NOTICE OF ADOPTED AMENDMENT

07/16/2012

TO: Subscribers to Notice of Adopted Plan or Land Use Regulation Amendments

FROM: Plan Amendment Program Specialist

SUBJECT: City of Lake Oswego Plan Amendment
DLCD File Number 006-11

The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. Due to the size of amended material submitted, a complete copy has not been attached. A Copy of the adopted plan amendment is available for review at the DLCD office in Salem and the local government office.

Appeal Procedures*

DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: Tuesday, July 31, 2012

This amendment was submitted to DLCD for review prior to adoption pursuant to ORS 197.830(2)(b) only persons who participated in the local government proceedings leading to adoption of the amendment are eligible to appeal this decision to the Land Use Board of Appeals (LUBA).

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

*NOTE: The Acknowledgment or Appeal Deadline is based upon the date the decision was mailed by local government. A decision may have been mailed to you on a different date than it was mailed to DLCD. As a result, your appeal deadline may be earlier than the above date specified. NO LUBA Notification to the jurisdiction of an appeal by the deadline, this Plan Amendment is acknowledged.

Cc: Johanna Hastay, City of Lake Oswego
    Gordon Howard, DLCD Urban Planning Specialist
    Jennifer Donnelly, DLCD Regional Representative
    Thomas Hogue, DLCD Economic Development Policy Analyst

<paa>YA
Jurisdiction: City of Lake Oswego
Date of Adoption: 6/19/2012
Local file number: 11-0043
Date Mailed: 7/10/2012

Was a Notice of Proposed Amendment (Form 1) mailed to DLCD? Yes No Date:
Comprehensive Plan Text Amendment
Land Use Regulation Amendment
New Land Use Regulation

Summarize the adopted amendment. Do not use technical terms. Do not write “See Attached”.

Amendments to the Community Development Code, Chapter 50.11 (Commercial Zones) to allow "Specialty food stores" such as coffee shops, bagel shops, and juice bars in Campus Research and Development (CR&D) and Office Commercial (OC) zones. In compliance with Title 4 of Metro's Urban Growth Management Functional Plan and the protection of employment districts, there would be a 20,000-square foot limitation on this use in the CR&D zone.

Does the Adoption differ from proposal? No, no explanation is necessary

Plan Map Changed from: N/A to: N/A
Zone Map Changed from: N/A to: N/A
Location: CR&D and OC Zones, citywide
Acres Involved: 0

Specify Density: Previous: N/A New: N/A
Applicable statewide planning goals:

Was an Exception Adopted? Yes No
Did DLCD receive a Notice of Proposed Amendment...
35-days prior to first evidentiary hearing? Yes No
If no, do the statewide planning goals apply? Yes No
If no, did Emergency Circumstances require immediate adoption? Yes No

DLCD File No. 006-11 (19108) [17103]
DLCD file No.
Please list all affected State or Federal Agencies, Local Governments or Special Districts:

Local Contact: Johanna Hastay, Associate Planner
Phone: (503) 534-5740
Fax Number: 503-635-269
Address: PO Box 369
City: Lake Oswego
Zip: 97034-
E-mail Address: jhastay@ci.oswego.or.us

ADOPTION SUBMITTAL REQUIREMENTS
This Form 2 must be received by DLCD no later than 5 working days after the ordinance has been signed by
the public official designated by the jurisdiction to sign the approved ordinance(s)
per ORS 197.615 and OAR Chapter 660, Division 18

1. This Form 2 must be submitted by local jurisdictions only (not by applicant).
2. When submitting the adopted amendment, please print a completed copy of Form 2 on light green
paper if available.
3. Send this Form 2 and one complete paper copy (documents and maps) of the adopted amendment to the
address below.
4. Submittal of this Notice of Adoption must include the final signed ordinance(s), all supporting finding(s),
exhibit(s) and any other supplementary information (ORS 197.615).
5. Deadline to appeals to LUBA is calculated twenty-one (21) days from the receipt (postmark date) by DLCD
of the adoption (ORS 197.830 to 197.845).
6. In addition to sending the Form 2 - Notice of Adoption to DLCD, please also remember to notify persons who
participated in the local hearing and requested notice of the final decision. (ORS 197.615).
7. Submit one complete paper copy via United States Postal Service, Common Carrier or Hand
Carried to the DLCD Salem Office and stamped with the incoming date stamp.
8. Please mail the adopted amendment packet to:

ATTENTION: PLAN AMENDMENT SPECIALIST
DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT
635 CAPITOL STREET NE, SUITE 150
SALEM, OREGON 97301-2540

9. Need More Copies? Please print forms on 8½ -1/2x11 green paper only if available. If you have any
questions or would like assistance, please contact your DLCD regional representative or contact the DLCD
Salem Office at (503) 373-0050 x238 or e-mail plan.amendments@state.or.us.

http://www.oregon.gov/LCD/forms.shtml

Updated December 30, 2011
ORDINANCE NO. 2583

AN ORDINANCE OF THE LAKE OSWEGO CITY COUNCIL AMENDING LOC CHAPTER 50 (COMMUNITY DEVELOPMENT CODE) TABLE 50.03.002-2 TO PERMIT “SPECIALIZED FOOD STORES” IN THE CR&D AND OC ZONES AND ADOPTING FINDINGS (LU 11-0043-1786).

Whereas, the Community Development Code does not currently allow “specialized food stores” (commercial food and beverage service uses), in the Campus Research and Development (CR&D) and Office Campus (OC) zones; and

Whereas, the purpose of both the CR&D and OC zones is primarily to provide employee-intensive industries and lands for major concentrations of regionally-oriented offices, with some secondary retail uses to serve as amenities; and

Whereas, Metro Title 4 (Metro Code 3.07.410 - .450) requires the City to impose limits on the square footage of retail uses in Employment Areas depicted on Metro’s Employment and Industrial Areas Map and the Metro Employment Area designation applies to the majority of the City’s CR&D zone; and

Whereas, by allowing “specialized food stores” no larger than 5,000 square feet in size within the CR&D and OC zones, the City will provide additional opportunities for secondary retail uses that serve as amenities for the primary office employment uses in these zones; and

Whereas, in order to ensure that “specialized food stores” are incidental to the primary office employment uses in the CR&D and OC zones, “specialized food stores” should not include associated drive-in service windows;

The City of Lake Oswego ordains as follows:

Section 1. The City Council hereby adopts the Findings and Conclusions (LU 11-0043-1786) attached as Exhibit 1.

Section 2. Table 50.03.002-2 of the Lake Oswego Code is hereby amended by adding the text shown in bold, double-underlined type, as follows:

Ordinance No. 2583
Page 1 of 3
### Specific Standards

<table>
<thead>
<tr>
<th>Use Specific Standards</th>
<th>MC zone: Not to exceed 20,000 sq. ft. floor area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialized food stores (such as coffee shop or juice bar)</td>
<td></td>
</tr>
</tbody>
</table>

#### Footnote #1
Not to exceed 5,000 sq. ft. of floor area and no drive-in service windows are permitted.

### Section 3
The City Recorder shall renumber the table footnotes in LOC Table 50.03.002-2, (Commercial, Mixed-Use, Industrial & Special Purpose Districts Use Table) to maintain numerical order of the Table's footnotes with the Table's text reference to the footnotes.

Enacted at the meeting of the Lake Oswego City Council of the City of Lake Oswego held on the 19th day of June, 2012.

**AYES:** Mayor Hoffman, Gudman, Jordan, Moncrieff, Olson, Tierney

**NOES:** None

**ABSENT:** None

**ABSTAIN:** None

**EXCUSED:** Kehoe

**ATTEST:**

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Ordinance No. 2583
Page 2 of 3
APPROVED AS TO FORM:

David D. Powell
City Attorney
BEFORE THE CITY COUNCIL
OF THE CITY OF LAKE OSWEGO

A REQUEST TO AMEND THE TEXT OF THE
THE LAKE OSWEGO COMMUNITY DEVELOPMENT CODE, CHAPTER 50,
TO ALLOW SPECIALIZED FOOD STORES IN CR&D AND OC ZONES
[ORDINANCE No. 2583]

FINDINGS & CONCLUSIONS

NATURE OF PROCEEDING

This matter came before the City Council pursuant to a recommendation by the Lake Oswego Planning Commission to amend the text of Lake Oswego Community Development Code Article 50.03.002 (Commercial Use Table) to allow “Specialized Food Stores” such as coffee shops, bagel shops, and juice bars in the Campus Research and Development (CR&D) and Office Campus (OC) zones. In compliance with Title 4 of Metro’s Urban Growth Management Functional Plan regulations protecting Employment Areas, there would be a 5,000 sq. ft. limitation on this use and no drive-in service windows allowed.

