

### **MEMO**

DATE: November 10, 2015

**TO:** Planning and Sustainability Commission

FROM: Steve Kountz, Senior Economic Planner

**CC:** Tom Armstrong, Supervising Planner

**SUBJECT:** Employment Zoning Project

The October 27, 2015, PSC public hearing and written testimony on the Employment Zoning Project raised a number of code and map issues. A November 6<sup>th</sup> memo provided summary information and recommendations on key issues to help inform the PSC in making their recommendation. This memo provides additional information on the following map issues raised at the hearing which the PSC may also want to discuss:

- 1. Cornfoot/Slough residential areas
- 2. Airport Way EG2 limitations
- 3. NE 148th split zone
- 4. Levee Road area
- 5. SE Quad MLK IG to EX loading dock issue
- 6. MU zone a SE 92nd and Powell

These mapping issues relate primarily to the Comprehensive Plan map, which is currently being reviewed by City Council. We propose to send each person that testified a letter that acknowledges their testimony and directs them to City Council and how to testify. If City Council amends the Comprehensive Plan map designation on the site, the proposed zoning map change will be adjusted accordingly.

# Cornfoot/Slough residential areas

Some residents along NE Bryant St., NE Holland Court, NE Levee Rd, and NW 60th (see maps below) testified on the Employment Zoning Project, generally expressing surprise and frustration at having an Industrial Sanctuary designation and proposed Prime Industrial



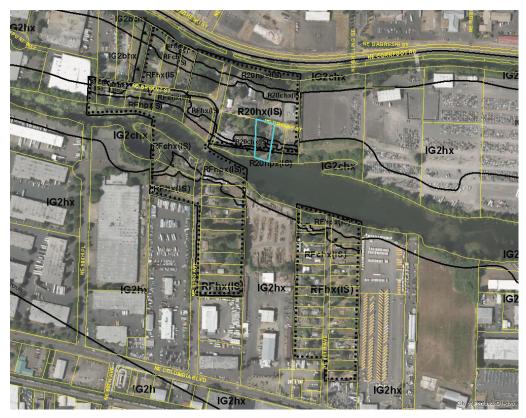
City of Portland, Oregon | Bureau of Planning and Sustainability | www.portlandoregon.gov/bps 1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 | phone: 503-823-7700 | fax: 503-823-7800 | tty: 503-823-6868 Overlay Zone. Noted concerns included having homes that have been there since the 1920s, that the area is a livable oasis in the city with small farms and stable housing, objections to having an industrial designation, and requests to protect their property values.

Several small residential areas exist in the Columbia Corridor and Portland Harbor industrial districts, which have predominant heavy industrial uses. The largest concentration of housing is in the Airport industrial district (between I-5 and I-205), where BPS identified 210 sites in residential use on 164 acres in 2004 (*Industrial Districts Atlas*), occupying 3% of the developed land in this district. Citywide over 500 residential sites were identified in industrial and mixed employment areas in 2004.

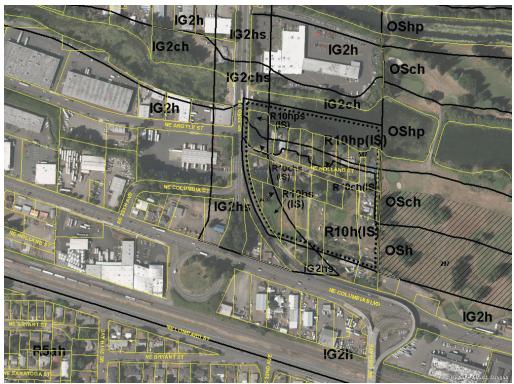
Overall land use direction designates the Columbia Corridor and harbor industrial districts for growth of large-scale industry and restricts residential growth. Industrial base zones in Portland do not allow housing (except for houseboats and caretaker units), and previous Manufacturing zones dating back to the 1950s did not allow housing. Policy background documents for the 1980 Comprehensive Plan cite general public health and safety concerns for not allowing housing in industrial zones. Environmental justice policies in the draft Comprehensive Plan add further rationale for separating industry and housing.

The residential areas in these districts differ, and a variety of long-standing zoning approaches generally fit and accommodate these differences:

