

Council Policy

Redevelopment of Commercial Property

Definitions:

Redevelopment of Commercial Property: The use of an existing building on a commercial property is changed or an existing building is expanded.

Commercial Property: Property zoned General Commercial, Neighborhood Commercial, or property zoned for commercial use within a Planned Unit Development.

Change of Use: The use of an existing structure being switched to a different use as recognized by the Oregon Structural Specialty Code (OSSC) and allowed in the General Commercial and Neighborhood Commercial zones. The OSSC lists the following classifications of uses:

1. **Assembly**, which includes uses such as:
 - i. museums
 - ii. places of religious worship
 - iii. pool and billiard halls
 - iv. indoor sporting arenas
 - v. bleachers
 - vi. grandstands
 - vii. movie theaters
 - viii. concert halls
 - ix. banquet halls
 - x. nightclubs
 - xi. restaurants
 - xii. tavern and bars
 - xiii. bowling alleys
 - xiv. courtrooms
 - xv. community halls

2. **Business Group**, which include uses such as:
 - i. traffic control towers
 - ii. veterinary clinics
 - iii. banks
 - iv. barber and beauty shops
 - v. car washes
 - vi. civic administration
 - vii. outpatient clinics
 - viii. dry cleaners and laundromats

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- ix. electronic data processing
- x. laboratories
- xi. motor vehicle showrooms
- xii. post office
- xiii. print shops
- xiv. professional services

3. **Institutional Group**, which include such uses as:

- i. detox facilities
- ii. foster care facilities
- iii. hospitals and psychiatric hospitals

4. **Mercantile**, which include such uses as:

- i. department store
- ii. drugs stores
- iii. markets
- iv. gas stations
- v. retail or wholesale stores

5. **Residential Facilities**, which include such uses as:

- i. duplex
- ii. triplex
- iii. four plex
- iv. apartment

Expansion of Existing Building: The enlarging of the floor area within the building. Expansion of a façade or features such as a porch, awning or portico shall not be considered as an expansion. Examples of expansion shall include, but not limited to, enlarging of: 1) sales floor, 2) storage area, 3) customer waiting area, 4) living areas, 5) work space, 6) restrooms, or an increase in the number of: 1) beds, 2) seats, or 3) gas pumps.

Intensity of Uses: The following uses are ranked from being the highest intensity to the lowest intensity.

1. Assembly
2. Mercantile
3. Business
4. Institutional Group
5. Residential Facility

Minor Tenant Improvement: Interior alterations with non-structural work. The scope of work is limited to placing new finishes in existing rooms such as, but not limited to, offices, retail sales and storage, and assembly areas.

Major Tenant Improvement: Interior alterations with structural work such as, but not limited to, the moving of interior walls, or the construction of new interior walls.

Policy for Change in Use:

1. If an existing commercial building has been occupied within 24 months and if the proposed use remains consistent with or becomes a lower intensity from the previous use, then no Site Plan Review shall be conducted. An Engineering Review will be required for purposes of calculating potential System Development Charges.
2. If an existing commercial building has been vacant for more than 24 months or if an existing commercial building is being converted from a lower intensity commercial use to a higher intensity commercial use, then an Abbreviated Site Plan Review shall be conducted based on the following criteria:
 - a. If the property is nonconforming to the Private Site Standards as defined by Chapter 14 of the Community Development Ordinance, City Municipal Code, and City Engineering Standards, then the applicant shall be required to construct improvements to bring the property to the following minimum standards acceptable to the City:
 1. Paved parking
 - a. If paved parking exists:
 - i. ADA requirements shall be met.
 - ii. Number of parking spaces required shall be no less than 75% of the number of spaces required by the CDO.
 - iii. Parking lot shall be striped
 - iv. No additional landscaping shall be required.
 - b. If paved parking does not exist:
 - i. The parking area shall be paved, and
 1. Storm water drainage system shall be constructed
 2. Landscaping and irrigation shall be installed
 - ii. ADA requirements shall be met.
 - iii. Number of Parking Spaces required shall be no less than 75% of the number of spaces required by the CDO.
 - iv. Parking lot shall be striped
 2. Existing landscape beds shall be brought into compliance with Chapter 14 of the Community Development Ordinance.

