

ORDINANCE NO. 1819

 CODIFIED
BY CJ Date

(An ordinance amending Chapter 17.03.050 of the City of Hood River Municipal Code - Commercial Building Size Limitation and associated design standards)

WHEREAS, the City is amending its Commercial Zone by adding Section H. Commercial Buildings between 25,000 square feet and 50,000 square feet, which sets a maximum building size and adds design standards for commercial buildings over 25,000 square feet in size.

WHEREAS, notice pursuant to the City of Hood River Comprehensive Plan, Hood River Municipal Code (HRMC), and Oregon Revised Statutes was duly given;

WHEREAS, a public hearing to consider the proposed amendments was held before the Planning Commission on August 7, 2001;

WHEREAS, at the conclusion of the August 7, 2001 public hearing, the Planning Commission recommended approval of the amendments;

WHEREAS, a public hearing and deliberation was held before the City Council on August 13 and September 10, 2001;

WHEREAS, the City Council accepted the recommendation of the Planning Commission;

WHEREAS, all of the amendments to the Ordinance are consistent with the notice given pursuant to ORS Chapter 227;

WHEREAS, the Ordinance making the changes to the General Commercial (C-2) Zone is consistent with the applicable provisions of the City's Comprehensive Plan, specifically Goal 9 – Economy of State, and adoption is in the best interest of carrying out these policies and implementation strategies;

WHEREAS, the City Council makes the following findings of fact and conclusions of law in Attachment "A" in support of its decision;

NOW, THEREFORE, THE CITY OF HOOD RIVER ORDAINS AS FOLLOWS:

Add the following section to 17.03.050 General Commercial Zone (C-2):

H. Commercial Buildings Between 25,000 square feet and 50,000 square feet. No new buildings or contiguous groups of buildings shall exceed a footprint of 50,000 square feet or a combined contiguous length of 300 feet. Any building or contiguous group of buildings which exceed these limitations and which were in existence prior to the effective date of this ordinance may expand up to 10% in area or length beyond their original area or length. Neither the gross square footage nor combined contiguous building length as set forth in this section shall be changed by a variance.

The following standards shall apply to buildings or a group of buildings on one site over 25,000 square feet in size:

1. Buildings shall have an entrance for pedestrians directly from the street to the building interior. This entrance shall be designed to be attractive and functional and shall be open to the public during all business hours. Public sidewalks shall be provided adjacent to a public street along the entire street frontage.
2. Building facades greater than 100 feet in length shall have offsets, jogs, or other architectural distinctive changes.
3. Any wall which is within 30 feet of the street, plaza or other public open space shall contain at least 20% of the wall area facing the street in display areas, windows, or doorways. Windows must allow views into working areas or lobbies, pedestrian entrances or display areas. Blank walls within 30 feet of the street are prohibited. Up to 40% of the length of the building perimeter, with the exception of the side facing the street, is exempt from this standard if facing toward loading or service areas.
4. A building shall be setback not more than 20 feet from a public sidewalk unless the area is used for pedestrian activities such as plazas or outside eating areas. If more than one structure is proposed for a site, at least 25% of the aggregate building frontage shall be within 20 feet of the sidewalk.
5. Developments shall divide large building masses into heights and sizes that relate to human scale by incorporating changes in building mass or direction, sheltering roofs, a distinct pattern of divisions on surfaces, windows, trees and small scale lighting.
6. One street tree chosen from the street tree list shall be placed along the perimeter of the parcel fronting the street for each 30 feet of frontage for that portion of the development facing the street.
7. Landscaping shall be designed so that 50% coverage occurs after one year from the date the certificate of occupancy is issued and 90% landscaping coverage occurs after 5 years from the date the certificate of occupancy is issued.
8. Parking areas shall be shaded on the interior and exterior by deciduous trees, buffered from adjacent non-residential uses and screened from residential uses. The appearance of a "sea of asphalt" shall be avoided.
9. A ratio of one tree for each seven (7) parking spaces shall be required to create a canopy effect. The trees shall be an appropriate large, canopied shade tree and/or a conifer.
10. Landscaped areas shall be substantially evenly distributed throughout the parking area and parking perimeter.

Read for the first time: October 9, 2001.

Read for the second time and passed: October 9, 2001, to become effective thirty (30) days hence.



