (PC), acting as the City Council appointed working group, will hold its second work session (<u>first work session was on April 3, 2024</u>) to discuss the policy choices the City must make regarding parking reform as part of the required implementation of the <u>Climate Friendly and Equitable Communities (CFEC) rules</u>. Staff has tentatively scheduled a total of four work sessions through end of Summer 2024 to allow time for the PC to find consensus on the policy choices and associated draft code amendments. The City will need to adopt parking related code amendments by the end of calendar year 2024. The City received grant funds from the Department of Land Conservation and Development for consultant assistance in drafting the code amendments.

The primary policy decision the City must make is to either eliminate all parking mandates in the community or implement a series of regulations/programs to meet the CFEC rules.

The goals of the June 5th work session are:

- 1. Revisit the parking reform policy choices.
- 2. Review and discuss the information requested at the first work session (April 3rd).
 - a. Commercial Developer Feedback
 - b. Implementation by Other Jurisdictions
- 3. Review pros/cons information provided by staff.
- 4. Provide PC the opportunity to ask further clarifying questions about the CFEC rules or policy choices and request additional information.
- 5. Glean PC support (initial feedback was provided at first work session) for eliminating all parking mandates so the consultant team can begin drafting proposed code amendments.

The PC was previously briefed on the CFEC rules/policy choices in November 2023 and March 2024. In addition, the PC held a joint work session with City Council on March 18, 2024 that included this topic.

Recap of first work session on April 3, 2024

Staff gave a presentation that included a recap of how/why the CFEC rules were adopted, the policy choices the City must make and potential impacts, what other jurisdictions are pursuing, maps showing areas of impact (attached to this memo), and impact on commercially zoned properties.

Percentage of Commercial Properties Affected By No Parking Mandate:

- Hwy 43 Bus Route + ½ Mile Buffer (Map 1) = 42 percent
- Hwy 43 Bus Route + ½ Mile Buffer and Town Center + ¼ Mile Buffer (Map 2) = 90 percent

The PC asked clarifying questions and requested additional information. One specific topic of discussion was the need for better transit service to supplement reduced parking mandates. Staff confirmed two new bus routes will begin operating in Fall 2024, including a route from Lake Oswego Transit Center to the Willamette Neighborhood via Rosemont/Salamo Roads and an extension of the 76-bus route from Tualatin to Oregon City via I-205/10th Street Exit/Willamette Falls Drive. This allows connections between the two new routes. The routes will have one-hour headways, so will not qualify for the ½ mile no parking mandate like the Highway 43 route.

The requested information included commercial developers' feedback and more information on other jurisdictions' implementation.

The PC also provided an initial temperature check on the comfort level of repealing all parking mandates. The responses were:

- More information is needed, especially from commercial developers and how other jurisdictions are moving forward.
- More information is needed.
- More information is needed but doesn't support paid on-street parking.
- More information is needed.
- Repeal all mandates.

Commercial Developers' Feedback

Planning staff spoke with four commercial developers/property owners in West Linn. All four agreed to provide written responses to staff questions that were focused on how repealing parking mandates would impact their properties/operations. Two of the written responses are attached to this memo and the other two will be forwarded once received by staff.

All four indicated minimum parking requirements usually result in excessive parking that is rarely used and allowing market forces to dictate needed parking provides them wanted flexibility. All four also indicated they would continue to construct parking with commercial developments regardless if parking mandates were repealed. The primary concern expressed was spillover parking from adjacent residential projects that may not provide enough parking without mandates.

Other Jurisdictions' Implementation

Planning staff also reached out to local jurisdictions to get more details on how their implementation is moving forward. Three of the nine jurisdictions have been directed by the City Council to pursue alternative parking options instead of repealing all mandates.

City	Decision
Lake Oswego	Repeal all mandates (CC Direction)
Wilsonville	Repeal all mandates (Staff Recommendation)
Oregon City	Do not repeal all mandates (CC Direction)
Milwaukie	Repealed all mandates
Tualatin	Repeal all mandates (CC Direction)
Tigard	Repealed all mandates
Beaverton	Repealed all mandates
Gladstone	Do not repeal all mandates (CC Direction)
Happy Valley	Do not repeal all mandates (CC Direction)

Pros/Cons of Policy Choices

Staff has provided some additional information regarding the pros/cons of the differing policy choices for PC to consider.