HEARINGS

The Planning Commission held a public hearing and considered this application at its February 13, 2012 meeting, and adopted findings and a recommendation on February 27, 2012.
The City Council held a public hearing on this matter on May 15, 2012.

CRITERIA AND STANDARDS

City of Lake Oswego Comprehensive Plan

A. Goal 1: Citizen Involvement - Policies 1 and 5
   Goal 2: Land Use Planning Section 1 Land Use Policies and Regulations, Policy 7
   Goal 9: Economic Development - Policies 20 and 21

Page 1 – FINDINGS AND CONCLUSIONS (LU 11-0043-1786)
FINDINGS AND REASONS

As support for its decision, the City Council incorporates the February 13, 2012 staff report for LU 11-0043 (with all exhibits), the May 15, 2012 staff Council Report, and the Findings and Conclusions of the Planning Commission in this matter, together with the following supplemental findings.

Currently, “Specialized Food Stores” are not allowed in the CR&D or OC zones. The primary use in the CR&D zone, which is located south of Kruse Way on Meadows Road, is large office buildings with the highest concentration of employment in the city but few amenities to serve those employees. The OC zone, also primarily office uses, is concentrated further east along Kruse Way and Boones Ferry Road, with some additional land at the southern end of the City off of Highway 43. The proposed text amendments would allow coffee shops, bagel shops, juice bars and similar businesses in both zones in order to provide a more varied mix of amenities that office employees can walk to on the site.

Although Metro Title 4 allows retail uses of up to 60,000 square feet within mapped Employment Areas (including the CR&D zone), and although staff initially proposed a 20,000 square foot limitation, the City Council concurs with the Planning Commission that a 5,000
square foot limitation is more appropriate. The City Council also agrees that the same size
limitation should be applied to the OC zone in order to ensure that new retail businesses are
incidental to the predominant office uses in both zones.

The City Council further agrees that drive-in windows should be prohibited for
specialized food stores in both zones. Most properties within these zones are currently
developed. The drive-in service restriction will limit use to internal transactions, thereby
minimizing pedestrian impacts while allowing a more vibrant and logical mix of businesses.

CONCLUSION

The City Council concludes that the proposal meets all applicable criteria, including
relevant provisions of the Lake Oswego Comprehensive Plan, Lake Oswego Community
Development Code procedural requirements, and relevant Metro Urban Growth Management
Functional Plan requirements, as detailed in the incorporated materials, and further concludes
that LU 11-0043 should be approved.
TO: Jack Hoffman, Mayor
Members of the City Council
David Donaldson, City Manager

FROM: David Powell, City Attorney

SUBJECT: Ordinance 2583 – Allowing “specialized food stores” in the CR&D and OC Zones

DATE: June 12, 2012

ACTION
Adopt Ordinance 2583, finalizing the City Council’s tentative decision to allow “specialized food stores” in the CR&D and OC Zones.

INTRODUCTION/BACKGROUND
On May 15, 2012, following a public hearing, the City Council accepted the Planning Commission’s recommendation and tentatively approved LU 11-0043 allowing “specialized food stores” in the Campus Research and Development (CR&D) and Office Campus (OC) zones. Attached Ordinance 2583 finalizes that tentative decision and incorporates findings and conclusions.

DISCUSSION
Consistent with the City Council’s tentative decision, Ordinance 2583 amends the Community Development Code to allow “specialized food stores” (coffee shops, bagel shops, juice bars and similar businesses) in the CR&D and OC zones in order to provide a more varied mix of amenities that employees may access at the work site. The ordinance also limits these uses to 5,000 square feet, well under the Metro Title 4 limitation of 60,000 square feet for retail uses in mapped Employment Areas. Finally, the ordinance prohibits drive-in window service.

RECOMMENDATION
It is recommended that the City Council adopt Ordinance 2583, amending the Community Development Code to allow “specialized food stores” in the CR&D and OC Zones.

June 19 2012
ATTACHMENT

- Ordinance 2583 (with incorporated Findings and Conclusions)

Reviewed by:

David Donaldson
City Manager
ORDINANCE NO. 2583

AN ORDINANCE OF THE LAKE OSWEGO CITY COUNCIL AMENDING LOC CHAPTER 50 (COMMUNITY DEVELOPMENT CODE) TABLE 50.03.002-2 TO PERMIT “SPECIALIZED FOOD STORES” IN THE CR&D AND OC ZONES AND ADOPTING FINDINGS (LU 11-0043-1786).

Whereas, the Community Development Code does not currently allow “specialized food stores” (commercial food and beverage service uses), in the Campus Research and Development (CR&D) and Office Campus (OC) zones; and

Whereas, the purpose of both the CR&D and OC zones is primarily to provide employee-intensive industries and lands for major concentrations of regionally-oriented offices, with some secondary retail uses to serve as amenities; and

Whereas, Metro Title 4 (Metro Code 3.07.410 -.450) requires the City to impose limits on the square footage of retail uses in Employment Areas depicted on Metro’s Employment and Industrial Areas Map and the Metro Employment Area designation applies to the majority of the City’s CR&D zone; and

Whereas, by allowing “specialized food stores” no larger than 5,000 square feet in size within the CR&D and OC zones, the City will provide additional opportunities for secondary retail uses that serve as amenities for the primary office employment uses in these zones; and

Whereas, in order to ensure that “specialized food stores” are incidental to the primary office employment uses in the CR&D and OC zones, “specialized food stores” should not include associated drive-in service windows;

The City of Lake Oswego ordains as follows:

Section 1. The City Council hereby adopts the Findings and Conclusions (LU 11-0043-1786) attached as Exhibit 1.

Section 2. Table 50.03.002-2 of the Lake Oswego Code is hereby amended by adding the text shown in **bold, double-underlined type**, as follows:
<table>
<thead>
<tr>
<th>Specialized food stores (such as coffee shop or juice bar)</th>
</tr>
</thead>
</table>

[footnote #] Not to exceed 5,000 sq. ft. of floor area and no drive-in service windows are permitted.

Section 3. The City Recorder shall renumber the table footnotes in LOC Table 50.03.002-2, (Commercial, Mixed-Use, Industrial & Special Purpose Districts Use Table) to maintain numerical order of the Table’s footnotes with the Table’s text reference to the footnotes.

Enacted at the meeting of the Lake Oswego City Council of the City of Lake Oswego held on the [date], 2012.

AYES:

NOES:

ABSENT:

ABSTAIN:

EXCUSED:

Jack D. Hoffman, Mayor

Dated: ________________

ATTEST:

Cate Schneider, City Recorder
BEFORE THE CITY COUNCIL
OF THE CITY OF LAKE OSWEGO

A REQUEST TO AMEND THE TEXT OF THE
THE LAKE OSWEGO COMMUNITY
DEVELOPMENT CODE, CHAPTER 50,
TO ALLOW SPECIALIZED FOOD STORES
IN CR&D AND OC ZONES

[ORDINANCE No. 2583]

FINDINGS & CONCLUSIONS

NATURE OF PROCEEDING

This matter came before the City Council pursuant to a recommendation by the Lake Oswego Planning Commission to amend the text of Lake Oswego Community Development Code Article 50.03.002 (Commercial Use Table) to allow "Specialized Food Stores" such as coffee shops, bagel shops, and juice bars in the Campus Research and Development (CR&D) and Office Campus (OC) zones. In compliance with Title 4 of Metro’s Urban Growth Management Functional Plan regulations protecting Employment Areas, there would be a 5,000 sq. ft. limitation on this use and no drive-in service windows allowed.