Paul G. Cummings, Mayor

ATTEST:



Anita R. Smith, City Recorder

FINDINGS OF FACT

(An ordinance amending Chapter 17.03.050 of the City of Hood River Municipal Code - Commercial Building Size Limitation and associated design standards)

The City is amending its Commercial Zone by adding Section H. Commercial Buildings between 25,000 square feet and 50,000 square feet, which sets a maximum building size and adds design standards for commercial buildings over 25,000 square feet in size.

A. General Findings:

1. The planning staff was directed by City Council on May 14, 2001 to readdress size and design considerations for large commercial buildings in the General Commercial (C-2) Zone pursuant to Goal 9 – Economy of State amendments made in 1999.

2. Notice pursuant to the City of Hood River Comprehensive Plan, Hood River Municipal Code (HRMC), and Oregon Revised Statutes was duly given. Copies of the notice are in the record.

3. A public hearing to consider the proposed amendments was held before the Planning Commission on August 7, 2001.

4. At the conclusion of the August 7, 2001 public hearing, the Planning Commission recommended approval of the amendments.

5. A public hearing and deliberation was held before the City Council on August 13 and September 10, 2001 where the City Council considered all the testimony and voted to accept the recommendation of the Planning Commission.

6. The amendments to the Ordinance are consistent with the notice given pursuant to ORS Chapter 227. The City Council finds that the Ordinance making the changes to the General Commercial (C-2) Zone was consistent with the applicable provisions of the City's Comprehensive Plan, specifically Goal 9 – Economy of State, and adoption was in the best interest of carrying out these policies and implementation strategies.

Conclusion: The City Council finds that based on the above actions, all public notice requirements have been met.

B. Statewide Planning Goal findings for the Zoning Code amendment proposed:

7. State planning statutes require cities to adopt and amend comprehensive plans and land use regulations in compliance with the state land use goals. Because of the limited scope of the amendment in this ordinance, only the state goals addressed below apply.

8. **Goal 1, Citizen Involvement** required opportunities for citizens to be involved in all phases of the planning process. The preparation of these amendments has provided numerous opportunities for public involvement. The amendments are supportive of this goal as noted in 1-6 of this findings document.

9. In total, two worksessions and three public hearings were held to formulate language and take comment on the changes to the Commercial Zone. Throughout the project timeframe, notification of hearing dates and comment opportunities were provided to all interested persons.

10. **Goal 2, Land Use Planning** requires the development of a process and policy framework which acts as a basis for all land use decisions and assures that decisions and actions are based on an understanding of the facts relevant to the decision. Hood River's Comprehensive Plan is consistent with Statewide Planning Goal 2. Because the amendments provide specific standards to guide the development of land uses to meet the public policy objectives of Hood River's Comprehensive Plan, they also comply with this statewide goal.

11. **Goal 5, Open Space, Scenic and Historic Areas, and Natural Resources**, calls for the conservation of open space and the protection of natural and scenic resources. The amendments are consistent with Statewide Planning Goal 5. They seek compatible development that considers the natural features of the area through site plan review.

12. **Goal 6, Air, Water and Land Resources Quality**, require the maintenance and improvement of the quality of air, water and land resources. The amendments are consistent with this goal because they restrict large-scale development that requires large scale parking lots, increased traffic, congestion and infrastructure than smaller developments, which generally have less of an impact on these resources.

13. **Goal 7, Areas Subject to Natural Disasters and Hazards**, requires protection of the life and property from natural disasters and hazards. The amendments are consistent with this goal because there is no change in the land use designation for areas affected by the amendments.

14. **Goal 9, Economy of State**, requires provision of adequate opportunities for a variety of economic activities vital to public health, welfare and prosperity. The amendments are consistent with this goal because it protects Hood River's limited commercial land base along with additional justification fully detailed under Hood River's Goal 9 discussion in this report.

15. **Goal 11, Public Facilities and Services**, requires planning and development of timely, orderly and efficient public services that serve as a framework for urban and rural development. The amendments implement this

goal by limiting large scale retail uses and their potential negative impact on the City's infrastructure through concentration of traffic and required utilities.

16. **Goal 12, Transportation**, calls for a safe, convenient and economic transportation system. The Transportation Planning Rule (TPR) was adopted in 1991 to implement State Goal 12. Section 660-12-060(1) of the TPR requires "amendments to functional plans, acknowledged comprehensive plans, and land use regulations which significantly affect a transportation facility to "assure that allowed land uses are consistent with the identified function, capacity and level of service of the facility." The amendments do not significantly affect a transportation facility as that is defined by the TPR.

17. **Goal 13, Energy Conservation** requires development of a land use pattern that maximize the conservation of energy based on sound economic principles. Smaller buildings will have less of an impact on energy resources, infrastructure and the street system than larger square footage commercial businesses.

