

City of Portland, Oregon

Bureau of Development Services

Land Use Services

FROM CONCEPT TO CONSTRUCTION

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STAFF REPORT AND RECOMMENDATION TO THE DESIGN COMMISSION - DENIAL

CASE FILE: LU 15-259840 DZM

PC # 15-177695

1111 SE Sandy Blvd

REVIEW BY: Design Commission

WHEN: February 4, 2016, 1:30pm

WHERE: 1900 SW Fourth Ave., Room 2500A

Portland, OR 97201

It is important to submit all evidence to the Design Commission. City Council will not accept additional evidence if there is an appeal of this proposal.

Bureau of Development Services Staff: Jeff Mitchem 503-823-7011 / Jeffrey.Mitchem@portlandoregon.gov

GENERAL INFORMATION

Applicant: David Mullens

Urban Development Group 735 SW 158th Avenue Beaverton, OR 97006

Representative: Don Vallaster

Vallaster Corl Architects

711 SW Alder St Penthouse Ste

Portland, OR 97205

Site Address: 1111 SE Sandy Blvd

Legal Description: BLOCK 237 LOT 1&2&7&8 TL 800 LAND & IMPS SEE R150522

(R226515691) FOR BILLBOARD, EAST PORTLAND; BLOCK 237 LOT 7 EXC W 12'& EXC PT IN ST LOT 8 EXC W 12' & EXC PT IN

STS, EAST PORTLAND

Tax Account No.: R226515690, R226515760, R226515760

State ID No.: 1N1E35CD 00800, 1N1E35CD 00700, 1N1E35CD 00700

Quarter Section: 3031

Neighborhood: Buckman, contact Matthew Kirkpatrick at 503-236-6350. **Business District:** Central Eastside Industrial Council, contact Peter Fry at 503-

274-2744.

District Coalition: Southeast Uplift, contact Bob Kellett at 503-232-0010.

Plan District: Central City - Central Eastside

Zoning: EXd, Central Employment with a Design Overlay

Case Type: DZM, Design Review with Modifications

Procedure: Type III, with a public hearing before the Design Commission.

The decision of the Design Commission can be appealed to City

Council.

Proposal:

The Burnside Delta project is proposed on a triangular 10,231 SF site at a Central City Gateway location – E Burnside and SE Sandy Blvd. The proposed building is 6 stories above a basement level built into the slope of the site which drops approximately 14' in approximately 200' on the E Burnside frontage. Approximately 2,500 SF of retail space is proposed on either end of the E Burnside frontage at SE Sandy Blvd and SE 11th Ave. 85 residential units are proposed on levels 1-6 and a community room and deck are proposed on level 6. Both residential lobby and garage access (18 vehicle parking spaces and 56 bike parking spaces) are proposed on SE 11th Ave at mid-block. The proposed primary exterior cladding is 3/16" tread-plate steel (primary) accented with 22 gauge flush seam metal panel. 25 balconies (30% of total units) are proposed on levels 3-7.

Modifications and Design Exceptions requested:

- **Modification #1**, Parking Area Layout;
- Modification #2, Parking Space Dimension;
- **Modification #3**, Ground Floor Windows on SE Sandy Blvd and SE 11th Ave;
- Modification #4, Long-Term Bike Rack Size;
- **Modification #5**, Transit Street Main Entrance;
- Design Exception #1, Garage Door Setback; and,
- Design Exception #2, Oriel Windows.

Approval Criteria:

In order to be approved, this proposal must comply with the approval criteria of Title 33, Portland Zoning Code. The applicable approval criteria are:

- 33.825 Design Review
- Modification Criteria (33.825.040)
- Central City Fundamental Design Guidelines
- Special Design Guidelines of the Central Eastside

ANALYSIS

Site and Vicinity: The site is a triangular shaped parcel with frontage on SE Sandy Blvd, SE 11th Ave, and East Burnside St. The site slopes significantly to the west, dropping approximately 14 feet along E. Burnside. The southwestern portion of the block supports a restaurant (Michael's) that will remain. Vicinity development facing the intersection of NE 12th Ave., Sandy Boulevard and E. Burnside are developed with parking lots or are vacant with billboards. Nearby to the east is the Linden, a 6-story apartment building outside the Design Overlay Zone. Other context includes retail and light industrial development, with various residential structures to the south and west.

With regard to the vicinity transportation network, East Burnside Street is classified as a Major City Traffic Street, Major Transit Priority Street, City Walkway, and Local Service Bikeway. SE Sandy Blvd is a Regional Main Street, Main Truck Street, Transit Access Street, City Walkway, and City Bikeway. The site is also located at the far eastern edge of a designated Freight District but not within any designated Pedestrian Districts. Bothe E Burnside and SE Sandy Blvd feature high-frequency bus service with a popular transfer stop at the intersection. The entire E Burnside frontage is a dedicated bus turn-out lane that is used as a driver shift changes. As such, busses remain parked for periods of time during shift changes.

 Central City Guidelines The site vicinity is designated a Gateway in the Central City Plan signifying entry to the Central Eastside Industrial District (CEID), which is bounded by Interstate 84 to the north, the Willamette River to the west, SE Powell Boulevard to the south, and SE 12th Avenue to the east. The CEID is about 681 acres in area, contains approximately 1,122 businesses, and employs about 17,000 people. Block 76E is also located within the Kerns neighborhood, which is bordered by the Buckman, Lloyd, Sullivan's Gulch, Laurelhurst, and Sunnyside neighborhoods.

The area surrounding the subject site contains a wide variety of uses, such as manufacturing and production, warehouses, independent "creative" firms and start-up companies, small offices, scattered residential buildings, car dealerships, social service agencies, restaurants, bars, nightclubs, a skateboard park, and locally owned independent retail shops. E Burnside, from approximately SE 6th Avenue to SE 12th Avenue, has become a destination area for new retailers and restaurateurs in recent years, resulting in an increasingly pedestrian-oriented corridor that is active during daytime as well as nighttime hours.