Remove All Parking Mandates

	Pros	Cons
Implementation	Simple and straight-forwardEasy to explain/understand	
City Cost to Implement	MinimalReduces staff workload	 Could result in need for future parking management policies/programs to mitigate parking overflow
Impact on New Development	 Provides flexibility Consistent regulations across the community 	

	Pros	Cons
Impact on Existing Development	LimitedMostly applies to redevelopment/change of use	
Impact on Development Costs	 Eliminates regulatory barriers Likely to reduce costs, including for needed housing 	
Parking Outcomes	 Parking provided in response to market demand Remove unneeded parking spaces 	 Potential for parking overflow into neighborhoods Potential for parking overflow to adjacent lots

Map 2/Option 2 (OAR 660-012-0435)

	Pros	Cons
Implementation		 Paid on-street parking district requires new City program Different requirements for only 10% of commercial properties
City Cost to Implement		■ Potentially significant: purchase equipment, collection program, enforcement issues, increase in staff levels

	Pros	Cons
Impact on New Development	 Provides flexibility within transit corridor and town centers 	 Different requirements for only 10% of commercial properties Introduction of paid parking in existing, developed districts
Impact on Existing Development	 Limited Provides flexibility within transit corridor and town centers 	 Different requirements for only 10% of commercial properties Introduction of paid parking in existing, developed districts
Impact on Development Costs	 Eliminates regulatory barriers within transit corridor and town centers Likely to reduce costs in areas, including for needed housing 	 No impact for 10% of commercial properties outside of transit corridor and town centers
Parking Outcomes	 Parking provided in response to market demand in transit corridor and town centers Remove unneeded parking spaces 	 No impact for 10% of commercial properties outside of transit corridor and town centers Potential for parking overflow into neighborhoods Potential for parking overflow to adjacent lots Introduction of paid parking in existing, developed districts

Map 3/Option 1 (OAR 660-012-0445)

Wap 3/ Option 1 (OAN 000-03	Pros	Cons
Implementation		 Fair parking policies require new City programs
City Cost to Implement		 Potentially significant: purchase equipment, collection and tracking program, enforcement issues, increase in staff levels
Impact on New Development		Introduction of new programs to implement
Impact on Existing Development		Introduction of new programs to implement
Impact on Development Costs		 Potentially significant: purchase equipment, collection and tracking program, enforcement issues
Parking Outcomes	■ ½ space per MFR unit	Inconsistent requirements within City

Background Information Previously Provided to PC

In 2007, Oregon legislators adopted a goal to reduce Oregon's climate pollution 75 percent by 2050. Fifteen years later, the state is far off track in meeting those goals, while also experiencing real-world impacts of increasing size, severity, and frequency of wildfires and record heat waves that impact communities.

Transportation pollution accounts for about 38 percent of Oregon's climate pollution. On the current path, Oregon will only reduce transportation pollution by about 20 percent by 2050. In response, Governor Kate Brown issued Executive Order No. 20-04 in March 2020 directing state agencies to meaningfully and urgently address climate change by developing measures to reduce Oregon's greenhouse gas emissions.

The Land Conservation and Development Commission (LCDC) launched the Climate-Friendly and Equitable Communities (CFEC) rulemaking project in response to Governor Brown's order. LCDC directed the Department of Land Conservation and Development (DLCD), Oregon's land use planning agency, to draft changes to the state land use and transportation planning programs for communities in Oregon's eight most populated areas. Over the course of two-years, and with the assistance of a rulemaking committee, DLCD created draft rules, which were presented to LCDC and adopted in July 2022. LCDC initiated additional rulemaking in 2023 in order to retain the outcomes of the program while making implementation easier for cities and counties.

The adopted rules, found in <u>Oregon Administrative Rules (OAR) Chapter 660, Division 12</u>, aim to improve equity, while ensuring all Oregonians are served by a community's transportation, housing, and planning efforts. The four primary areas of impact to the City of West Linn include:

- 1. Reforming parking mandates and amending parking lot design standards
- 2. Preparing for the electric vehicle future
- 3. Planning for future transportation options
- 4. Adopting Metro 2040 Growth Concept town center boundaries

The City of West Linn is currently implementing several of the adopted administrative rules as required and will implement the remaining rules over the next several years. More detail is provided later in this memorandum, but the most immediate actions involve reforming the City's parking codes and implementing parking lot design and electric vehicle charging infrastructure requirements.