18. **Goal 14, Urbanization** calls for the orderly and efficient transition of rural lands to urban use. The amendments promote intensification of development within Hood River and its UGA, locating the most intense development opportunities where public services are presently provided with scheduled planned improvements according to the public facilities plan.

Conclusion: The City Council finds that Goals 3 (Agriculture), 4 (Forest), and 10 (Housing) do not apply and that this ordinance is consistent with the remaining Statewide goals.

C. City of Hood River's Comprehensive Plan Goal Findings for the Zoning Code Amendments

1. **Goal 1, Citizen Involvement** calls to maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process. In total, two worksessions and three public hearings were held to formulate language and take comment on the changes to the Commercial Zone. Throughout the project timeframe, notification of hearing dates and comment opportunities were provided to all interested persons.

2. **Goal 2, Land Use Planning** requires the establishment of a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

A. Hood River's Comprehensive Plan is consistent with Statewide Planning Goal 2. Because the amendments provide specific standards to guide the development of land uses to meet the public policy objectives of Hood River's Comprehensive Plan, they also comply with this statewide goal.

B. The legislative process in the Hood River Municipal Code (HRMC) was adopted pursuant to Goal 2 and has been acknowledged as consistent with

Goal 2. As noted above, the City has processed this legislative amendment consistent with the notice and public hearing requirements of the HRMC.

C. The City Council received testimony relative to government's roll in limiting the size of commercial/retail buildings. The intent of the changes is not to drive businesses out of town; it is about the size, location, design and compatibility of large commercial buildings. The question is whether Hood River will be overwhelmed by out of scale development if big box buildings are allowed. Size limitations are a legitimate planning tool used by an increasing number of jurisdictions throughout the United States (Better Models for Superstores) and the City has long placed restrictions on the height, bulk and scale of buildings.

3. Goal 5, Open Spaces, Scenic and Historic Areas and Natural Resources calls to conserve open space and protect natural, historic and scenic resources.

The amendments are consistent with Goal 5. They seek compatible development that requires protection of the natural features of the area through site plan review.

Goal 6, Air, Water, and Land Resources Quality asks to maintain and improve the quality of the air, water and land resources of the planning area to provide a relatively pollution-free environment.

The amendments are consistent with this goal because they restrict large-scale development that requires large scale parking lots, increased traffic, congestion and infrastructure than smaller developments. Additionally, positive findings are required for any new commercial developments for air quality under the site plan review criteria.

Goal 7, Natural Disasters requires Hood River to protect life and property from natural disasters and hazards. The amendments are consistent with this goal because there is no change in the land use designation for areas affected by the amendments.

Goal 9, Economy. This goal was recently amended to address the commercial and industrial changes in the City over the past twenty (20) years. The new provisions of Goal 9 apply, and are addressed below.

A. To diversify and improve the economy of the Hood River planning area;
and

To accommodate the need for expansion of new and existing businesses.

1. According to information sources on alternatives to big box sprawl more than half of all new retail space in the U.S. in recent years has come in the form of superstores or "big boxes." Not counting their vast parking lots, these massive retail outlets range from 90,000 to 250,000 square feet, two to five times

the size of a football field and 20 to 50 times the size of a typical downtown retailer. New stores of this magnitude almost certainly lead to significant sales losses and potential failures at dozens of existing businesses.

2. The Council received testimony from a downtown business owner who presented evidence from the National Trust for Historic Preservation – National Main Street Center that \$.06 on the dollar is retained in towns by superstore discounters, \$.20 on the dollar is retained by chain stores and \$.60 on the dollar is retained by independent “mom and pop” businesses. This money is directed back into Hood River’s economy through purchase of goods, insurance, food and other necessities by the local retailer.

3. Small businesses may or may not be able to survive the addition of a store up to 100 times its size. There are studies (Better Models for Superstores and The HomeTown Advantage) that show downtown, local businesses have been negatively affected by big box stores.

4. Statistics from Better Models for Superstores point out that spending has increased only 7% while retail construction had increased by 40% over a ten year period. The Council’s intent in considering this ordinance is evaluate the impact to Hood River if our local economy cannot grow fast enough to absorb the probable increase in retail square footage.

5. It is the City Council’s intention through the ordinance changes to protect existing business and to allow expansion yet keeping the “playing field” level in regard to size.

6. The Council finds that the ordinance changes still welcome all businesses, but advises them that certain rules must be followed. It allows an expanded Wal-Mart, Home Depot, Costco, or other large retailers, but in a manner that insures they will fit into the community.