Zoning: Central Employment (EX): The EX zone is a high-density zone characterized by a very high percentage of building coverage. The major types of new development will be light industrial, commercial, and mixed-use buildings with pedestrian oriented design. EX zones will be located near the center of the city where transit is readily available and where other commercial and employment opportunities are nearby. EX zones will usually be applied in combination with the Central City plan district.

<u>Design Overlay (d):</u> The Design Overlay Zone promotes the conservation, enhancement, and continued vitality of areas of the City with special scenic, architectural, or cultural value. This is achieved through the creation of design districts and applying the Design Overlay Zone as part of community planning projects, and development of design guidelines for each district.

<u>Central City Plan District</u>: The Central City plan district implements the Central City Plan and other plans applicable to the Central City area. These other plans include the Downtown Plan, the River District Plan, the University District Plan, and the Downtown Parking and Circulation Policy. The Central City plan district implements portions of these plans by adding code provisions which address special circumstances existing in the Central City area.

Land Use History: City records indicate there are no prior land use reviews for this site.

Agency Review: A *Notice of proposal in Your Neighborhood* was mailed **January 12, 2016**. The following Bureaus have responded with no issue or concerns:

- Water Bureau (Exhibit E.1)
- Urban Forestry (Exhibit E.2)
- Life Safety Plans Examiner (Exhibit E.3)
- Site Development Section of BDS (Exhibit E.4)
- Fire Bureau (Exhibit E.5)

The Bureau of Transportation Engineering responded with the following comment: A queuing study is required to be submitted and reviewed by PBOT prior to recommending approval.

The Bureau of Environmental Services responded with the following comment: A plumbing code appeal is required. The applicant will need to provide the approved

plumbing code appeal to confirm that the proposed stormwater management system is accounted for in the Design Review prior to recommendation of approval.

Neighborhood Review: A *Notice of Proposal in Your Neighborhood* was mailed on **January 12, 2016**. No written responses have been received from either the Neighborhood Association or notified property owners in response to the proposal.

ZONING CODE APPROVAL CRITERIA

1. Design Review (33.825)

33.825.010 Purpose

Design Review ensures:

- That development conserves and enhances the recognized special design values of a site or area;
- The conservation, enhancement, and continued vitality of the identified scenic, architectural, and cultural values of each design district;
- That certain types of infill development will be compatible with the neighborhood and enhance the area; and
- High design quality of public and private projects.

33.825.055 Design Review Approval Criteria

A design review application will be approved if the review body finds the applicant to have shown that the proposal complies with the design guidelines for the area.

It is important to emphasize that design review goes beyond minimal design standards and is viewed as an opportunity for applicants to propose new and innovative designs. The design guidelines are not intended to be inflexible requirements. Their mission is to aid project designers in understanding the principal expectations of the city concerning urban design. The review body conducting design review may waive individual guidelines for specific projects should they find that one or more fundamental design guidelines is not applicable to the circumstances of the particular project being reviewed. The review body may also address aspects of a project design which are not covered in the guidelines where the review body finds that such action is necessary to better achieve the goals and objectives of design review in the Central City.

Findings: The site is designated with Design Overlay zoning (d) and the proposal is for non-exempt new construction and four modifications. Therefore the proposal requires Design Review approval. The approval criteria are *Central City Fundamental Design Guidelines – Central Eastside Subarea* and 33.825.040 *-Modifications That Will Better Meet Design Review Requirements*.

<u>Special Design Guidelines for the Design Zone of the Central Eastside District of</u> the Central City Plan and Central City Fundamental Design Guidelines

The Central Eastside is a unique neighborhood. The property and business owners are proud of the district's heritage and service to the community and region. Light industry, distribution/warehousing, and transportation are important components of the district's personality. To the general public, retail stores and commercial businesses provide the central focus within the district.

The underlying urban design objective for the Central Eastside is to capitalize on and emphasize its unique assets in a manner that is respectful, supportive, creative and compatible with each area as a whole. Part of the charm and character of the Central

Eastside District, which should be celebrated, is its eclectic mixture of building types and uses. An additional strength, which should be built on, is the pattern of pedestrian friendly retail uses on Grand Avenue, East Burnside and Morrison Streets, as well as portions of 11th and 12th Avenues.

The Central City Fundamental Design Guidelines and the River District Design Guidelines focus on four general categories. (A) Portland Personality, addresses design issues and elements that reinforce and enhance Portland's character. (B) Pedestrian Emphasis, addresses design issues and elements that contribute to a successful pedestrian environment. (C) Project Design, addresses specific building characteristics and their relationships to the public environment. (D) Special Areas, provides design guidelines for the four special areas of the Central City.

Central Eastside Design Goals

The following goals and objectives define the urban design vision for new development and other improvements in the Central Eastside

- Encourage the special distinction and identity of the design review areas of the Central Eastside District.
- Provide continuity between the Central Eastside and the Lloyd District.
- Provide continuity between the Central Eastside and the river, downtown, and adjacent residential neighborhoods. Enhance the safety, convenience, pleasure, and comfort of pedestrians.

Central City Plan Design Goals

This set of goals are those developed to guide development throughout the Central City. They apply within the River District as well as to the other seven Central City policy areas. The nine goals for design review within the Central City are as follows:

- 1. Encourage urban design excellence in the Central City;
- **2.** Integrate urban design and preservation of our heritage into the development process;
- **3.** Enhance the character of the Central City's districts;
- **4.** Promote the development of diversity and areas of special character within the Central City;
- **5.** Establish an urban design relationship between the Central City's districts and the Central City as a whole;
- **6.** Provide for a pleasant, rich and diverse pedestrian experience for pedestrians;
- **7.** Provide for the humanization of the Central City through promotion of the arts;
- 8. Assist in creating a 24-hour Central City which is safe, humane and prosperous;
- **9.** Ensure that new development is at a human scale and that it relates to the scale and desired character of its setting and the Central City as a whole.

Staff has considered all guidelines and addressed only those applicable to this proposal.

A1. Integrate the River. Orient architectural and landscape elements including, but not limited to, lobbies, entries, balconies, terraces, and outdoor areas to the Willamette River and greenway. Develop access-ways for pedestrians that provide connections to the Willamette River and greenway.

