

MEMO

| DATE: | June 16, 2011 |
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| то: | Planning and Sustainability Commission |
| FROM: | Eric Engstrom, Principal Planner |
| cc: | Susan Anderson, Director; Joe Zehnder, Chief Planner; Alexandra Howard, Program Coordinator; Steve Dotterrer, Principal Planner; Sandra Wood; Supervising Planner; Julie Ocken; Executive Assistant; Al Burns, Senior Planner; Mark Walhood, City Planner II; Marty Stockton, Community Outreach Specialist |
| SUBJECT: | Factual Basis - Portland Plan Buildable Lands Inventory Update |

General Background

Periodic review is a process for local governments in Oregon to examine and update their Comprehensive Plan and implementing codes. The purpose of periodic review is to ensure that our Comprehensive Plan is up-to-date and responsive to local, regional and state conditions, complies with the Statewide Planning Goals, and provides necessary provisions for economic development, needed housing, transportation and urbanization or growth needs. Portland's periodic review program was established in a Work Program originally adopted by City Council in August, 2008, and an amended Work Program was approved in January, 2011.

Periodic review involves a series of tasks that have begun under the umbrella of the Portland Plan, but will continue on after the Portland Plan is adopted through the Comprehensive Plan Update project.

This hearing is the fourth in a series of briefings, work sessions and hearings on the Buildable Lands Inventory (BLI); an assessment of the City's capacity to accommodate projected changes in housing and employment over at least the next 20 years. In early 2010 (Jan. - Mar.), the first hearings presented an introduction to periodic review, with preliminary information about housing and employment forecasts and assumptions. In July 2010, a briefing and hearing gave a more detailed overview of the BLI and the first draft of our 'constraints' analysis of capacity for housing and jobs. In July 2010 we also requested early feedback on our specific constraint layers, as well as the methods being used to estimate



City of Portland, Oregon Bureau of Planning and Sustainability www.portlandonline.com/bps 1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 phone: 503-823-7700 fax: 503-823-7800 tty: 503-823-6868 housing and jobs capacity. Most recently, in late 2010 (Oct. - Dec.), a briefing and two hearings went into greater detail on a refined 'constraints' and jobs/housing capacity analysis, and sought feedback on a draft set of 'evaluation criteria' to evaluate where we are headed under current policies (the 'default scenario'), as well as potential policy changes to be evaluated going forward (the 'alternative scenarios').

December, 2010 PSC Recommendations and Staff Response

In December 2010, the Planning and Sustainability Commission voted on three actions related to the BLI work, including:

- 1. Accepting the overall BLI methodology, understanding that refinements would continue through 2011 and return to PSC;
- 2. Accepting the BLI inventory and constraint maps, understanding that refinements would continue through 2011 and return to PSC; and
- 3. Tentatively accepted the scenario evaluation criteria, with suggested refinements (consider criteria for jobs, access to jobs, and schools/education).

The above recommendations were made with the requirement that staff reports and maps need to be directly forwarded to neighborhood groups before the next hearings, with an explanatory letter describing key questions for their input. In response, staff sent out a memo to all the neighborhood coalitions in March, 2011, with a summary of where we are in the process, and key points for where input would be most helpful and effective. District Liaison Program staff made themselves available for follow up questions and neighborhood discussion. Staff also provided updated full-sized (2'-0" x 3'-0") citywide maps showing the results of our 'constraint' rankings for employment and housing capacity to all coalition offices.

In response to issues raised in December, and in later public review, several refinements have been made since our last visit to PSC:

- Six new 'constraint' maps were added to the BLI section of the Portland Plan Atlas (2005 outdoor air quality exposure risk, projected 2017 outdoor air quality exposure risk, City of Portland potential landslide hazard areas, institutional properties, private common open space, and relative earthquake hazard maps);
- Our base capacity model was modified to address the unique situation on Hayden Island and in the Bridgeton Neighborhood (airport overlay prohibits housing in some locations, CG zoning at Jantzen Beach has different employment/housing potential);
- We updated the ranking (high, medium, low, etc.) of several constraints based on feedback (historic/conservation landmarks changed from low to medium, added private common open space as full/100%, changed landslide and earthquake layers from low to none for residential); and
- We adjusted the constraint methodology to address a concern that only the most restrictive single layer on any site will control the development potential in our analysis. Specifically, properties were assigned an additional 'medium' constraint if four or more of the following 'low' constraints were present in one location: transportation, water, sewer, storrmwater, environmental overlays, and brownfields.



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Materials for June, 2010 Hearing

In addition to this memo, staff has provided an updated series of documents for the BLI, reflecting the changes we have made since our last visit. As before, these maps are documents are available online (www.pdxplan.com/atlas and www.pdxplan.com/bli), and include the following three volumes:

- 1. Buildable Lands Inventory Summary of Residential Capacity;
- 2. Buildable Lands Inventory Appendix A: Constraint Maps and Model Assumptions; and
- 3. Development Capacity Analysis GIS Model

Decisions and Actions Requested

We are asking the Planning and Sustainability Commission to make an affirmative recommendation to City Council on the refined Residential Buildable Lands Inventory, including the three reports listed above. With that recommendation, BPS will bring this material to City Council in late 2011. City Council will be asked to adopt these reports by ordinance. They will then be delivered to DLCD for acknowledgement, to satisfy a portion of Task 2 of Periodic Review.

Two additional PSC recommendations will be necessary, in the fall:

- 1) A recommendation on the Employment Opportunity Analysis (EOA). A Summary of Employment Capacity will be prepared as a parallel document to the Residential Capacity Summary.
- 2) Both the employment and residential capacity analysis are examined in relation to regional growth forecasts that Metro must adopt as part of its own Urban Growth Boundary decisions. Portland's assumptions about total housing and employment needs will be adjusted at that time. This will not change Portland's underlying capacity analysis, but it will change some of the stated need assumptions. In other words, our conclusion that we have enough capacity cannot be finalized until Metro adopts a revised forecast. For example, the statement on the top of page 17 expressing the expected range of 105,000 to 136,000 new households will be adjusted.



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