7. The Council received testimony that large and small businesses compliment each other and that big boxes do not “drive out” smaller businesses and that local citizens need places to shop where prices are reasonable. The council finds that the evidence is more persuasive that big box retailers may drive out smaller businesses, that large businesses can still locate in Hood River under the proposed amendments, and that existing retailers already provide reasonable prices, and more may still locate here.

8. The City Council finds that the amendments to the Commercial Zone have not foreclosed the opportunity for large commercial businesses from locating in Hood River. The design standards and size limitation will mean that a business locating in Hood River will be required to design a building that is compatible with the scale, size, bulk and design of the existing commercial buildings in town.

B. To preserve and promote a livable community.

1. According to visual preference surveys conducted by Anton C. Nelessen of Rutgers University, there is an almost universally negative reaction to the visual appearance of commercial sprawl and an almost universally positive response to traditional pedestrian oriented settlement patterns.

2. According to the 1996 national home buyer's community preference survey, nearly three-quarters of all buyers would prefer to live in a community where they could walk or bicycle to some places.

3. To some extent, Hood River is a victim of its own success because, as its reputation for small-town charm, pedestrian friendly commercial areas, and livability spreads, more businesses seek to develop here. The Council finds that the proposed amendments are necessary to address continued development and will encourage development that will not weaken or undermine the unique small town character that Hood River is known for, yet will enhance our identity and existing characteristics.

4. For many years the City Council and Planning Commission have discussed shared concerns about strip malls, commercial sprawl and appropriate scale for the community. The most recent community visioning process and the Comprehensive Plan updates reference a concern for small town livability, the preservation of the special character of Hood River and the need to preserve and protect Downtown and the Heights.

5. In looking at future commercial development in Hood River, the City Council looked at how Hood River has developed historically. Hood River is a town laid out in 200 x 200 (40,000 square feet) blocks, and newer commercial buildings are in the 72,000, 30,000, 40,000 and 50,000 square foot range. As these buildings increase in size, the Council believes that it will become increasingly more difficult to maintain compatibility of appearance and scale with Hood River's existing commercial areas and town character. The Council is not opposed to big box commercial uses, but has difficulty envisioning how the size and format of a building exceeding 50,000 square feet is compatible with our town's existing commercial neighborhoods.

6. When superstores build new store, they usually stick rigidly to one formula: Many acres of land, proximity to a major highway, a huge one-level building (no upper floors), acres of asphalt for surface parking and an inward-looking building with no windows and few, if any architectural details.

7. The 1994 vision statement recommended limiting strip development and adopting design standards which will maintain our small town character. Building on these recommendations, the Council adopted site plan review criteria and conditional use criteria that calls for projects to be compatible with the site and buildings in the surrounding area by analyzing the height, bulk and scale. Design standards require a variety of detail and form and siting should be used to provide visual interest.

8. Taking the vision one step further, the City in 1999 added the following elements under Goal 9 to its Comprehensive Plan:

“The City shall initiate a design review process that would discourage commercial strip development, yet maintain a balance between cost and requirements for better visual quality.”

“Development standards shall require the consideration of air, water and land resources.”

“The site plan review and subdivision standards shall be amended, if necessary, to be consistent with Goal 9.”

9. The City Council received testimony that the proposed design and landscaping standards alone will mitigate the impact of large buildings over 50,000 square feet in size and that if stores cannot increase in size beyond 50,000 square feet they will relocate out of Hood River.

10. The City Council does not agree that design and landscape standards alone will mitigate the impacts of buildings over 50,000 square feet. The Council also recognizes that stores may choose to relocate as a result, but finds that the preservation of livability is an overriding consideration in adopting the ordinance.

11. The City Council gives less weight to much of the testimony received in opposition to the amendments because the testimony was received from parties who had a vested interest in construction of buildings 50,000 square feet or more in Hood River.

12. The City Council also finds that the amendments to the Commercial Zone do not prohibit large commercial businesses from locating in Hood River. The design standards and size limitation will mean that a business locating in Hood River will be required to design a building that is compatible with the scale, size, bulk and design of the existing commercial buildings in town.

13. The proposed amendments are another step toward implementing Hood River’s Comprehensive Plan strategies for maintaining livability and the City Council finds that the ordinance amendments respond affirmatively to those strategies.