Findings: Although the site for the proposed building is approximately half a mile east of the Willamette River, at seven stories in height vistas from its street facing upper floor windows, ample balconies and level 7 amenity deck will provide a sense of the river's presence including oblique views of the water. *Therefore*, this guideline is met.

A5-1 Reinforce the Effect of Arcaded Buildings Fronting on East Burnside Street.

A unique characteristic of the Central Eastside District is the series of arcaded buildings over the sidewalk along East Burnside St to Sandy Blvd. They provide protection to the pedestrian in an auto-oriented environment. In addition, they help narrow the width of East Burnside, which is a physical and psychological obstacle to pedestrian movement. The arcading of building fronts is a beneficial tradition for pedestrians along E Burnside, and should be a continue practice.

Findings: At the September 10, 2016 Design Advice Request hearing, the Design Commission reiterated the importance of an arcaded component to the project citing the following recommendations:

- recognize that building is in Arcade district;
- a substantial amount of the building should project over sidewalk gestural recognition;
- columns are not necessary;
- explore creative solutions on how to continue the concept of the street;
- a formal "arcade" is not necessary, the resolution could be a cantilever; and,
- a stepped or partial arcade is OK.

The Applicant's response to this direction was limited to the extension of canopies and balconies over the E Burnside St sidewalk – the 11th Ave retail/residential lobby canopy by 8', the Sandy Blvd/E Burnside retail canopy by 6' and the recessed balconies by 4' on levels 3-6. The Applicant cites grade as the primary constraint to any greater degree of arcade expression involving floor area projections. Staff recognizes the significance of the grade condition as an impediment to spill-out potential, yet finds that the connectivity of all-weather protection offered by the arcade and the significance of the tradition (especially at this gateway location) are important factors deserving fuller resolution.

Staff's recommendation is that in order to meet this guideline some amount of building mass projection should be provided – at least 6 to 8 feet, whether arcaded or cantilevered – along one third of the E Burnside frontage. Staff finds that the proposed cantilevered canopies and balconies neither sufficiently narrow the perceived width of E Burnside nor protect the pedestrian from curb-tight bus traffic as encouraged by the guideline.

Therefore, this guideline is not met.

- **A4. Use Unifying Elements.** Integrate unifying elements and/or develop new features that help unify and connect individual buildings and different areas.
- **A5. Enhance, Embellish, and Identify Areas.** Enhance an area by reflecting the local character within the right-of-way. Embellish an area by integrating elements in new development that build on the area's character. Identify an area's special features or qualities by integrating them into new development.
- **A5-2. Acknowledge the Sandy River Wagon Road (Sandy Boulevard).** Acknowledge the historical significance of the Sandy River Wagon Road (Sandy Boulevard) from East Burnside to 7th Avenue with an upgrade of the public right-of-way to be more pedestrian accommodating and which is related to its historical context. New development located adjacent to this diagonal alignment also should acknowledge the historical significance in a creative way that is attractive, informative, and appropriate.
- **A5-4. Incorporate Works of Art.** Incorporate works of art into development projects.

Findings for A4, A5, A5-2 A5-4: The built context of the project vicinity is an eclectic mixture of building types – ranging from traditional masonry buildings to newer glass and metal infill. The proposed metal cladding (3/16" steel tread plate)

and expressed concrete podium are emblematic of the industrial character in the surrounding area and exemplify architectural unification. The upper-story VPI vinyl windows and aluminum storefront are common systems in newer vicinity construction. The project's overhead panel garage door and canopied retail entries are also found throughout the Central Eastside.

The project incorporates a methodology of cladding expressed as a panelized system with floor-to-ceiling window openings organized into three primary bays separated by integrated balconies. The building form responds to the gateway location at E Burnside St and SE Sandy Blvd (Sandy River Wagon Rd) by presenting a flat-iron form directly to the acutely angled intersection. This flat-iron feature is further accentuated by well-integrated balconies which convey a "prow" like form recognizing the importance of the site as a gateway to the central city.

The project acknowledges the Sandy River Wagon Road and the historical character of the neighborhood by incorporating the following concrete wall treatments (Exhibit C.23 and C.33 respectively): (1) integrating within the concrete wall facing Sandy Blvd an embossed image depicting the Columbia River, City of Portland and the Sandy River Rd alignment and (2) an enlarged embossed image of the historical (circa 1926) mapping of the neighborhood on the windowless concrete wall south of garage door on the west elevation. In so doing, the project provides an additional element to the open space linkage that punctuates the length of the bisecting boulevard and references the historical importance of the site as a gateway to the Central Eastside Industrial District. *Therefore, these guidelines are met.*

A5-3. Plan for or Incorporate Underground Utility Service. Plan for or Incorporate Underground Utility Service to development projects.

Findings for A5-3: The proposed design will place all utilities underground. *Therefore, this guideline is met.*

- **A7. Establish and Maintain a Sense of Urban Enclosure.** Define public rights-of-way by creating and maintaining a sense of urban enclosure.
- **A8. Contribute to a Vibrant Streetscape.** Integrate building setbacks with adjacent sidewalks to increase the space for potential public use. Develop visual and physical connections into buildings' active interior spaces from adjacent sidewalks. Use architectural elements such as atriums, grand entries and large ground-level windows to reveal important interior spaces and activities.

Findings for A7 and A8: The footprint of the proposed building will occupy the entire site thereby establishing urban enclosure where none currently exists. In addition, levels 2-5 will project over the property line into the SE 11th Ave ROW further reinforcing the street enclosure on the project's west elevation. At the residential entry and the garage door facing SE 11th Avenue this treatment provides space where people on foot can encounter one another and vehicles safely and graciously. In combination these design features provide an excellent balance between urban enclosure and pedestrian friendliness. *Therefore, these quidelines are met.*

B1. Reinforce and Enhance the Pedestrian System. Maintain a convenient access route for pedestrian travel where a public right-of-way exists or has existed. Develop and define the different zones of a sidewalk: building frontage zone, street furniture zone, movement zone, and the curb. Develop pedestrian access routes to supplement

the public right-of-way system through superblocks or other large blocks.