HEARINGS

The Planning Commission held a public hearing and considered this application at its February 13, 2012 meeting, and adopted findings and a recommendation on February 27, 2012. The City Council held a public hearing on this matter on May 15, 2012.

CRITERIA AND STANDARDS

City of Lake Oswego Comprehensive Plan

A. Goal 1: Citizen Involvement - Policies 1 and 5
   Goal 2: Land Use Planning Section 1 Land Use Policies and Regulations, Policy 7
   Goal 9: Economic Development - Policies 20 and 21

Page 1 – FINDINGS AND CONCLUSIONS (LU 11-0043-1786)
EXHIBIT 1

B. Metro Urban Growth Management Functional Plan

Title 4: Industrial and Other Employment Areas, Metro Code Sections 3.07.410-3.07.450

C. City of Lake Oswego Community Development Code

LOC 50.75.005 Legislative Decisions Defined
LOC 50.75.015 Required Notice to DLCD
LOC 50.75.020 Planning Commission Recommendation Required
LOC 50.75.025 City Council Review and Decision

FINDINGS AND REASONS

As support for its decision, the City Council incorporates the February 13, 2012 staff report for LU 11-0043 (with all exhibits), the May 15, 2012 staff Council Report, and the Findings and Conclusions of the Planning Commission in this matter, together with the following supplemental findings.

Currently, “Specialized Food Stores” are not allowed in the CR&D or OC zones. The primary use in the CR&D zone, which is located south of Kruse Way on Meadows Road, is large office buildings with the highest concentration of employment in the city but few amenities to serve those employees. The OC zone, also primarily office uses, is concentrated further east along Kruse Way and Boones Ferry Road, with some additional land at the southern end of the City off of Highway 43. The proposed text amendments would allow coffee shops, bagel shops, juice bars and similar businesses in both zones in order to provide a more varied mix of amenities that office employees can walk to on the site.

Although Metro Title 4 allows retail uses of up to 60,000 square feet within mapped Employment Areas (including the CR&D zone), and although staff initially proposed a 20,000 square foot limitation, the City Council concurs with the Planning Commission that a 5,000
square foot limitation is more appropriate. The City Council also agrees that the same size
limitation should be applied to the OC zone in order to ensure that new retail businesses are
incidental to the predominant office uses in both zones.

The City Council further agrees that drive-in windows should be prohibited for
specialized food stores in both zones. Most properties within these zones are currently
developed. The drive-in service restriction will limit use to internal transactions, thereby
minimizing pedestrian impacts while allowing a more vibrant and logical mix of businesses.

CONCLUSION

The City Council concludes that the proposal meets all applicable criteria, including
relevant provisions of the Lake Oswego Comprehensive Plan, Lake Oswego Community
Development Code procedural requirements, and relevant Metro Urban Growth Management
Functional Plan requirements, as detailed in the incorporated materials, and further concludes
that LU 11-0043 should be approved.
TO:       Jack Hoffman, Mayor
          Members of the City Council
          David Donaldson, City Manager

FROM:    Johanna Hastay, Associate Planner
          Planning & Building Services Department

SUBJECT: Community Development Code Amendment – “Specialized Food Stores” in Campus
          Research & Development and Office Campus Zones (LU 11-0043/Ordinance 2583)

DATE:    May 15, 2012

ACTION

Hold a public hearing and tentatively approve LU 11-0043/Ordinance 2583.

INTRODUCTION/BACKGROUND

This proposal is a legislative Community Development Code (CDC) amendment to allow “specialized food
stores” such as coffee and bagel shops, and juice bars in the Campus Research & Development (CR&D) and
Office Campus zones (OC) zones.

DISCUSSION

Following its February 13, 2012, public hearing, the Planning Commission recommended that the City
Council approve the proposed amendment.

The CR&D and OC zones are primarily developed with high density office uses with few on-site amenities
for office workers. Currently, the listed commercial uses in these two zones allow delis and restaurants but
not a coffee shop. By allowing “specialized food stores” with a size limitation of 5,000 square feet and no
drive-in service windows, the proposed amendment adds flexibility to these zones but discourages large
scale retail uses. The limitations are also in compliance with Metro’s Title 4 requirements which promote
and protect the region’s significant employment centers. A more detailed discussion of the proposal can be
found in the attached Staff Report dated February 2, 2012.

RECOMMENDATION

Staff recommends that the City Council tentatively approve LU 11-0043/Ordinance 2583 and direct staff to
return May 15 2012 conclusions and a final ordinance for adoption on June 19, 2012.
EXHIBITS

A. Draft Ordinances
   A-1 Ordinance 2583, dated February 2, 2012

B. Findings, Conclusions and Order
   B-1 Planning Commission Findings, dated February 27, 2012

C. Minutes
   C-1 Planning Commission Minutes, February 13, 2012

D. Staff Reports
   D-1 Planning Commission Staff Report, dated February 2, 2012

E. Graphics/Plans
   E-1 Lake Oswego Title 4 Areas Map, dated September 22, 2011

F. Written Materials
   F-1 Urban Growth Management Functional Plan, Title 4, dated January 13, 2011

G. Letters
   G-1 Letter from Matt Cole, Senior Vice President-Regional Manager, Shorenstein LLC, dated January 23, 2012
   G-2 E-Mail from Chuck O’Leary, President of the Lake Oswego Chamber of Commerce, dated February 1, 2012
   G-3 Letter from John W. Lundeen, Secretary, Lake Grove Business Association, date stamped February 2, 2012
   G-4 Letter from Chuck O’Leary, President of the Lake Oswego Chamber of Commerce, dated February 1, 2012
   G-5 Letter from Matt Grady, Gramor Development, dated February 8, 2012

Reviewed by:

Brant Williams
Assistant City Manager

May 15 2012
AN ORDINANCE OF THE LAKE OSWEGO CITY COUNCIL AMENDING LOC CHAPTER 50 (COMMUNITY DEVELOPMENT CODE) TABLE 50.03.002-2 TO PERMIT “SPECIALIZED FOOD STORES” IN THE CR&D AND OC ZONES AND ADOPTING FINDINGS (LU 11-0043).

Whereas, the Community Development Code does not currently allow the use “specialized food stores” (commercial food and beverage service uses), in the Campus Research and Development (CR&D) and Office Campus (OC) zones; and

Whereas, the purpose of both the CR&D and OC zones is primarily to provide employee-intensive industries and lands for major concentrations of regionally-oriented offices, with some secondary retail uses to serve as amenities; and

Whereas, Metro Title 4 (Metro Code 3.07.410 -.450) requires the City to impose limits on the square footage of retail uses in Employment Areas depicted on Metro’s Employment and Industrial Areas Map and the Metro Employment Area designation applies to the majority of the City’s CR&D zone; and

Whereas, by allowing “specialized food stores” no larger than 5,000 square feet in size within the CR&D and OC zones, the City will provide additional opportunities for secondary retail uses that serve as amenities for the primary office employment uses in these zones; and

Whereas, in order to ensure that “specialized food stores” are incidental to the primary office employment uses in the CR&D and OC zones, “specialized food stores” should not include associated drive-in service windows;

The City of Lake Oswego ordains as follows:

Section 1. The City Council hereby adopts the Findings and Conclusions (LU 11-0043-_____), attached as Exhibit 1.

Section 2. Table 50.03.002-2 of the Lake Oswego Code is hereby amended by adding the text shown in **bold, underlined type**, as follows:
### Section 3.
The City Recorder shall renumber the table footnotes in LOC Table 50.03.002-2, (Commercial, Mixed-Use, Industrial & Special Purpose Districts Use Table) to maintain numerical order of the Table’s footnotes with the Table’s text reference to the footnotes.

Enacted at the meeting of the Lake Oswego City Council of the City of Lake Oswego held on the ______ day of ______________, 2012.