Staff has provided general details about areas of impact 2-4 listed above. The primary focus is on required parking reform regulations and the specific policy questions/decisions that will need to be made regarding parking reform.

Reforming parking mandates and amending parking lot design standards

Parking mandates, also known as minimum parking requirements, are a one-sized approach that often hide the costs of providing parking in other goods, such as housing and business costs. The CFEC adopted administrative rules require the City to eliminate parking mandates in some cases and reduce them in other cases. The rules also require the City to ultimately make a policy decision to either eliminate all parking mandates for the City or eliminate/reduce them in some areas and for certain land uses, while also implementing a series of programmatic changes.

The following are required changes the City is currently implementing or will be implemented with the policy decisions via a CFEC code amendment package.

Required Changes

- 1. OAR 660-012-0430 Implementation began on January 1, 2023
 - Cannot require more than one parking space per unit in residential developments with more than on dwelling unit on a single legally-established property.
 - Cannot enforce parking mandates for certain development or use types (small residential units, affordable units, childcare, facilities for people with disabilities, and shelters)
- 2. OAR 660-012-0440 Implementation began on January 1, 2023 via staff action. CDC amendments will be included in full CFEC code amendment package.
 - Cannot enforce parking mandates within ½ mile of TriMet Bus Line 35 (Hwy 43)
- 3. OAR-660-012-0410 Implementation began March 31, 2023 via staff action. CDC amendments will be included in full CFEC code amendment package.
 - Electric vehicle charging conduit required to serve 40 percent of parking spaces in new multi-family or mixed-use development with more than five dwelling units
- 4. OAR-660-012-0405 Implementation will begin after adoption of full CFEC code amendment package.
 - Requires allowing redevelopment of parking lots for bicycle/transit use, facilitating shared parking, parking lot design changes, and adopting parking maximums
- 5. OAR-660-012-0415 Implementation will begin after adoption of full CFEC code amendment package.
 - Requires parking maximums in the City's two Metro 2040 Town Centers and within the ½ mile boundary of TriMet Bus Line 35 (Hwy 43)

The following are policy decisions the City must make regarding parking mandates in the community. The primary decision the Planning Commission will need to discuss in the future, and ultimately the City Council will need to decide, is 1) To eliminate all parking mandates within the City; or 2) Implement a series of regulations/programs that will require funding and additional staff to manage. Some basic information is provided to help frame the level of effort required for the two choices. More detailed information will be provided for the policy discussion work sessions to begin in 2024.

Policy Decisions

- 1. OAR-660-012-0420 Either eliminate all parking mandates within the City or comply with OAR-012-0425 to 0450 regulations.
 - If mandates are eliminated, only the five required changes listed above will need compliance
 - If mandates are not eliminated, the following regulations and/or policy decisions will need to be implemented

- 2. OAR-660-012-0425 Requires adoption of eight specific regulations to reduce parking mandates.
 - Garage spaces, shared parking, provided off-site, solar panels, car-sharing spaces, electric vehicle charging stations, accessible dwelling units above minimum.
- 3. OAR-660-012-0435 Parking reform in Metro 2040 Town Centers
 - Remove all mandates within the area and within ¼ mile; or
 - Adopt parking benefit district with paid on-street parking; and
 - Require no more than ½ off-street space per dwelling unit that is not a townhouse or rowhouse; and
 - Require no mandates for commercial development
- 4. OAR-660-012-0445 Parking management alternative approaches requires choosing between Option A or Option B.
 - Option A: Fair Parking Policy requires implementing two of five provisions
 - 1. Multi-family residential unbundled parking (would require development of a City program and tracking system)
 - 2. Commercial unbundled parking (would require development of a City program and tracking system)
 - 3. Flexible commute benefit program for 50+ employee businesses that provide free or subsidized parking (would require development of a City program and tracking system)
 - 4. Revenue tax on commercial parking lots (would require development of a City program and tracking system)
 - 5. Parking mandate no higher than ½ space per multi-family unit, including visitor parking
 - Option B: Reduced parking regulations including all of the following:
 - Repeal parking mandates within 1/2 miles of Metro 2040 Town Centers
 - Repeal parking mandates for mixed-use developments
 - Repeal parking mandates for group quarters (dorms, retirement homes, care facilities, etc.)
 - Repeal parking mandates for studio and one-bedroom apartments, and condos in multi-unit housing developments
 - Repeal of parking mandates for a change of use or redevelopment of a two-plus year vacant building
 - Repeal of additional parking requirements for change of use or redevelopment when at least 50 percent of building floor area is retained
 - Repeal parking mandates for expansion of existing building by less than 30 percent
 - Repeal parking mandates for historic properties/buildings
 - Repeal parking mandates for commercial properties with less than 10 employees on site or less than 3,000 sq. ft. floor space
 - Repeal parking mandates for developments build under the Oregon Residential Reach Code