- **B2. Protect the Pedestrian.** Protect the pedestrian environment from vehicular movement. Develop integrated identification, sign, and sidewalk-oriented night-lighting systems that offer safety, interest, and diversity to the pedestrian. Incorporate building equipment, mechanical exhaust routing systems, and/or service areas in a manner that does not detract from the pedestrian environment.
- **B4. Provide Stopping and Viewing Places.** Provide safe, comfortable places where people can stop, view, socialize and rest. Ensure that these places do not conflict with other sidewalk uses.
- **B6. Develop Weather Protection.** Develop integrated weather protection systems at the sidewalk-level of buildings to mitigate the effects of rain, wind, glare, shadow, reflection, and sunlight on the pedestrian environment.
- **B6-1. Provide Pedestrian Rain Protection.** Rain protection is encouraged at the ground level of all new and rehabilitated commercial buildings located adjacent to primary pedestrian routes. In required retail opportunity areas, rain protection is strongly recommended.

Findings for B1, B2, B4, B6, and B6-1: With the exception of a single proposed oriel, which is addressed below, the proposal employs standard treatments in the public right-of-way, including street trees and planted tree wells. It also enhances the sidewalks by providing generous covered walking surfaces for over half of the project's frontage on both E Burnside and SE Sandy Blvd.

In addition to the overhanging upper floors, and projecting metal canopies and balconies, the undersides of canopies will include recessed LED lighting to accentuate these elements and emphasize entries at night. While these treatments are all straightforward and commonplace, in combination they result in a significant pedestrian zone abutting the project that will feel comfortable and safe both during the day and at night. *Therefore, these guidelines are met.*

C1. Enhance View Opportunities. Orient windows, entrances, balconies and other building elements to surrounding points of interest and activity. Size and place new buildings to protect existing views and view corridors. Develop building façades that create visual connections to adjacent public spaces.

Findings: Due to site's elevated disposition, the building will remain among the tallest structures in its vicinity, and will afford distant views to the river, downtown, and the west hills. The design responds appropriately to this opportunity with generous windows, ample balconies and a west-facing common outdoor area at the sixth floor. *Therefore, this guideline is met.*

C2. Promote Quality and Permanence in Development. Use design principles and building materials that promote quality and permanence.

Findings: The residential use proposed for this location represents a trending departure from the light manufacturing, automotive, building trade, wholesale, retail, and warehousing operations that have historically and are currently dominating the vicinity. The choice of cast-in-place concrete as a principle ground floor material responds well to the utilitarian quality of the surrounding neighborhood, while the proposed steel tread plate represent the unique application of a quality material of permanence. Accentuating the upper floor recesses with a flush-seam metal panel (22 ga) will add interest and reflect contextually germane practices.

However, because no details or materials samples have been submitted depicting

the cladding assembly for the flush-seam metal panel Staff is unable to determine whether the proposed cladding promotes quality and permanence.

Therefore, this guideline is not yet met.

C1-1. Integrate Parking.

- **a.** Integrate parking in a manner that is attractive and complementary to the site and its surroundings.
- **b.** Design parking garage exteriors to visually respect and integrate with adjacent buildings and environment.

Findings: Although onsite parking is not required with redevelopment of this site, the proposal retains approximately the same number of stalls as are currently on the property. However, rather than a surface lot as currently exists, the proposal is for a partially below-grade parking garage accessed from SE 11th Avenue toward mid-block. This approach will not only improve the appearance of the site but will also allow for an interior although non-standard loading bay – the Standard B stall (9'Wx18'Lx10'H) is proposed to partially block an internal drive aisle which requires a Modification to PZC 33.266.130 F.1.a, Parking Area Layouts requiring that parking areas be designed so that a vehicle may enter or exit without having to move another vehicle (Please refer to Modification #1 in Section 2 of this Staff Report). PBOT has indicated that prior to supporting this Modification, a Queuing Analysis shall be submitted. At the time of the publication of this Staff Report, no such analysis had been submitted. As such, Staff cannot determine that the parking layout as proposed will be operationally supportable.

Therefore, this guideline is not yet met.

C5. Design for Coherency. Integrate the different building and design elements including, but not limited to, construction materials, roofs, entrances, as well as window, door, sign, and lighting systems, to achieve a coherent composition.

Findings: The palette of exterior materials is comprised of five primary components with texture and color variations: vertical flush-seemed metal panel; 3/16" steel tread-plate; cast-in-place concrete; aluminum framed storefront; and vinyl residential windows and doors. The proposed primary cladding material – painted steel tread plate panel (shop Kynar finished with field touch-up as required) – will be sparingly accented with the flush-seam metal panel at the unit balconies and amenity deck. Combined, these two materials present a well-restrained and coherent overall expression that allows the unusual application of tread plate steel to be readily observed.

The building's accents are subtly employed to both distinguish and unify key programmatic components – the accenting metal panels at recessed balconies are subtly unified with other complimentary systems such as windows, doors, balconies, amenity deck and garage door with a common orange color; and, the integrated oriel projection, two-level arcaded expression and recessed sixth floor deck serve to distinguish the west elevation as the primary public amenity.

Though unconventional as finish cladding, tread plate steel is a material of permanence that, in this case, is applied in an aesthetically consistent manner holding the building together as a harmonious whole. The Kynar finish will lend a reflectivity to the dark colored metal that will lighten the building's overall appearance and unify the upper floors with the lightness of the ground floor storefront glazing. This treatment creates a distinct, yet unified and well anchored

building base with a mix of glazing and concrete with expressed columns.

However, because the proposed application of tread plate steel is a significant departure from convention, it is essential that renderings be provided that accurately convey the appearance of the tread plate material as detailed. Because the renderings submitted by the Applicant do not clearly depict the material, a wall mock-up shall be presented at the hearing. Until the mock-up is reviewed by Staff and the Commission, it is not possible to determine if the proposed tread plate steel will result in a coherent composition.

Therefore, this guideline is not yet met.