AYES:

NOES:

ABSENT:

ABSTAIN:

EXCUSED:

________________________
Jack D. Hoffman, Mayor

Dated: ____________________

ATTEST:

________________________
Cate Schneider, City Recorder

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DRAFT 2-2-12

<table>
<thead>
<tr>
<th>N</th>
<th>G</th>
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<th>EC</th>
<th>CR &amp; D</th>
<th>M</th>
<th>RM</th>
<th>R-2.5</th>
<th>RL</th>
<th>WLG- [32]</th>
<th>IP</th>
<th>Use Specific Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>P</td>
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<td></td>
<td></td>
<td></td>
<td>Special Purpose: MC zone: Not to exceed 20,000 sq. ft. floor area</td>
</tr>
</tbody>
</table>

[footnote #]: Not to exceed 5,000 sq. ft. of floor area and no drive-in service windows are permitted.
APPROVED AS TO FORM:

David D. Powell
City Attorney
BEFORE THE PLANNING COMMISSION
OF THE
CITY OF LAKE OSWEGO

A REQUEST FOR TEXT AMENDMENTS TO THE ) LU 11-0043 - 1775
COMMUNITY DEVELOPMENT CODE TO ALLOW ) (CITY OF LAKE OSWEGO)
SPECIALIZED FOOD STORES IN CR&D & OC ZONES ) FINDINGS, CONCLUSIONS & ORDER

NATURE OF APPLICATION

Legislative text amendments to the Community Development Code, Chapter 50, Article 50.11
in the Campus Research and Development (CR&D) and Office Campus (OC) zones. In compliance with
Title 4 of Metro's Urban Growth Management Functional Plan and the protection of employment districts,
there would be a 5,000 sq. ft. limitation on this use and no drive-in service windows allowed in the CR&D
and OC zones.

Currently, "Specialized food stores" are not allowed in the CR&D or OC zones. The primary use in the
CR&D zone, which is located south of Kruse Way on Meadows Road, is large office buildings with the
highest concentration of employment in the city but few amenities to serve those employees. The OC
zone, also primarily office uses, is concentrated further east along Kruse Way and Boones Ferry Road,
with some additional land at the southern end of the City off of Highway 43. The proposed text
amendments would allow coffee shops and similar businesses in both zones in order to provide a more
varied mix of amenities that office employees can walk to on the site.

HEARINGS

The Planning Commission held a public hearing and considered this application at its meeting of:
February 13, 2012.

CRITERIA AND STANDARDS

A. City of Lake Oswego Comprehensive Plan
   Goal 1: Citizen Involvement - Policies 1 and 5
   Goal 2: Land Use Planning Section 1 Land Use Policies and Regulations, Policy 7
   Goal 9: Economic Development - Policies 20 and 21

B. Metro Urban Growth Management Functional Plan
   Title 4: Industrial and Other Employment Areas, Metro Code Sections 3.07.410-3.07.450

C. City of Lake Oswego Community Development Code
   LOC 50.75.005 Legislative Decisions Defined
   LOC 50.75.015 Required Notice to DLCD
   LOC 50.75.020 Planning Commission Recommendation Required
   LOC 50.75.025 City Council Review and Decision

CONCLUSION

The Planning Commission concludes that LU 11-0043 is in compliance with all applicable criteria.
FINDINGS AND REASONS

The Planning Commission incorporates the staff report, dated February 2, 2012 (with all exhibits attached thereto) and the staff memo, dated December 12, 2011 (with all exhibits attached thereto), as support for its decision. The Commission had no questions for staff and no oral testimony either in support or opposition was received from the public. To the extent they are consistent with the approval granted herein, the Commission adopts by reference its oral deliberations on this matter.

ORDER

IT IS ORDERED BY THE PLANNING COMMISSION of the City of Lake Oswego that:

1. The Planning Commission recommends that LU 11-0043 be approved by the City Council, and recommends adoption of proposed Ordinance No. 2583 (Exhibit A-1).

I CERTIFY THAT THIS ORDER was presented to and APPROVED by the Planning Commission of the City of Lake Oswego.

DATED this 27th day of February 2012.

Jon Gustafson, Chair
Planning Commission

Iris McCaleb
Administrative Support

ATTEST:

PRELIMINARY DECISION - February 13, 2012

AYES: Bhutani, Glisson, Gaar, Gustafson, Johnson, Prager
NOES: None
ABSTAIN: None
RECUSE: None
EXCUSED: None
ABSENT: None

ADOPTION OF FINDINGS AND ORDER - February 27, 2012

AYES: Bhutani, Glisson, Gaar, Gustafson, Johnson, Prager
NOES: None
ABSTAIN: None
RECUSE: None
EXCUSED: None
ABSENT: None
1. CALL TO ORDER

Chair John Gustafson called the Planning Commission meeting to order on Monday, February 13, 2012 at 6:30 p.m. in the Council Chambers of City Hall, 380 A Avenue.

2. ROLL CALL

Members present included Chair Jon Gustafson, Vice Chair Puja Bhutani and Commissioners Bill Gaar, Julia Glisson*, Jim Johnson and Todd Prager. Council Liaison Sally Moncrieff was also present.

*Commissioner Glisson left the meeting at 9:00 p.m.

Staff present were Debra Andreades, Senior Planner; Sidaro Sin, Development Project Manager, Economic & Capital Development Department; Sarah Selden, Laura Weigel and Johanna Hastay, Associate Planners; Evan Boone, Deputy City Attorney; and Iris McCaleb, Administrative Support.

Rick Williams, Rick Williams Consulting was also present.

3. CITIZEN COMMENT

None.

4. COUNCIL UPDATE

Councilor Moncrieff was not present at this point in the meeting. She provided an update later in the meeting during "Other Business – Planning Commission."

5. MINUTES

5.1 November 14, 2011

Commissioner Glisson moved to approve the Minutes of November 14, 2011. Commissioner Gaar seconded the motion and it passed 5:0:1. Commissioner Johnson recused.

5.2 November 28, 2011

Commissioner Johnson moved to approve the Minutes of November 28, 2011 as corrected by Chair Gustafson. Commissioner Glisson seconded the motion and it passed 5:0:1. Commissioner Prager abstained.

EXHIBIT C-1
LU 12-0001
5.3 December 12, 2011
Commissioner Gaar moved to approve the Minutes of December 12, 2011 as amended by Commissioner Prager. Commissioner Prager seconded the motion and it passed 5:0:1.
Vice Chair Rhoda recused.

6. PUBLIC HEARING

6.1 LU 11-0043 Specialized Food Stores in Campus Research and Development and Office Campus Zones. Amendments to the Community Development Code, Chapter 50.11 (Commercial Zones) to allow “specialized food stores” such as coffee shops, bagel shops and juice bars in Campus Research and Development (CR&D) and Office Campus (OC) zones.

Chair Gustafson opened the public hearing. When invited to none of the Commissioners declared a conflict of interest.

Staff Report

Ms. Hastay presented the February 13, 2012 staff report and noted that letters had been received from the Chamber of Commerce and Gramor Development. She reported that the proposed amendments complied with the Metro Title 4 requirement that retail use was to be subordinate to the primary office complex use. She explained that the amendments incorporated the suggestions the Commissioners had made during their January 9 work session: The uses were limited to 5,000 sq. ft. and drive-through window service was not allowed.

Public Testimony

None.

Deliberations

Commissioner Johnson moved to recommend the City Council adopt LU 11-0043. Commissioner Glisson seconded the motion and it passed 5:0.

7. WORK SESSIONS

7.1 Downtown Parking Management Area (LU 11-0044) Review and discuss proposed amendments to the Community Development Code which would modify the parking standards that apply in the Downtown Redevelopment Design District.

Mr. Sin related the intent was to maximize the use of Downtown parking; simplify parking code requirements; incorporate best management practices; and meet the Lake Oswego Redevelopment Agency’s (LORA’s) long term goal of creating a more vibrant and compact shopping district. He recalled Rick Williams had provided the Council with a parking study with recommendations for managing the downtown parking supply, and that the Council had decided to move forward with phased implementation. Mr. Sin explained that this was the first phase, that it would simplify and reduce parking standards; put a limit on surface parking lots; allow shared parking; and establish a fee-in-lieu program to help pay for a future parking structure. He indicated that today most Downtown parking was at 50% to 60% occupancy during the peak hours of use and the proposed amendments would establish a trigger (85% peak occupancy) at which time the next phase would be implemented. He went on to explain...
The City of Lake Oswego is proposing a legislative Community Development Code (CDC) text amendment to allow "specialized food stores" in the CR&D and OC zones (Exhibit A-1).