- Repeal parking mandates for LEED certified buildings
- Repeal parking mandates for schools
- Repeal parking mandates for bars and taverns
- Implement at least one pricing mechanism (would require development of a City program and tracking system):
- 1. Designate at least one residential parking district where on-street parking is by paid permits, meters, or other payments
- 2. Multi-family housing units be unbundled from parking upon lease renewal or sale

A proposed CFEC code amendment package will be determined by the policy decisions made during the work session discussions with the Planning Commission and Council. The Department of Land Conservation and Development (DLCD) has also distributed informational and implementation documents for use by communities required to follow the CFEC rules. Some of the parking related documents are linked below.

DLCD Parking Reform Summary

DLCD What Happens When Parking Mandates are Reduced?

DLCD Welcome to Parking Reform Webinar (Presentation .pdf)

Preparing for the electric vehicle future

As of July 1, 2022, state statute and building codes require new commercial buildings, new mixed-use buildings with five or more residential units, and new multi-family residential buildings with five or more units to install conduit to support at least 20 percent of the parking spaces for electric vehicle charging.

The <u>CFEC rules</u> required the City to implement, on March 21, 2023, installation of conduit to support at least 40 percent of the parking spaces for electric vehicle charging. The rules apply to new mixed-use or multi-family residential building with five or more residential units. The provisions will be included in a final CFEC code amendment package.

<u>Planning for future transportation options</u>

The majority of <u>transportation related CFEC rules</u> are focused on the update or creation of transportation system plans (TSP), including how proposed projects are evaluated. The City has an adopted TSP and an update to the <u>2016 West Linn Transportation System Plan</u> may be necessary to comply with any new policy directives that result from <u>Metro's 2023 Regional Transportation Plan</u> (RTP) update. The RTP update is scheduled for adoption in December 2023.

Any necessary updates to the City's TSP would occur after adoption of the RTP and City staff would seek grant funding through the State's Transportation and Growth Management program for the work.

Adopting Metro 2040 Growth Concept Town Center boundaries

One of the primary components of the CFEC rules is the requirement to create and adopt climate friendly areas with associated zoning and development code requirements. However, the Portland Metropolitan Area is exempt from the requirements since the region has already adopted the <u>2040 Growth Concept</u> with associated Regional Centers, Town Centers, Corridors,

Station Communities, and Main Streets where urban density growth is anticipated to occur. The CFEC rules require Metro to establish requirements for adoption of Centers by the end of calendar year 2024.

The City has two Town Center areas identified on the <u>2040 Growth Concept Map</u>. One in the Bolton Neighborhood commercial area and the second in the Willamette Neighborhood commercial area. The City will need to adopt the two Town Center boundaries and any associated zone changes or development code updates resulting from the requirements Metro establishes for adoption of Centers. The City must complete the adoption process by end of calendar year 2025.

If you have questions about the meeting or materials, please feel free to email or call me at dwyss@westlinnoregon.gov or 503-742-6064.



May 22, 2024

Darren Wyss, Planning Manager Planning City of West Linn 22500 Salamo Road West Linn, Oregon 97068

RE: Commercial Feedback on CFEC Regulations for Parking Mandates

Dear Planning Commissioners,

Thank you for directing staff to reach out to Gramor Development, Inc. to get feedback on parking mandates regarding the Climate-Friendly and Equitable Communities (CFEC) implementation. As you may know, Gramor has had over 39 years of constructing and operating commercial centers throughout the metro area, including the West linn Central Village project located in the Bolton neighborhood. We have had extensive experience in designing 70 commercial and mixed-use centers to operate as efficiently as possible, including building the right amount of parking spaces to serve a facility.