C7. Design Corners that Build Active Intersections. Use design elements including, but not limited to, varying building heights, changes in façade plane, large windows, awnings, canopies, marquees, signs and pedestrian entrances to highlight building corners. Locate flexible sidewalk-level retail opportunities at building corners. Locate stairs, elevators, and other upper floor building access points toward the middle of the block.

Findings: The project has two primary corners on E Burnside – SE 11th Ave and SE Sandy Blvd – that are well resolved as visually and physically active expressions. As stated above, the 11th Ave corner is well-distinguished as the building's primary public amenity – residential lobby and spill-out retail (with operable storefront) at the ground floor, west-facing residential units with views of Portland's downtown and west hills, the oriel projection and the 6th floor amenity deck.

Also as stated above, the Sandy Blvd corner responds to its location as a Central City Gateway by presenting a flat-iron form uphill directly to the acutely angled intersection. Lined with well-integrated balconies, the building conveys a "prow" like form departing the Willamette River on a course of north-northwest. Ground-level active use (designed for a restaurant) will serve to further activate this corner. *Therefore*, this quideline is met.

- **C8. Differentiate the Sidewalk-Level of Buildings.** Differentiate the sidewalk-level of the building from the middle and top by using elements including, but not limited to, different exterior materials, awnings, signs, and large windows.
- **C9. Develop Flexible Sidewalk-Level Spaces.** Develop flexible spaces at the sidewalk-level of buildings to accommodate a variety of active uses.

Findings for C8 and C-9: The proposed ground floor is approximately two-thirds glazed storefront balanced by more solid treatments along SE Sandy Blvd and at the garage entry facing SE 11th Avenue. Given the site's grade differential, the building's base is differentiated as a one-level volume oriented to SE Sandy Blvd and as a two-level volume oriented to SE 11th Ave. Distinguished with storefront glazing, the building's base is further accentuated through expressed structure in the form of exposed columns on both the E Burnside and SE 11th Ave elevations.

Due varying floor levels in these spaces (because 8.75% slope), sidewalk level activation through retail entry is limited to the corners at SE Sandy Blvd and SE 11th Ave. Despite this constraint, well-covered ground-floor storefronts (operable facing SE 11th Ave) take advantage of favorable orientation to the exposure of E Burnside creating very desirable ground floor tenant spaces for approximately two-thirds of this frontage. *Therefore, these guidelines are met.*

C10. Integrate Encroachments. Size and place encroachments in the public right-of-way to visually and physically enhance the pedestrian environment. Locate permitted skybridges toward the middle of the block, and where they will be physically unobtrusive. Design skybridges to be visually level and transparent.

Findings: The project proposes a variety of encroachments within the abutting public right-of-way – well-integrated balconies and ground floor canopies projecting within the E Burnside ROW, and an Oriel window projection within the SE 11th Ave ROW. Though supportive of the balcony and canopy encroachments, Staff concludes that the Oriel window projection is in the wrong location – it should encroach into the higher-priority pedestrian street of E Burnside St (City Walkway) and not SE 11th Ave (Local Service Walkway). Additionally, Guideline A5-1 Reinforce the Effect of Arcaded Buildings Fronting on East Burnside Street, further reinforces the importance of the E Burnside frontage as a priority for pedestrian environment enhancements. Therefore, any proposed encroachment ought to firstly be oriented toward E Burnside and secondly to other abutting streets.

Therefore, this guideline is not yet met.

C11. Integrate Roofs and Use Rooftops. Integrate roof function, shape, surface materials, and colors with the building's overall design concept. Size and place rooftop mechanical equipment, penthouses, other components, and related screening elements to enhance views of the Central City's skyline, as well as views from other buildings or vantage points. Develop rooftop terraces, gardens, and associated landscaped areas to be effective storm water management tools.

Findings: Rooftop mechanical equipment will be not be visible from street level viewpoints. And, because the building will be taller than most in the vicinity, private views of the rooftop will also be limited. At a distance the elevator overrun may be visible. Notwithstanding this limited visibility of the roof, the proposed mechanical equipment is appropriate in size and location, and is cohesively organized at central-roof and screened with perforated metal painted to match the color of the steel siding. *Therefore, this guideline is met.*

C12. Integrate Exterior Lighting. Integrate exterior lighting and its staging or structural components with the building's overall design concept. Use exterior lighting to highlight the building's architecture, being sensitive to its impacts on the skyline at night.

Findings: Exterior lighting proposed for the building includes the following:

- LED step lights at either side of garage door entry and at base of retail bay on SE 11th Ave and near art along SE Sandy Blvd,
- LED recessed lights in soffits at retail canopy entries, balconies facing corner of SE Sandy and Burnside and amenity deck,
- LED down lights at amenity deck.

These features are designed to downcast light in occupied outdoor space and improve nighttime visibility on the adjacent sidewalks and mark important locations on the building without having any discernible effect on the skyline. *Therefore, this guideline is met.*

2. Modification Requests (33.825)

33.825.040 Modifications That Will Better Meet Design Review Requirements:

The review body may consider modification of site-related development standards, including the sign standards of Chapters 32.32 and 32.34 of the Sign Code, as part of the design review process. These modifications are done as part of design review and are not required to go through the adjustment process. Adjustments to use-related development standards (such as floor area ratios, intensity of use, size of the use, number of units, or concentration of uses) are required to go through the adjustment process. Modifications that are denied through design review may be requested as an adjustment through the adjustment process. The review body will approve requested modifications if it finds that the applicant has shown that the following approval criteria are met:

- **A. Better meets design guidelines.** The resulting development will better meet the applicable design guidelines; and
- **B. Purpose of the standard.** On balance, the proposal will be consistent with the purpose of the standard for which a modification is requested.

The following modifications are requested:

1. Modification of 33.266.130 F.1.a, Parking Area Layouts. Designed so that a vehicle may enter or exit without having to move another vehicle.

Purpose: A minimum number of loading spaces are required to ensure adequate areas for loading for larger uses and developments. These regulations ensure that the appearance of loading areas will be consistent with that of parking areas. The regulations ensure that access to and from loading facilities will not have a negative effect on the traffic safety or other transportation functions of the abutting right-of-way.