3. Non-conforming signs must be removed. New signage, if needed, shall be reconstructed in accordance with Chapter 14 of the Community Development Ordinance.
- b. If the property is nonconforming to the Public Site Standards as defined in the City Municipal Code and City Engineering Standards, the applicant shall be required to construct public improvements to bring the property closer into compliance with standards required by the City Municipal Code and City Engineering Standards. The site shall be developed in the following order:
 1. Driveways shall be reconstructed or eliminated to meet the standards of City Code 8.570, the City of Klamath Falls Engineering Standards and Urban Area Transportation System Plan.
 2. Sidewalks/Curbs shall be constructed
 3. Street Trees shall be installed
- c. The value of the public improvements shall not be required to exceed 25% of both the interior remodel budget and site improvement budget. The value of the interior remodel budget shall be calculated based on the square footage, use classification, and level of treatment. The site improvement budget shall be calculated based on the number of parking spaces being created. Attached is the Construction Value Chart. The Applicant shall be able to submit their own budgets for the proposed project to calculate the public improvement budget. If the Applicant's budget is deemed reasonable, then the Applicant's budget shall be used.
- d. All projects requiring Site Plan Review, complete or abbreviated, shall submit either a Transportation Analysis Letter (TAL) or a Transportation Impact Study (TIS) meeting the requirements of the City's Engineering Standards of Chapter 12. If the proposed project triggers any required traffic mitigation measures, the cost of the traffic mitigation shall be considered an independent cost and shall not be included in the budgetary restrictions for public improvement.

Policy for Expansion of Existing Building:

1. All commercial building expansions are subject to Site Plan Review. However, if a commercial building is being *expanded up to 25% of its existing size*, then an Abbreviated Site Plan Review shall be conducted based on the following criteria:
 - a. If the property is nonconforming to the Private Site Standards as defined by Chapter 14 of the Community Development Ordinance, City Municipal Code, and City Engineering Standards, then the applicant shall be required to construct

improvements to bring the property to the following minimum standards acceptable to the City:

1. Paved parking
 - a. If paved parking exists:
 - i. ADA requirements shall be met.
 - ii. Number of parking spaces required shall be no less than 75% of the number of spaces required by the CDO.
 - iii. Parking lot shall be striped
 - iv. No additional landscaping shall be required.
 - b. If paved parking does not exist:
 - i. The parking area shall be paved, and
 1. Storm water drainage system shall be constructed
 2. Landscaping and irrigation shall be installed
 - ii. ADA requirements shall be met.
 - iii. Number of Parking Spaces required shall be no less than 75% of the number of spaces required by the CDO.
 - iv. Parking lot shall be striped
 2. Existing landscape beds shall be brought into compliance with Chapter 14 of the Community Development Ordinance.
 3. Non-conforming signs must be removed. New signage, if needed, shall be reconstructed in accordance with Chapter 14 of the Community Development Ordinance.
- b. If the property is nonconforming to the Public Site Standards as defined in the City Municipal Code and City Engineering Standards, the applicant shall be required to construct public improvements to bring the property closer into compliance with standards required by the City Municipal Code and City Engineering Standards. The site shall be developed in the following order:
1. Driveways shall be reconstructed or eliminated to meet the standards of City Code 8.570, the City of Klamath Falls Engineering Standards and Urban Area Transportation System Plan.
 2. Sidewalks/Curbs shall be constructed
 3. Street Trees shall be installed
- c. The value of the public improvements shall not be required to exceed 25% of both the interior remodel budget and site improvement budget. The value of the interior remodel budget shall be calculated based on the square footage, use classification, and level of treatment. The site improvement budget shall be calculated based on the number of parking spaces being created. Attached is the Construction Value Chart. The Applicant shall be able to submit their own budgets for the proposed project to calculate the public improvement budget. If

the Applicant's budget is deemed reasonable, then the Applicant's budget shall be used.

- d. All projects requiring Site Plan Review, complete or abbreviated, shall submit either a Transportation Analysis Letter (TAL) or a Transportation Impact Study (TIS) meeting the requirements of the City's Engineering Standards of Chapter 12. If the proposed project triggers any required traffic mitigation measures, the cost of the traffic mitigation shall be considered an independent cost and shall not be included in the budgetary restrictions for public improvement.
2. If a commercial building is being *expanded by 25% of its existing size or larger*, then a complete Site Plan Review shall be conducted and all City standards shall be met.
3. Properties may be eligible to apply for an Abbreviated Site Plan Review for expansion redevelopment only once every five (5) years.

Construction Budget Values

Use	Level of Treatment	Price per square foot	25% price per square foot
Assembly			
	New Construction	\$125.00	\$31.25
	Major Tenant Improvement	\$62.50	\$15.62
	Minor Tenant Improvement	\$25.00	\$6.25
Business Group			
	New Construction	\$120.00	\$30.00
	Major Tenant Improvement	\$60.00	\$15.00
	Minor Tenant Improvement	\$24.00	\$6.00
Institutional Group			
	New Construction	\$150.00	\$37.50
	Major Tenant Improvement	\$75.00	\$18.75
	Minor Tenant Improvement	\$30	\$7.50
Mercantile			
	New Construction	\$85	\$21.25
	Major Tenant Improvement	\$42.50	\$10.62
	Minor Tenant Improvement	\$17.00	\$4.25
		Per Parking Space	
Parking Area Development		\$8,000.00	