I've had a productive conversation with Darren Wyss regarding the policy choices the City must consider. Darren posed the question "What if the City removed parking mandates, would we still provide parking for commercial development?" My answer is "absolutely we will provide parking". Tenants will not sign a lease if they deem there is not sufficient parking for their employees or customers. Additionally, many commercial lenders require evidence that there is ample parking prior to financing a project.

Our experience has taught us that our suburban commercial developments function well with four (4) parking spaces per 1,000 square feet of commercial space. This ratio includes all the mix of uses typically found in a shopping center including grocery stores, restaurants, service uses, medical office, fitness and retail. This example is exhibited at the West Linn Central Village project. Currently, West Linn and many other cities have minimum parking requirements that often leads to excessive parking spaces which may rarely or never be used. Removing parking mandates would allow market forces to govern developing commercial properties to provide the desired amount of parking that could serve the tenants, customers and employees, while also satisfying commercial lenders.

Darren also posed the question if there were any potential negative impacts from removing parking standard mandates? The primary concern would be new residential developments that provide inadequate parking adjacent to a commercial property. This could lead to spillover parking, impacting the tenant's ability to serve their customers, diminished income streams, and enforcement costs for the commercial property owner. Conversely, if a new commercial development was built with little to no parking, it would have spillover parking to

Darren Wyss, Planning Manager Planning City of West Linn May 22, 2024 Page 2 of 2

the surrounding properties, compromising adjacent commercial or residential uses. To address this issue, I discussed with Darren to consider requiring a "parking plan" with any new development application that clearly shows anticipated parking demand, provided parking and parking locations. This parking plan could be revisited with the property owner and used as a tool if parking issues arise in the future.

We appreciate the opportunity to share our experience with you and trust you can make a more informed decision on this important matter. I can be reached at my office at (503) 245-1976 if you have further questions.

Regards,

Gramor Development, Inc.

Vice President - Director of Development

CCB#159250

Wyss, Darren

From: Mark Handris <mark@iconconstruction.net>

Sent:Wednesday, May 15, 2024 11:02 AMTo:Wyss, Darren; Darren GusdorfSubject:RE: CFEC & Parking Mandates

Follow Up Flag: Follow up Flag Status: Flagged

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Hi Darren, Having parking is imperative to having a viable commercial property. It would be very hard to attract tenants without having parking for employees or customers. I have found parking codes in other areas we have commercial buildings to be excessive and require us to use up valuable real estate on parking lots that are never full. So, I would say that the elimination of parking requirements would be met with some agreement because it gives a developer the ability size his parking with the consideration of the tenants needs and offsite parking availability. I just could not see a commercial developer building project without parking on site or abundant offsite parking. We made the mistake of a couple buildings that relied on (at the time) abundant offsite parking and now regret not building additional parking either on the surface or underground because parking has become scarce. I would be happy to chat whenever you have time.

Mark Handris, Owner

ICON Construction & Development, LLC #150499 1969 Willamette Falls Drive, Suite 260 | West Linn, OR 97068 503.657.0406 office | 503.655.5991 fax Mark@iconconstruction.net



From: Wyss, Darren <dwyss@westlinnoregon.gov>

Sent: Tuesday, May 14, 2024 3:05 PM

To: Darren Gusdorf <darren@iconconstruction.net> **Cc:** Mark Handris <mark@iconconstruction.net>

Subject: CFEC & Parking Mandates

Darren and Mark,

I am currently working with the Planning Commission on the <u>Climate Friendly and Equitable Communities (CFEC)</u> <u>implementation for West Linn</u>. CFEC rules require the City to either remove parking mandates in certain situations (one-half mile from Hwy 43 and in Metro Town Centers (Bolton and Willamette commercial areas)) and then choose between eliminating mandates across the City or implement a number of other programmatic choices. About 90 percent of commercially zoned land is covered by the required removals, but the PC was interested in knowing whether commercial property developers would still build parking even if not required to do so. I used the example of your new construction in Willamette, plus the second building that just approved which both have underground parking, which is expensive to build, even though the City's code did not require it. Anyhow, was hoping to chat about this with one or both of you. My ultimate ask would be hoping you would submit a letter/email with your position on whether you

would build a commercial development in West Linn without including parking. Let me know if you are interested and we can set up a time to chat. Thanks for your consideration.

Darren Wyss

Planning Manager Planning

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City of West Linn CFEC Implementation Road Map