Findings: As evidenced in the findings for guideline C1-1 above, the Standard B stall (9'Wx18'Lx10'H) is proposed to partially block an internal drive aisle which requires a Modification to PZC 33.266.130 F.1.a, Parking Area Layouts requiring that parking areas be designed so that a vehicle may enter or exit without having to move another vehicle (Please refer to Modification #1 in Section 2 of this Staff Report). PBOT has indicated that prior to supporting this Modification, a Queuing Analysis shall be submitted. At the time of the publication of this Staff Report, no such analysis had been submitted. As such, Staff cannot determine that the parking layout as proposed will better meet Guideline C1-1.

Therefore, this modification request does not yet meet the approval criteria.

2. Modification of 33.266.130 F 2, Parking Space Dimension. For some parking spaces narrowed by building columns.

Purpose: The development standards promote vehicle areas which are safe and attractive for motorists and pedestrians. Vehicle area locations are restricted in some zones to promote the desired character of those zones. Together with the transit street building setback standards in the base zone chapters, the vehicle area restrictions for sites on transit streets and in Pedestrian Districts:

- Provide a pedestrian access that is protected from auto traffic; and
- Create an environment that is inviting to pedestrians and transit users.
- The parking area layout standards are intended to promote safe circulation within the parking area, provide for the effective management of stormwater runoff from vehicle areas, and provide for convenient entry and exit of vehicles.

The purpose of the standard is described as ensuring adequate areas for loading. As stated above, very similar conditions in comparable buildings exist in Portland and are handled without issue by attentive building management through careful loading scheduling. The standard also describes the need to ensure the appearance of loading areas will be consistent with that of parking areas. The parking area and loading facility are accessed via the same high-quality, fast acting overhead garage door. The overall solution is consistent with the purpose of the parking development and loading standards.

Findings: The modification to reduce the width of 6 of the 18 garage parking spaces from 8'-6" to 7'-9" due to required structural column layout is in keeping with other parking garages of this type. The remaining parking spaces will be a minimum of 8'-6" wide. The drive aisles and other maneuvering spaces as well as bike parking, stairways, ADA parking spaces, and pedestrian walkways will comply with code requirements so that vehicles can enter and exit as well as pass each other within the parking garage in a safe manner. The narrower spaces can accommodate regular sized cars while larger vehicles may have to drive a bit farther looking for a wider space. This selection of parking space sizes is a common feature of parking garages around the city and allows for more spaces to be provided within this development. This in turn relieves some of the parking burden that would have to be accommodated by on-street parking which can in-turn help satisfy the parking demand for area visitors and other short-term parkers. Therefore the below-grade garage and its parking space totals and layout help the project better meet the following guidelines: B2 Protect the Pedestrian and C1-1 Integrate Parking. Therefore, this modification merits approval.

3. Modification of 33.140.230, for less than standard ground floor windows on SE Sandy Blvd and SE $11^{\rm th}$ Ave facades.

Purpose: In the EX zone, blank walls on the ground level of buildings are limited in order to:

- Provide a pleasant, rich, and diverse pedestrian experience by connecting
- activities occurring within a structure to adjacent sidewalk areas;
- Encourage continuity of retail and service uses;
- Encourage surveillance opportunities by restricting fortress-like facades at street level; and
- Avoid a monotonous pedestrian environment.

Findings: As evidenced in the findings for guidelines C8 and C9 above, when viewed as a totality the proposal exceeds the required amount of ground floor windows both in terms of area and length. Given the site's grade constraints, compliant glazing is reduced as grade drops in a southerly direction along SE Sandy Blvd. As mitigation, the concrete wall facing SE Sandy Blvd will be embossed with an image depicting the Columbia River, City of Portland and the Sandy River Rd alignment. And, the concrete wall concealing the trash room adjacent to the garage entry will feature an enlarged embossed image of the historical (circa 1926) mapping of the neighborhood on the windowless concrete wall south of garage door on the west elevation. In so doing, the project provides an additional element to the open space linkage that punctuates the length of the bisecting boulevard and references the historical importance of the site as a gateway to the Central Eastside Industrial District and better meets Guidelines A5-2 Acknowledge the Sandy River Wagon Road (Sandy Boulevard) and A5-4 Incorporate Works of Art. *Therefore, this modification merits approval.*

4. Modification of 33.266.220.C.3.b. Standards for all bicycle parking

Purpose. The primary purpose of the standard is to *ensure that required bicycle parking is designed so that bicycles may be securely locked without undue inconvenience and damage.* The proposed bike rack system is engineered to stack bikes vertically to allow the handle bars to overlap. This allows the proposed racks, within an 18" space, to provide the same level of service that would be provided by a standard 24" on center spacing. The staggered clearance between adjacent bikes and allowance for sliding hangers ease the hanging and locking of a bike. A 5' minimum aisle is still provided behind each bicycle rack. The rack system will be located within a secure bike storage room within the parking garage. For these reasons, the bicycle parking system is safe and secure, located in a convenient area, and designed to avoid any intentional or accidental damage to bicycles; as such, the proposal is consistent with the purpose statement of the bicycle parking standards.

Findings. A space 2 feet by 6 feet must be provided for each required bicycle parking space, so that a bicycle six feet long can be securely held with its frame supported so that the bicycle cannot be pushed or fall in a manner that will damage the wheels or components. The project proposes the bikes racks be stacked and staggered at 18" on center. The project includes 64 total long term bicycle parking spaces, which is the amount required by code. Accommodating these bicycle parking spaces in a horizontal rack would consume considerable floor area. Relying upon a vertical/stacked bike rack is a more efficient use of space, and is identical to the parking system recently approved in numerous Design Reviews throughout Central City. The proposed functional and space efficient system better meets the design guidelines because it eases floor plan demands and results in additional opportunities for active uses at the street, such as office lobby space and retail tenant spaces. The proposed functional and space efficient system better meets the design guidelines because it eases floor plan demands and results in additional opportunities for active uses at the street, such as office lobby space and retail tenant spaces. Therefore, this modification merits approval.