A. City of Lake Oswego Comprehensive Plan

   Goal 1: Citizen Involvement
   Policies 1 and 5

   Goal 2: Land Use Planning
   Section 1 Land Use Policies and Regulations, Policy 7

   Goal 9: Economic Development
   Policies 20 and 21

B. Metro Urban Growth Management Functional Plan

   Title 4: Industrial and Other Employment Areas, Metro Code Sections 3.07.410-3.07.450
C. City of Lake Oswego Community Development Code

LOC 50.75.005 Legislative Decisions Defined
LOC 50.75.015 Required Notice to DLCD
LOC 50.75.020 Planning Commission Recommendation Required
LOC 50.75.025 City Council Review and Decision

III. INTRODUCTION / BACKGROUND INFORMATION

Last year, a private developer asked planning staff to research redevelopment options to add retail uses to existing office space in the Campus Research and Development (CR&D) zone. During this process, staff informed the applicant that "specialized food stores", such as coffee, bagel, and juice shops, are not allowed in the CR&D or Office Campus (OC) zones. As the code is constructed, delis and restaurants are allowed in these two zones but a coffee shop would not be. Planning staff thought that the original prohibition of coffee shops in large office buildings was probably inadvertent and stated to the property owner that staff would explore a possible text amendment to allow this use in the CR&D and OC zones. (Note: There is a code update process under way to clarify and simplify the list of uses but the process will most likely take some time to complete; this text amendment is proposed as a more immediate fix.)

Prior to the January 9, 2012 Planning Commission work session, staff drafted possible code language to permit the use in both the CR&D and OC zones and to address Metro’s Urban Growth Management Functional Plan Title 4 (Industrial and Other Employment Areas) restrictions by limiting the “specialized food stores” to 20,000 square feet in the CR&D zone only (the CR&D zone is designated as an “Employment Area” on Metro Title 4 maps, Exhibit E-1).

At the work session, members of the Planning Commission indicated that the text amendment would appear to provide a better mix of on-site amenities for office workers, and supported holding a public hearing on the proposed amendment. Planning Commission members discussed possible impacts and options for allowing the “specialized food stores” use:

**Square Footage Limitation:** While Metro guidelines (Exhibit F-1) limit retail oriented uses in the “Employment Areas” to 60,000 square feet or less, staff initially proposed a 20,000-square foot limitation to be consistent with the existing MC zone size limitation for this use. Planning Commission members suggested that the proposed amendment contain a 5,000-square foot size limitation as a more appropriate size for the proposed use.

**OC Zone:** Planning Commission members also suggested that the size limitation apply to “specialized food stores” in the OC zone as well to ensure that new retail businesses were incidental to the predominant office uses in both zones.

Planning Commission Public Hearing
February 13, 2012
Drive-In Windows: Drive-in windows associated with food service were also discussed within a broad city-wide context, including within the Lake Grove Village Center and in office parks. Through the code update process, a broader policy discussion should take place regarding the impact a drive-in service window and associated traffic has on neighborhood centers where a more pedestrian-oriented environment is envisioned. In addition, the issue of equity was raised with regards to consistent code requirements between fast food restaurants and the types of food retail businesses allowed under “specialized food stores”.

Planning Commission members suggested a drive-in service window restriction be included in the text amendment proposal in both the CR&D and OC zones. Most of these properties are currently developed. It is anticipated that this use will primarily be utilized by new tenants in existing buildings, possibly in conjunction with redevelopment projects. The proposed drive-in service window restriction will limit the use to internal transactions to minimize pedestrian impacts but still allow a more vibrant and logical mix of businesses.

Prior to the adoption of this text amendment, the City Council is scheduled to approve a reorganization of the entire CDC, including the commercial use tables (per LU 11-0036). Code amendments are proposed to clarify the difference in terminology between the commercial use “specialized food stores” and parking standards “specialty food stores, such coffees, bagels, juice bars (Take-out food/drink primarily)”. The proposed terminology for this use per LU 11-0036 is: “specialized food stores (such as coffee shop or juice bar)”. Staff has drafted the proposed Ordinance 2583 (Exhibit A-1) to reflect the new use table format and terminology on the assumption that LU 11-0036 will be adopted.

Planning Commission members also suggested that staff contact various property and business owners, business associations, and other interested parties to discuss whether the proposed amendment is in keeping with their interests. Through the Economic Development Department, various stakeholders were contacted and asked to provide input to staff regarding the text amendment. Among them, Shorenstein LLC, Gramor Development, the Lake Grove Business Association, and the Lake Oswego Chamber of Commerce. Three letters in support of the text amendment were received in time for publication of this report (Exhibits G-1, G-2 and G-3). Others contacted had questions about the specific proposal but expressed support of increasing the permitted uses in the CR&D and OC zones.

A. Newspaper Notice

On February 2, 2012, public notice of the proposed CDC text amendment and Planning Commission public hearing was published in the Lake Oswego Review.
Measure 56 Notice

As the proposed text amendment increases permitted uses, no notice of the proposal was required by ORS 227.186 (Measure 56) to owners of property in the CR&D and OC zones.

B. DLCD Notice

Pursuant to LOC 50.75.015, staff provided notice of the proposed CDC text amendment to the Oregon Department of Land Conservation and Development (DLCD).

V. COMPLIANCE WITH APPROVAL CRITERIA

A. City of Lake Oswego Comprehensive Plan

Staff finds five Comprehensive Plan Policies applicable to this proposal:

**Goal 1: Citizen Involvement**
Compliance with Lake Oswego Comprehensive Plan, Goal 1 Citizen Involvement, Policy 1.

**Policy 1**: Provide opportunities for citizen participation in preparing and revising local land use plans and ordinances.

**Findings**: This proposal includes public notice of the proposed text amendment in compliance with adopted land use regulations. Staff has also provided notice of the proposal to the Oregon Department of Land Conservation and Development (DLCD).

**Conclusion**: The proposal is consistent with this policy.

**Goal 2: Land Use Planning, Section 1 Land Use Policies and Regulation**
Compliance with Lake Oswego Comprehensive Plan, Goal 2 Land Use Planning, Section 1: Land Use Policies and Regulation, Policy 7(a).

**Policy 7**: Ensure that land use regulations have sufficient flexibility to allow developers and the City to propose measures to:

a. Adapt development to unique and difficult site conditions

**Findings**: As noted in the background discussion in this report, the text amendment removes a code restriction that isolates office employees from on-site...
amenities like coffee shops. The current code and development patterns stemming from implementation of the code require these employees to use automobiles or cross major streets to access food retail / coffee shop services.

Conclusion: The proposal is consistent with this policy.

**Goal 9: Economic Development**

Compliance with Lake Oswego Comprehensive Plan, Goal 9 Economic Development, Policy 20.

**Policy 20:** Allow commercial and residential uses within the Centerpointe and Kruse Way Business District at densities which support mass transit and which take advantage of the regional transportation system. These activities may include:

a. Employee-intensive businesses such as major regional office complexes, high density housing, and associated services and retail commercial uses; and,

b. Commercial activities which meet the needs of the traveling public and other highway oriented retail uses which require access to a large market area.

**Findings:** The CR&D zone and the majority of properties zoned OC are located within or near the Kruse Way Business District designated in Goal 9 (Figure 7, page 9-3). The existing provisions of both zones allow for high-density commercial uses and most of the area has been developed with large office complexes with minimal retail. The proposed text amendment does not negatively impact densities that support mass transit but instead adds associated service and retail commercial uses for the office complexes.

The proposed text amendment would restrict the size of specialized food stores to 5,000 square feet in compliance with Metro’s Title 4 rules for Employment Land (Exhibit F-1). The intent of the Title 4 rule is to prioritize employee-intensive office and industrial use over large-format retail uses. This amendment, with the 5,000-square foot size limitation, would be consistent with both the Title 4 rule and with this policy.

**Conclusion:** The proposal is consistent with this policy.
Policy 21: Do not allow regional\(^2\) or larger shopping centers\(^3\) within the Centerpointe and Kruse Way Business District.