C. To better utilize all commercial and industrial lands, including underutilized lands.

1. Hood River is geographically limited as to where commercial development can occur and expand in Hood River. To the north is the Columbia River, the west and the east the National Scenic Area and to the south a combination of exclusive farm use and some area for urban expansion.

2. It has been documented (Better Models for Superstores) that big box stores hire fewer employees per square foot than a smaller business which may offer additional services such as repair and delivery. A larger single use commercial building depletes the land base while employing fewer people.

3. In its goal to provide for higher paying jobs, the City Council adopted a policy to promote mixed use development that integrate business, office, light industrial, research and development, commercial uses, and residential, if appropriate, on the same parcel.

4. There was testimony that big box stores offer above average wages, however there was no evidence provided. The City Council finds that opportunities for higher paying jobs already exist in Hood River.

5. The City Council also received testimony that the ordinance is unnecessary or premature because the City does not have any available commercial parcels to develop a building over 50,000 square feet in size.

6. The Planning Director rebutted this testimony by stating that the Planning Department had an inquiry about such a development in the Heights off 13th Street between May and Taylor, for a superstore and underground parking. If the car dealers on 13th vacated, a large parcel would be available for development. The existing Wal-Mart is a compilation of many tax lots, not just one parcel. There are areas throughout Hood River that could be developed for a large-scale commercial project.

7. In addition, under the existing UGMA, the City's ordinances are to be applied in the urban growth area (UGA). The UGA does contain large sites and because the UGA is planned for urban uses and eventual incorporation into the City, it is appropriate to consider the UGA.

D. To have adequate public facilities for anticipated economic growth.

1. Hood River already has some significant traffic problems and lacks the financial resources to provide traffic signals and other traffic management solutions in existing traffic hot spots along Cascade Avenue, Rand Road and Frankton Road, and on 12th and 13th Street. Even though large commercial uses would be required to contribute to and address some of these problems, Nollan and Dolan will preclude the City from requiring them to fix all of the City's traffic problems. Consequently, such large uses would provide disproportionate increase to the City's overloaded system.

2. Many communities elsewhere in the U.S. welcome large commercial uses because of the impact on sales tax revenues to the community. But in Oregon there is no sales tax and the municipality must underwrite the costs of any unanticipated public cost without financial input from these huge retailers.

E. To have economic development that is consistent with availability of long-term human and natural resources.

The City Council finds that limiting the size of commercial buildings and encouraging mixed use on parcels will encourage more efficient use of land, and thereby will reduce land consumption in the Hood River planning area.

F. To continue to recognize the City's role in the Hood River planning area, county and beyond.

1. Hood River already has a diversified, evolving economy that includes a role as a regional retail destination. People from neighboring counties on both side of the river come to Hood River to buy groceries and shop at the existing small and large stores. However, as the Council heard from numerous citizens during the public hearing, Hood River is also an economy that is very dependent on the special character of the community, particularly its pedestrian orientation, and on quality of life. The hundreds of people who come here and bring their businesses with them, come because Hood River is not like everywhere else with strip malls.

2. The Council recognizes that it is the City's zoning ordinances that are to apply in the UGA, if the County adopts them as required under UGMA. Adoption of this amendment in the UGA will help preserve and encourage development consistent with the City's character and vision, and will thereby continue to draw people to the City, and, therefore, the County, to spend money.

Goal 11, Public Facilities requires the City to develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development. The amendments implement this goal by limiting large-scale retail uses and their potential negative impact on the City's infrastructure through concentration of traffic and required utilities.

Goal 12, Transportation calls for a safe, convenient and economic transportation system. The Transportation Planning Rule (TPR) was adopted in 1991 to implement State Goal 12. Section 660-12-060(1) of the TPR requires "amendments to functional plans, acknowledged comprehensive plans, and land use regulations which significantly affect a transportation facility to "assure that allowed land uses are consistent with the identified function, capacity and level of service of the facility." The amendments do not significantly affect a transportation facility as that is defined by the TPR.

Goal 13, Energy Conservation calls for the City to conserve energy and encourage the use of renewable energy resources. Smaller buildings will have less of an impact on energy resources, infrastructure and the street system than larger square footage commercial businesses.

18. **Goal 14, Urbanization** calls for the orderly and efficient transition of rural lands to urban use. The amendments promote intensification of development within Hood River and its UGA, locating the most intense development opportunities where public services are presently provided with scheduled planned improvements according to the public facilities plan.

Conclusion: The City Council finds that Goals 3 (Agriculture) 4 (Forest), and 10 (Housing) do not apply and that this ordinance is consistent with the City of Hood River's Comprehensive Plan.