5. Modification of 33.140.242 Transit Street Main Entrance

Purpose. Per 33.140.242 the main entry for retail spaces are required to face or be at a 45 degree angle to the Transit St. (E Burnside St.) *The purpose of the standard is to locate the main entrance to a use on a transit street thereby providing convenient pedestrian access between the use and public sidewalks and transit facilities, and so promotes walking and the use of transit. The project proposes to modify the entrance to the retail space on the NW corner of the lot from E Burnside St. to SE 11th Ave. The retail space requiring the Modification (northwest corner of the site fronting E Burnside St) is relatively steep making it difficult to locate an accessible entrance on that Street. The proposed entrance faces the one-way east-bound traffic flow (and the adjacent bus stop) and will consequently be remain conducive to transit accessibility. For these reasons the proposal is consistent with the purpose statement of the transit street main entrance standards.*

Findings. The project's entire E Burnside St frontage lacks on-street parking, and because it features a dedicated stacking lane for Tri-Met busses the sidewalk is 8' narrower than abutting blocks. As a layover area for changing drivers, this lane will likely have idling buses for periods of time throughout the day. And, given the uphill one-way travel lane, bus acceleration impacts are likely to compromise the pedestrian realm.

By contrast, SE 11th Ave is relatively flat permitting an accessible entrance to the retail tenant space, and is more conducive to spill-out activity given the presence of

on-street parking and significantly lower traffic volumes. The contribution of sidewalk spill-out space to the livability and sense of the community of this important Gateway location is significant. By orienting both the main building entry and the retail entry (including sliding storefront windows), SE 11th Ave is enlivened as an important connection between the core of the Central Eastside Industrial District (south) and the revitalizing E Burnside St – Couch St Couplet (north). Additionally, the import of the main entrance is reinforced through the building's full-height volumetric projection over these entries. Combined, these conditions better meet Guidelines B7 Barrier Free Design, B2 Protect the Pedestrian, C7 Design Corners that Build Active Intersections, C9 Develop Flexible Sidewalk Level Spaces. *Therefore, this modification merits approval.*

6. Oriel Window Exception - Projection (4'-0") into the SE 11th Ave ROW

The applicant is seeking an exception to section $\underline{F. Width}$ of the building code guide Window Projection into Public Right-of-Way (IBC/32/#1) - Standards for windows allowed to project into public right-of-way. The request is for an oriel window projecting into the SE 11th Avenue right-of-way that exceeds the standard maximum width of 12'-0" width by 5'-2". Exceptions are allowed in Design Review.

F. Width. Maximum width of 12 feet for each projecting window element. When approved through Design Review, the width may vary provided the area of all windows on a wall which project into public right of way does not exceed 40% of the wall's area and the width of any single projecting window element does not exceed 50% of its building wall's length.

Findings: With the exception of maximum allowed width (12' allowed, 39'-9" proposed), the projection meets Oriel standards – approximately 25% (40% allowed) of wall area and 49% (50% allowed) of wall length. However, as evidenced in the findings for guideline C10 above, Staff concludes that this guideline is intended to enhance priority pedestrian environments abutting the project site – in this case, the E Burnside frontage and not the SE 11th Ave frontage. Therefore, any proposed encroachment ought to firstly be oriented toward E Burnside and secondly to other abutting streets.

Further, Staff finds that locating the Oriel on SE 11th Ave while orienting no encroachment toward the E Burnside frontage is inappropriate especially given Guideline A5-1, Reinforce the Effect of Arcaded Buildings Fronting on East Burnside Street. Were some amount of encroachment (6' to 8' per finding A5-1 above) to be oriented toward E Burnside, additional encroachment could be approved for SE 11th Ave. Therefore, the singular encroachment oriented to SE 11th Ave alone does not yet meet the approval criteria and this exception does not merit approval.

DEVELOPMENT STANDARDS

Unless specifically required in the approval criteria listed above, this proposal does not have to meet the development standards in order to be approved during this review process. The plans submitted for a building or zoning permit must demonstrate that all development standards of Title 33 can be met, or have received an Adjustment or Modification via a land use review prior to the approval of a building or zoning permit.

CONCLUSIONS

As summarized below, Staff finds that because Approval Criteria (Guidelines A5-1, C2, C5 and C10, and Modification request #1 and the Oriel Window Design Exception) are not met, the project does not warrant approval.

A5-1 Reinforce the Effect of Arcaded Buildings Fronting East Burnside Street. At the September 10, 2016 Design Advice Request hearing, the Design Commission reiterated the importance of an arcaded component to the project and advised that a substantial amount of the building encroach over the E Burnside ROW. The Applicant's response to this direction was limited to the extension of canopies and balconies over the E Burnside St sidewalk – the 11th Ave retail/residential lobby canopy by 8', the Sandy Blvd/E Burnside retail canopy by 6' and the recessed balconies by 4' on levels 3-6. The Applicant cites grade as the primary constraint to any greater degree of arcade expression involving floor area projections. Staff recognizes the significance of the grade condition as an impediment to spill-out potential, yet finds that the connectivity of all-weather protection offered by the arcade and the significance of the tradition (especially at this gateway location) are important factors deserving fuller resolution. *Therefore, this Guideline is not yet met*.

Guideline C2 Promote Quality and Permanence in Development. Because no details or materials samples have been submitted depicting the cladding assembly for the flush-seam metal panel, Staff is unable to determine whether the proposed cladding promotes quality and permanence. *Therefore, this Guideline is not yet met.*

Guideline C5 Design for Coherency. Because the proposed application of tread plate steel is a significant departure from convention, it is essential that renderings be provided accurately conveying the appearance of the tread plate material as detailed. Because the renderings submitted by the Applicant do not clearly depict the material, a wall mock-up shall be presented at the hearing. Until the mock-up is reviewed by Staff and the Commission, it is not possible to determine if the proposed tread plate steel will result in a coherent composition. *Therefore, this Guideline is not yet met.*

Guideline C10 Integrate Encroachments. Because Guideline C10 is intended to enhance priority pedestrian environments abutting the project site – in this case, the E Burnside frontage and not the SE 11th Ave frontage – any proposed encroachment ought to firstly be oriented toward E Burnside and secondly to other abutting streets. Were some amount of encroachment (6' to 8' per finding A5-1 above) to be oriented toward E Burnside, additional encroachment could be approved for SE 11th Ave. *Therefore*, *this quideline is not yet met*.