Findings: As noted above, the CR&D and OC zones are located within or in close proximity to the Kruse Way Business District. While allowing an additional retail use in these zones, the text amendment also discourages large-scale retail. The proposed text amendment will permit smaller specialized food stores as a service to office complexes and will not allow regional or larger shopping centers.

The provision for no drive-in service windows is also consistent with intended purpose of keeping a specialized food store as an incidental employee amenity for these office uses rather than drawing in traffic and/or customers from the nearby Highway Commercial and Mixed Commerce areas close to Interstate 5 and Highway 217.

Conclusion: The proposal is consistent with this policy.

B. Metro Urban Growth Management Functional Plan

The proposed 5,000 square-foot limitation on the specified retail uses in the CR&D and OC zones is intended to comply with the Title 4 requirement that retail uses in Employment Land districts be limited to 60,000 square feet or “those appropriate in type and size to serve the needs of businesses, employees and residents of the Employment Areas” [Title 4: MC 3.07.440(B), Exhibit F-1].

Conclusion: The proposal is consistent with Title 4 of the Urban Growth Management Functional Plan and Maps.

VI. CONCLUSION / RECOMMENDATION

Based on the information presented in this report, staff recommends that the Commission support the proposed CDC text amendment to allow specialized food stores in the CR&D and OC zones with the 5,000-square foot limitation on size and no drive-in service windows.

\(^2\) “Regional Draw Businesses” are defined in the Comprehensive Plan as follows: “These are businesses which draw customers from not only the Lake Oswego market area, but also from throughout the Portland Metropolitan Area. For purposes of the Comprehensive Plan a regional draw business shall be any single tenant commercial establishment with a floor area of greater than 35,000 square feet.

\(^3\) “Shopping Centers” are defined in the Comprehensive Plan as follows: “For the purposes of the Comprehensive Plan, Shopping Centers are a group of commercial establishments, planned, constructed, and managed as a total entity, with customer parking provided on-site, provision for goods delivery, separated from customer access, aesthetic considerations and protection from the elements, and landscaping and signage in accordance with an approved plan.”
EXHIBITS

A. Draft Ordinances
   A-1 Ordinance 2583*, dated February 2, 2012

   * Note: The proposed Ordinance amendment, Exhibit A-1, shows the changes to the
   Community Development Code based on the assumption that its reorganization is
   approved by the City Council prior to the public hearing on this amendment. See LU
   11-0036 [Code Reorganization]. If the Community Development Code is not
   reformatted as proposed through Code Reorganization, staff will reformat the
   proposed Ordinance amendment to be consistent with the current format of the
   Community Development Code.

B. [No current exhibits; reserved for hearing use]

C. [No current exhibits; reserved for hearing use]

D. [No current exhibits; reserved for hearing use]

E. Graphics/Plans
   E-1 Lake Oswego Title 4 Areas Map, dated September 22, 2011

F. Written Materials
   F-1 Urban Growth Management Functional Plan, Title 4, dated January 13, 2011

G. Letters
   G-1 Letter from Matt Cole, Senior Vice President-Regional Manager, Shorenstein
       LLC, dated January 23, 2012
   G-2 E-Mail from Chuck O'Leary, President of the Lake Oswego Chamber of
       Commerce, dated February 1, 2012
   G-3 Letter from John W. Lundeen, Secretary, Lake Grove Business Association,
       date stamped February 2, 2012
TITLE 4: INDUSTRIAL AND OTHER EMPLOYMENT AREAS

3.07.410 Purpose and Intent

The Regional Framework Plan calls for a strong regional economy. To improve the economy, Title 4 seeks to provide and protect a supply of sites for employment by limiting the types and scale of non-industrial uses in Regionally Significant Industrial Areas (RSIAs), Industrial and Employment Areas. Title 4 also seeks to provide the benefits of "clustering" to those industries that operate more productively and efficiently in proximity to one another than in dispersed locations. Title 4 further seeks to protect the capacity and efficiency of the region's transportation system for the movement of goods and services and to encourage the location of other types of employment in Centers, Corridors, Main Streets and Station Communities. The Metro Council will evaluate the effectiveness of Title 4 in achieving these purposes as part of its periodic analysis of the capacity of the urban growth boundary.

(Ordinance No. 97-715B, Sec. 1. Amended by Ordinance 02-969B, Sec. 5; Ordinance No. 04-10403, Sec. 2; Ordinance No. 10-1244B, Sec. 3).

3.07.420 Protection of Regionally Significant Industrial Areas

A. Regionally Significant Industrial Areas (RSIAs) are those areas near the region's most significant transportation facilities for the movement of freight and other areas most suitable for movement and storage of goods. Each city and county with land use planning authority over RSIAs shown on the Employment and Industrial Areas Map shall derive specific plan designation and zoning district boundaries of RSIAs within its jurisdiction from the Map, taking into account the location of existing uses that would not conform to the limitations on non-industrial uses in this section and the need to achieve a mix of employment uses.

B. Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit the size and location of new buildings for retail commercial uses - such as stores and restaurants - and retail and professional services that cater to daily customers - such as financial, insurance, real estate, legal, medical and dental offices - to ensure that they serve primarily the needs of workers in the area. One such measure shall be that new buildings for stores, branches, agencies or other outlets for these retail uses and services shall not occupy more than 3,000 square feet of
sales or service area in a single outlet, or multiple outlets that occupy more than 20,000 square feet of sales or service area in a single building or in multiple buildings that are part of the same development project, with the following exceptions:

1. Within the boundaries of a public use airport subject to a facilities master plan, customary airport uses, uses that are accessory to the travel-related and freight movement activities of airports, hospitality uses, and retail uses appropriate to serve the needs of the traveling public; and

2. Training facilities whose primary purpose is to provide training to meet industrial needs.

C. Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit the siting and location of new buildings for the uses described in subsection B and for non-industrial uses that do not cater to daily customers—such as banks or insurance processing centers—to ensure that such uses do not reduce off-peak performance on Main Roadway Routes and Roadway Connectors shown on the Regional Freight Network Map in the Regional Transportation Plan or require added road capacity to prevent falling below the standards.

D. Cities and counties shall review their land use regulations and revise them, if necessary, to prohibit the siting of schools, places of assembly larger than 20,000 square feet or parks intended to serve people other than those working or residing in the RSIA.

E. No city or county shall amend its land use regulations that apply to lands shown as RSIA on the Employment and Industrial Areas Map to authorize uses described in subsection B that were not authorized prior to July 1, 2004.

F. Cities and counties may allow division of lots or parcels into smaller lots or parcels as follows:

1. Lots or parcels smaller than 50 acres may be divided into any number of smaller lots or parcels.

2. Lots or parcels 50 acres or larger may be divided into smaller lots and parcels pursuant to a master plan.
approved by the city or county so long as the resulting division yields at least one lot or parcel of at least 50 acres in size.

3. Lots or parcels 50 acres or larger, including those created pursuant to paragraph 2 of this subsection, may be divided into any number of smaller lots or parcels pursuant to a master plan approved by the city or county so long as at least 40 percent of the area of the lot or parcel has been developed with industrial uses or uses accessory to industrial use, and no portion has been developed, or is proposed to be developed, with uses described in subsection B of this section.

4. Notwithstanding paragraphs 2 and 3 of this subsection, any lot or parcel may be divided into smaller lots or parcels or made subject to rights-of-way for the following purposes:
   a. To provide public facilities and services;
   b. To separate a portion of a lot or parcel in order to protect a natural resource, to provide a public amenity, or to implement a remediation plan for a site identified by the Oregon Department of Environmental Quality pursuant to ORS 465.225;
   c. To separate a portion of a lot or parcel containing a nonconforming use from the remainder of the lot or parcel in order to render the remainder more practical for a permitted use; or
   d. To allow the creation of a lot solely for financing purposes when the created lot is part of a master planned development.