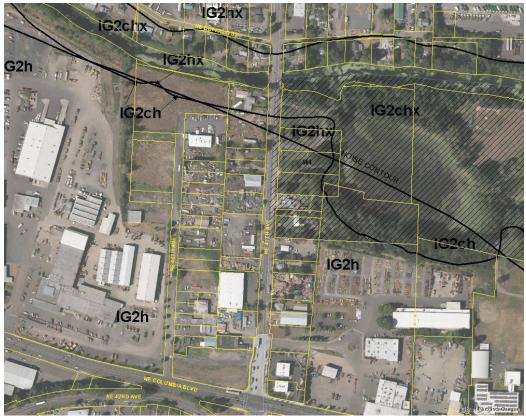
- Some small residential areas combine an IS Industrial Sanctuary plan designation with RF Residential Farm/Forest and other larger-lot residential zones that generally preclude residential growth. These areas include the NE Holland Court, NE Bryant St., and NE Levee Rd. areas.
- Some very small residential areas combine an IS plan designation and Industrial zoning, such as NE 47<sup>th</sup> Ave., NE Buffalo St., and NW 60<sup>th</sup> Ave. These areas tend to have a mix of residential, commercial, and industrial uses.
- Some small residential areas have EG General Employment zoning, such as the Deltawood area along NE Gertz Rd. and N Roberts St. in St. Johns. These areas include a large manufactured home park and an assisted-living senior housing facility.
- The East Columbia and adjacent Bridgeton neighborhoods near NE Marine Drive are the largest residential areas in the Columbia Corridor, and these are the only areas with residential or mixed use map designations in the Comprehensive Plan and corresponding zoning. The R10 and R20 Residential zones in East Columbia have had substantial residential growth in the last decade. The adjacent Columbia Edgewater golf course and Columbia River marinas are major recreational amenities that contribute to the character of these neighborhoods.



Residential areas along NE Bryant St and NE  $63^{\rm rd}$  and  $66^{\rm th}$  Aves.



Holland Court residential area near Broadmoor golf course



Residential areas along NE 47<sup>th</sup> Ave. and NE Buffalo St.



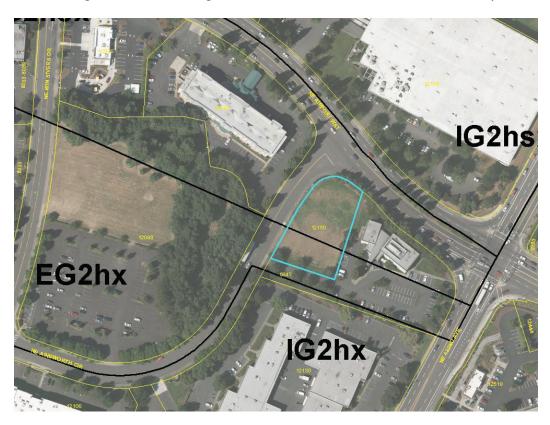
Deltawood residential area and manufactured home park near NE Gertz Rd.

No base zone changes are proposed in the Employment Zoning Project at these residential areas in the industrial districts. The Prime Industrial Overlay Zone is primarily intended to stabilize these larger industrial districts and protect existing industrial development capacity. The Overlay is mapped on the IS and internally-located ME designated areas, including residential properties, in the Columbia Corridor and Portland Harbor districts. The primary limitation of the Overlay on the residential properties is in prohibiting quasi-judicial Comprehensive Plan map amendments to residential or mixed-use designations.

Residents could ask City Council for specific Comprehensive Plan map changes and associated zone changes to address site specific conditions. However, the existing Comprehensive Plan designations in these areas have generally been in place for decades. Moreover, the tightening supply of industrial land and new Comprehensive Plan policies addressing public health and environmental justice support continuing to limit residential growth in these areas.

## Airport Way EG2 limitations

The property owner at 12150 NE Airport Way objected to the additional retail sales and service limitations proposed in EG zones, citing the hotels and diverse commercial uses nearby. The current EG2 zoning at this site does provide for a mix of predominantly commercial uses. The proposed conditional use limitation of retail sales and services larger than 20,000 square feet will particularly address traffic impacts of proposed uses, and this location along Airport Way near I-205 has significant peak hour congestion issues. The surrounding area includes large scale industrial uses as shown on the map below.

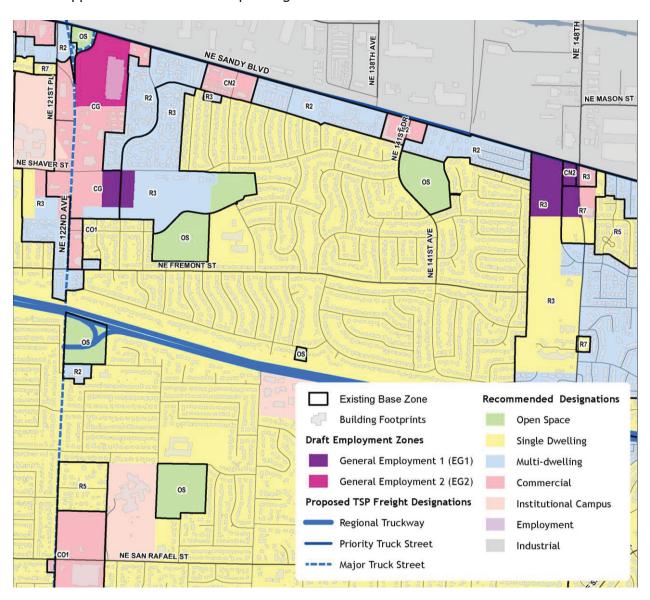


#### NE 148th split zone

The property owner at 3804 NE 148<sup>th</sup> Ave. owns parcels on both sides of 148<sup>th</sup> and objected to the proposed EG1 zoning on the undeveloped west side of 148<sup>th</sup>, preferring that both parcels have Commercial Mixed Use zoning.