G. Notwithstanding subsection B of this section, a city or county may allow the lawful use of any building, structure or land at the time of enactment of an ordinance adopted pursuant to this section to continue and to expand to add up to 20 percent more floor area and 10 percent more land area. Notwithstanding subsection B of this section, a city or county may allow division of lots or parcels pursuant to a master plan approved by the city or county prior to July 1, 2004.
A. Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit new buildings for retail commercial uses—such as stores and restaurants—and retail and professional services that cater to daily customers—such as financial, insurance, real estate, legal, medical and dental offices—in order to ensure that they serve primarily the needs of workers in the area. One such measure shall be that new buildings for stores, branches, agencies or other outlets for these retail uses and services shall not occupy more than 5,000 square feet of sales or service area in a single outlet, or multiple outlets that occupy more than 20,000 square feet of sales or service area in a single building or in multiple buildings that are part of the same development project, with the following exceptions:

1. Within the boundaries of a public use airport subject to a facilities master plan, customary airport uses, uses that are accessory to the travel-related and freight movement activities of airports, hospitality uses, and retail uses appropriate to serve the needs of the traveling public; and

2. Training facilities whose primary purpose is to provide training to meet industrial needs.

B. Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit new buildings for the uses described in subsection A to ensure that they do not interfere with the efficient movement of freight along Main Roadway Routes and Roadway Connectors shown on the Regional Freight Network Map in the Regional Transportation Plan. Such measures may include, but are not limited to, restrictions on access to freight routes and connectors, siting limitations and traffic thresholds. This subsection does not require cities and counties to include such measures to limit new other buildings or uses.

C. No city or county shall amend its land use regulations that apply to lands shown as Industrial Area on the Employment and Industrial Areas Map to authorize uses described in
subsection A of this section that were not authorized prior to July 1, 2004.

D. Cities and counties may allow division of lots or parcels into smaller lots or parcels as follows:

1. Lots or parcels smaller than 50 acres may be divided into any number of smaller lots or parcels.

2. Lots or parcels 50 acres or larger may be divided into smaller lots and parcels pursuant to a master plan approved by the city or county so long as the resulting division yields at least one lot or parcel of at least 50 acres in size.

3. Lots or parcels 50 acres or larger, including those created pursuant to paragraph (2) of this subsection, may be divided into any number of smaller lots or parcels pursuant to a master plan approved by the city or county so long as the resulting division yields at least one lot or parcel of at least 50 acres in size.

4. Notwithstanding paragraphs 2 and 3 of this subsection, any lot or parcel may be divided into smaller lots or parcels or made subject to rights-of-way for the following purposes:

   a. To provide public facilities and services;

   b. To separate a portion of a lot or parcel in order to protect a natural resource, to provide a public amenity, or to implement a remediation plan for a site identified by the Oregon Department of Environmental Quality pursuant to ORS 465.225;

   c. To separate a portion of a lot or parcel containing a nonconforming use from the remainder of the lot or parcel in order to render the remainder more practical for a permitted use; or
d. To allow the creation of a lot solely for financing purposes when the created lot is part of a master planned development.

E. Notwithstanding subsection B of this section, a city or county may allow the lawful use of any building, structure or land at the time of enactment of an ordinance adopted pursuant to this section to continue and to expand to add up to 20 percent more floorspace and 10 percent more land area.

(Ordinance No. 97-715B, Sec. 1. Amended by Ordinance No. 02-969B, Sec. 5; Ordinance No. 04-1042B, Sec. 2; Ordinance No. 10-1244B, Sec. 3).

3.07.440 Protection of Employment Areas

A. Except as provided in subsections C, D and E, in Employment Areas mapped pursuant to Metro Code section 3.07.130, cities and counties shall limit new and expanded commercial retail uses to those appropriate in type and size to serve the needs of businesses, employees and residents of the Employment Areas.

B. Except as provided in subsections C, D and E, a city or county shall not approve a commercial retail use in an Employment Area with more than 60,000 square feet of gross leasable area in a single building, or commercial retail uses with a total of more than 60,000 square feet of retail sales area on a single lot or parcel, or on contiguous lots or parcels, including those separated only by transportation right-of-way.

C. A city or county whose zoning ordinance applies to an Employment Area and is listed on Table 3.07-4 may continue to authorize commercial retail uses with more than 60,000 square feet of gross leasable area in that zone if the ordinance authorized those uses on January 1, 2003.

D. A city or county whose zoning ordinance applies to an Employment Area and is not listed on Table 3.07-4 may continue to authorize commercial retail uses with more than 60,000 square feet of gross leasable area in that zone if:

1. The ordinance authorized those uses on January 1, 2003;
2. Transportation facilities adequate to serve the commercial retail uses will be in place at the time the uses begin operation; and

3. The comprehensive plan provides for transportation facilities adequate to serve other uses planned for the Employment Area over the planning period.

E. A city or county may authorize new commercial retail uses with more than 60,000 square feet of gross leasable area in Employment Areas if the uses:

1. Generate no more than a 25 percent increase in site-generated vehicle trips above permitted non-industrial uses; and

2. Meet the Maximum Permitted Parking - Zone A requirements set forth in Table 3.08-3 of Title 4 of the Regional Transportation Functional Plan.

(Ordinance No. 97-715B, Sec. 1. Amended by Ordinance No. 02-969B, Sec. 5; Ordinance No. 04-1040B, Sec. 2; Ordinance No. 10-1244B, Sec. 3).

3.07.450 Employment and Industrial Areas Map

A. The Employment and Industrial Areas Map is the official depiction of the boundaries of Regionally Significant Industrial Areas, Industrial Areas and Employment Areas.

B. If the Metro Council adds territory to the UGB and designates all or part of the territory Regionally Significant Industrial Area, Industrial Area or Employment Area, after completion of Title 11 planning by the responsible city or county, the Chief Operating Officer (COO) shall issue an order to conform the map to the boundaries established by the responsible city or county. The order shall also make necessary amendments to the Habitat Conservation Areas Map, described in section 3.07.1320 of Title 13 of this chapter, to ensure implementation of Title 13.

C. A city or county may amend its comprehensive plan or zoning regulations to change its designation of land on the Employment and Industrial Areas Map in order to allow uses not allowed by this title upon a demonstration that:
1. The property is not surrounded by land designated on the map as Industrial Area, Regionally Significant Industrial Area or a combination of the two;

2. The amendment will not reduce the employment capacity of the city or county;

3. If the map designates the property as Regionally Significant Industrial Area, the subject property does not have access to specialized services, such as redundant electrical power or industrial gases, and is not proximate to freight loading and unloading facilities, such as trans-shipment facilities;

4. The amendment would not allow uses that would reduce off-peak performance on Main Roadway Routes and Roadway Connectors shown on the Regional Freight Network Map in the Regional Transportation Plan below volume-to-capacity standards in the plan, unless mitigating action is taken that will restore performance to RTP standards within two years after approval of uses;

5. The amendment would not diminish the intended function of the Central City or Regional or Town Centers as the principal locations of retail, cultural and civic services in their market areas; and

6. If the map designates the property as Regionally Significant Industrial Area, the property subject to the amendment is ten acres or less; if designated Industrial Area, the property subject to the amendment is 20 acres or less; if designated Employment Area, the property subject to the amendment is 40 acres or less.

D. A city or county may also amend its comprehensive plan or zoning regulations to change its designation of land on the Employment and Industrial Areas Map in order to allow uses not allowed by this title upon a demonstration that:

1. The entire property is not buildable due to environmental constraints; or
2. The property borders land that is not designated on the map as Industrial Area or Regionally Significant Industrial Area; and

3. The assessed value of a building or buildings on the property, built prior to March 5, 2004, and historically occupied by uses not allowed by this title, exceeds the assessed value of the land by a ratio of 1.5 to 1.

E. The COO shall revise the Employment and Industrial Areas Map by order to conform to an amendment made by a city or county pursuant to subsection C or D of this section within 30 days after notification by the city or county that no appeal of the amendment was filed pursuant to ORS 197.825 or, if an appeal was filed, that the amendment was upheld in the final appeal process.

F. After consultation with MPAC, the Council may issue an order suspending operation of subsection C in any calendar year in which the cumulative amount of land for which the Employment and Industrial Areas Map is changed during that year from Regionally Significant Industrial Area or Industrial Area to Employment Area or other 2040 Growth Concept design type designation exceeds the industrial land surplus. The industrial land surplus is the amount by which the current supply of vacant land designated Regionally Significant Industrial Area and Industrial Area exceeds the 20-year need for industrial land, as determined by the most recent "Urban Growth Report: An Employment Land Need Analysis", reduced by an equal annual increment for the number of years since the report.