The proposed map change from R7 Residential to EG1 would implement the ME Mixed Employment designation on the Recommended Comprehensive Plan Map. The parcel is approximately 1.7 acres.

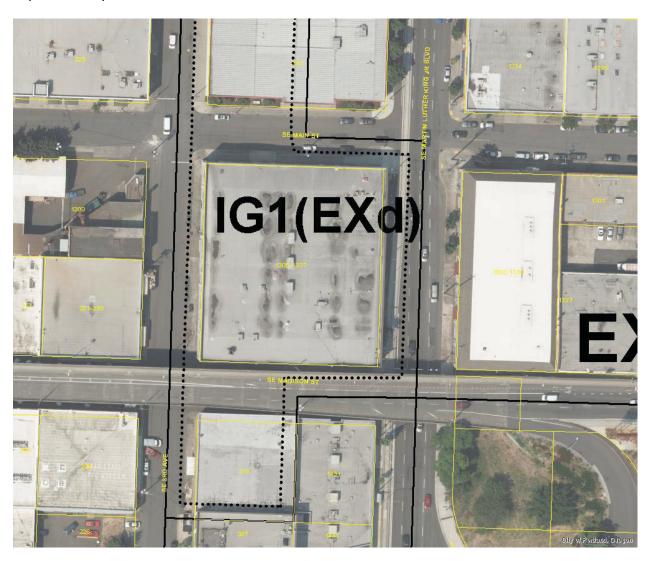
The ME designation here was reconfigured by PSC in the Recommended Draft to include this parcel at 3804 NE 148<sup>th</sup> Ave., responding to concerns by the Argay Neighborhood Association that the ME designation not extend as far south of NE Sandy. The Neighborhood Association sent a supportive letter of this map change in the Recommended Draft.



# SE Quad - MLK IG to EX loading dock issue

The property owner at 1305 - 1337 SE MLK Blvd. (see aerial map below) objected to rezoning proposed in the Southeast Quadrant Plan from IG1 to EX, concerned that removal of the loading docks would be required with rezoning.

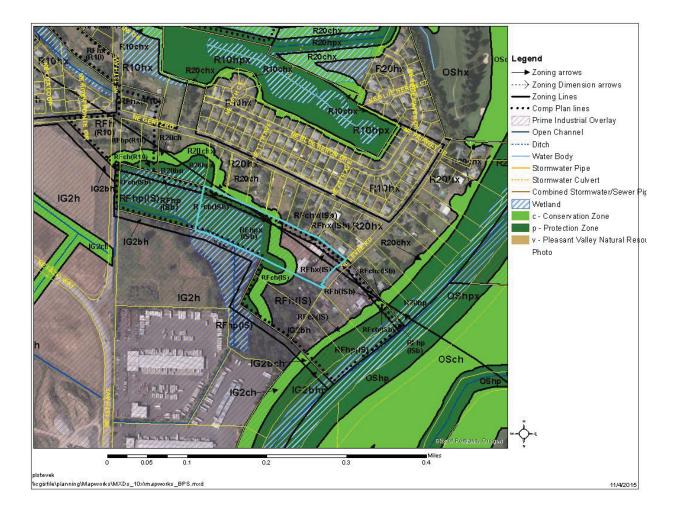
The <u>Central Eastside Street Plan</u> adopted in 2010 designates SE 3<sup>rd</sup> Ave. at this site as a Truck Loading Street (along with SE 2<sup>nd</sup>) and calls for retaining active loading docks on both sides of the street. Staff contacted the property owner after the EZP public hearing to confirm and explain this updated street standard.



#### Levee Road area

The property owner at 9009 NE Levee Rd. (site outlined in blue on map below) objected to the current IS Industrial Sanctuary designation and proposed Prime Industrial Overlay at this property. She also objected to the environmental zoning applied to approximated 4.1 acres of the 6.3-acre site through the Airport Plan District in 2011.

This site and adjacent Levee Rd. parcels have RF Residential Farm/Forest zoning with the IS plan designation. The East Columbia Neighborhood Association testified to PSC on the draft Comprehensive Plan Map requesting a change from IS to R20 in this area at the end of Levee Rd., which would provide for land divisions and residential growth at these sites. PSC did not change the draft Plan Map in the Levee Rd. area.



#### MU zone a SE 92nd and Powell

The property owners at 9237 SE Powell Blvd. and 3306, 3318 and 3332 SE 92<sup>nd</sup> Ave. objected to current and proposed height limits at these properties (see aerial map below). The properties have split-zoning with CG and EG2, and the largest building is partially in both zones. This issue has been referred to the Mixed Use Zoning Project, and BPS will seek a coordinated proposal prior to the citywide Zoning Map Update.