G. The Metro Council may amend the Employment and Industrial Areas Map by ordinance at any time to make corrections in order to better achieve the policies of the Regional Framework Plan.

H. Upon request from a city or a county, the Metro Council may amend the Employment and Industrial Areas Map by ordinance to consider proposed amendments that exceed the size standards of paragraph 6 of subsection C of the section. To approve an amendment, the Council must conclude that the amendment:

1. Would not reduce the employment capacity of the city or county;
2. Would not allow uses that would reduce off-peak performance on Main Roadway Routes and Roadway Connectors shown on the Regional Freight Network Map in the Regional Transportation Plan below volume-to-capacity standards in the plan, unless mitigating action is taken that will restore performance to RTP standards within two years after approval of uses;

3. Would not diminish the intended function of the Central City or Regional or Town Centers as the principal locations of retail, cultural and civic services in their market areas;

4. Would not reduce the integrity or viability of a traded sector cluster of industries;

5. Would not create or worsen a significant imbalance between jobs and housing in a regional market area; and

6. If the subject property is designated Regionally Significant Industrial Area, would not remove from that designation land that is especially suitable for industrial use due to the availability of specialized services, such as redundant electrical power or industrial gases, or due to proximity to freight transport facilities, such as trans-shipment facilities.

I. Amendments to the Employment and Industrial Areas Map made in compliance with the process and criteria in this section shall be deemed to comply with the Regional Framework Plan.

J. The Council may establish conditions upon approval of an amendment to the Employment and Industrial Areas Map under subsection F to ensure that the amendment complies with the Regional Framework Plan and state land use planning laws.

K. By January 31 of each year, the COO (COO) shall submit a written report to the Council and MPAC on the cumulative effects on employment land in the region of the amendments to the Employment and Industrial Areas Map made pursuant to this section during the preceding year. The report shall include any recommendations the COO deems appropriate on measures the Council might take to address the effects.

(Ordinance No. 07-1137A, Sec. 2. Amended by Ordinance No. 10-1244B, Sec. 3).
Table 3.07-4

Clackamas County unincorporated
   Commercial
   Commercial Industrial

Lake Oswego
   General Commercial
   Highway Commercial

Troutdale
   General Commercial

Hillsboro
   General Commercial

Sherwood
   General Commercial

Tigard
   General Commercial
   Commercial Professional

Tualatin
   Commercial General

Wilsonville
   Planned Development Commercial

(Ordinance No. 97-715B, Sec. 1. Amended by Ordinance No. 02-9693, Sec. 5.
Amended by Ordinance No. 10-1244B, Sec. 3).

TITLE 5: NEIGHBOR CITIES

Title 5 is repealed.

(Ordinance No. 97-715B, Sec. 1. Repealed Ord. 10-1238A, Sec. 4.)

TITLE 6: CENTERS, CORRIDORS, STATION COMMUNITIES AND MAIN STREETS

3.07.610 Purpose

The Regional Framework Plan (RFP) identifies Centers, Corridors, Main Streets and Station Communities throughout the region and
January 20, 2012

City of Lake Oswego
Attention: Johanna Hastay, Associate Planner
P.O. Box 369
Lake Oswego, OR 97034

Re: Proposed Text Amendment to Allow “Specialized Food Stores” in the Campus Research & Development and Office Commercial zones (LU 11-0043)

Dear Johanna:

On behalf of Shorenstein Realty Services, the purpose of this letter is to indicate our strong support for the City’s proposed text amendment allowing Specialized Food Stores in the CR&D zone.

As you are aware, Shorenstein controls over 1.7 million sq feet of office space in 20 buildings, of which all but ten are within the CR&D zone. As you know, we are considering significant modifications to the 4900 Meadows Building (which is within the CR&D zone) to provide increased retail services to our tenants and others in the area. We were surprised to find out recently that one of the uses we are interested in locating to 4900, a coffee shop, was not permitted. In addition, bagel shops and juice bars are also not permitted, but delicatessens, bakeries and restaurants are permitted.

Our consultant, Group Mackenzie and I have reviewed your December 12, 2011 memorandum to Planning Commission and Evan P. Boone, Deputy City Attorney’s November 3, 2011 memorandum to Hamid Pishvaie, Assistant Planning Director. We are also aware of and supportive of the changes that the Planning Commission suggested: a 5,000-square foot limitation on Specialized Food Stores and no drive thru’s permitted (due to a broader review of drive thru uses city wide).

We truly appreciate the City Staff’s support and efforts in assisting with this proposed text amendment. Once again, please feel free to notify the Planning Commission and City Council that we are in full support of the proposed text amendment to allow specialized food stores. In addition, a representative of Shorenstein will be in attendance at the upcoming Planning Commission meeting on February 13, 2012.

Thank you again, and please don’t hesitate to contact me if you need further information.

Sincerely,

Matt Cole
Senior Vice President-Regional Leasing Manager

Cc: Tom Wright/Rhys Konrad-Group Mackenzie

May 15 2012
From: Chuck O'Leary [mailto:bankersinvest@comcast.net]
Sent: Wednesday, February 01, 2012 3:58 PM
To: Blackstone, Jane
Cc: Hastay, Johanna
Subject: RE: Lake Oswego Code Amendment - Request for Comments

Date: February 1st, 2012

To: Planning Commission / City of Lake Oswego
c.c. Johanna Hastay & Jane Blackstone

From: Chuck O'Leary, President
Lake Oswego Chamber of Commerce

Re: Kruse Way Code Amendment Proposal

Upon review and the recommendation of the Chamber's Government Affairs Committee and the Chamber Executive Committee, our Board of Directors has approved and endorsed the following resolution in support of the proposed code amendments:

"The Lake Oswego Chamber of Commerce supports the City staff-recommended code amendments to allow coffee shops and similar businesses in the Campus Research and Development (CR&D) and Office Commercial (OC) zones along Kruse Way to provide a more varied mix of amenities in the area so that that office employees can walk to these sites to obtain coffee and lunch".

Thank you for providing the opportunity to review and provide comment.

Chuck O'Leary
President

EXHIBIT G-2
LU 11-0043

May 15 2012
June 7, 2010

Johanna Hastay, via e-mail  jhastay@ci.oswego.or.us
Economic Development Office
City of Lake Oswego

Re: Cafes and The Light

Dear Jane:

Others on the Lake Grove Business Association board have been paying more close attention than I to the proposed zoning changes that would allow employees in office commercial zones to dine closer to where they work. Unselfishly, the Lake Grove Business Association and its eateries, supports City staff and joins the Chamber of Commerce in endorsing the proposed zone change allowing cafes in the office buildings on Kruse Way.

Best regards,

John W. Lundeen

JWL:gg
cc: LGBA Board, via e-mail
     Jane Blackstone, via e-mail
February 1, 2012

Planning Commission
City of Lake Oswego
PO Box 369
Lake Oswego, OR 97034

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Thank you for providing the opportunity to review and provide comment.

Chuck O'Leary
President
Lake Oswego Chamber of Commerce

CC: Johanna Hastay
    Jane Blackstone
Dear Commissioners:

Gramor Development has had a long presence in development and operations of retail and office facilities in Lake Oswego. We have had the opportunity to meet with staff discuss the proposed text amendment to allow "Specialized Food Stores" within Campus Research & Development and the Office Commercial Zones.

We support this amendment as it will allow needed services that directly serve the office workforce within these zoning districts. We encourage you to recommend approval of this request to the City Council. We would also encourage you to direct staff to review the list of "not permitted" uses in these districts to understand if other types of services and uses could be made available in these districts. By providing services within the same zoning districts, it will allow landlords to provide more competitive office leasing, such that tenants do not have to travel away from the working environment to obtain coffee, bagels and juice bars.

We look forward to a favorable approval of this amendment.

Sincerely,
Gramor Development, Inc.

Matt Grady, AICP
Senior Project Manager

EXHIBIT G-5
LU 11-0043

May 15 2012
Attention: Plan Amendment Specialist
Department of Land Conservation and Development
635 Capitol Street NE, Suite 150
Salem, OR 97301-2540