Modification #1: 33.266.130 F.1.a, Parking Area Layouts. Parking areas shall be designed so that a vehicle may enter or exit without having to move another vehicle. PBOT has indicated that prior to supporting this Modification, a Queuing Analysis shall be submitted. At the time of the publication of this Staff Report, no such analysis had been submitted. As such, Staff cannot determine that the parking layout as proposed will better meet Guideline C1-1. *Therefore, this modification request does not meet the approval criteria.*

Oriel Window Exception – Projection (4'-0") into the SE 11th Ave ROW. Because the approval criteria intend to enhance priority pedestrian environments abutting the project site – in this case, the E Burnside frontage and not the SE 11th Ave frontage, any proposed encroachment ought to firstly be oriented toward E Burnside and secondly to other abutting streets – *this exception does not merit approval*.

TENTATIVE STAFF RECOMMENDATION

(May be revised upon receipt of new information at any time to the Design Commission decision)

Staff recommends **denial** of a new 7-story building with ground level retail and 85 overstory apartments. Ground level includes 18 vehicle parking spaces and 56 bike parking spaces.

Procedural Information. The application for this land use review was submitted on November 3, 2015, and was determined to be complete on December 3, 2015.

Zoning Code Section 33.700.080 states that Land Use Review applications are reviewed under the regulations in effect at the time the application was submitted, provided that the application is complete at the time of submittal, or complete within 180 days. Therefore this application was reviewed against the Zoning Code in effect on November 3, 2015.

ORS 227.178 states the City must issue a final decision on Land Use Review applications within 120-days of the application being deemed complete. The 120-day review period may be waived or extended at the request of the applicant. In this case, the applicant did not waive or extend the 120-day review period. Unless further extended by the applicant, **the 120 days will expire on April 1, 2016.**

Some of the information contained in this report was provided by the applicant. As required by Section 33.800.060 of the Portland Zoning Code, the burden of proof is on the applicant to show that the approval criteria are met. The Bureau of Development Services has independently reviewed the information submitted by the applicant and has included this information only where the Bureau of Development Services has determined the information satisfactorily demonstrates compliance with the applicable approval criteria. This report is the recommendation of the Bureau of Development Services with input from other City and public agencies.

This report is not a decision. The review body for this proposal is the Design Commission who will make the decision on this case. This report is a recommendation to the Design Commission by the Bureau of Development Services. The review body may adopt, modify, or reject this recommendation. The Design Commission will make a decision about this proposal at the hearing or will grant a continuance. Your comments to the Design Commission can be mailed, c/o the Design Commission, 1900 SW Fourth Ave., Suite 5000, Portland, OR 97201 or faxed to 503-823-5630.

You will receive mailed notice of the decision if you write a letter received before the hearing or testify at the hearing, or if you are the property owner or applicant. You may review the file on this case by appointment at our office at 1900 SW Fourth Ave., Suite 5000, Portland, OR 97201. Please call the file review line at 503-823-7617 to schedule an appointment.

Appeal of the decision. The decision of the Design Commission may be appealed to City Council, who will hold a public hearing. If you or anyone else appeals the decision

of the review body, only evidence previously presented to the review body will be considered by the City Council.

Who can appeal: You may appeal the decision only if you write a letter which is received before the close of the record for the hearing, if you testify at the hearing, or if you are the property owner/applicant. Appeals must be filed within 14 days of the decision. An appeal fee of \$5,000.00 will be charged.

Additional information on how to file and the deadline for filing an appeal will be included with the decision. Assistance in filing the appeal and information on fee waivers are available from the Bureau of Development Services in the Development Services Center, 1900 SW Fourth Ave., First Floor. Neighborhood associations recognized by the Office of Neighborhood Involvement may qualify for a waiver of the appeal fee provided that the association has standing to appeal. The appeal must contain the signature of the Chair person or other person_authorized by the association, confirming the vote to appeal was done in accordance with the organization's bylaws.

Neighborhood associations, who wish to qualify for a fee waiver, must complete the Type III Appeal Fee Waiver Request for Organizations Form and submit it prior to the appeal deadline. The Type III Appeal Fee Waiver Request for Organizations Form contains instructions on how to apply for a fee waiver, including the required vote to appeal.

Recording the final decision.

If this Land Use Review is approved the final decision must be recorded with the Multnomah County Recorder. A few days prior to the last day to appeal, the City will mail instructions to the applicant for recording the documents associated with their final land use decision.

A building or zoning permit will be issued only after the final decision is recorded.

The applicant, builder, or a representative may record the final decision as follows:

- By Mail: Send the two recording sheets (sent in separate mailing) and the final Land Use Review decision with a check made payable to the Multnomah County Recorder to: Multnomah County Recorder, P.O. Box 5007, Portland OR 97208. The recording fee is identified on the recording sheet. Please include a selfaddressed, stamped envelope.
- In Person: Bring the two recording sheets (sent in separate mailing) and the final Land Use Review decision with a check made payable to the Multnomah County Recorder to the County Recorder's office located at 501 SE Hawthorne Boulevard, #158, Portland OR 97214. The recording fee is identified on the recording sheet.

For further information on recording, please call the County Recorder at 503-988-3034 For further information on your recording documents please call the Bureau of Development Services Land Use Services Division at 503-823-0625.

Expiration of this approval. An approval expires three years from the date the final decision is rendered unless a building permit has been issued, or the approved activity has begun.

Where a site has received approval for multiple developments, and a building permit is not issued for all of the approved development within three years of the date of the final

decision, a new land use review will be required before a permit will be issued for the remaining development, subject to the Zoning Code in effect at that time.

Zone Change and Comprehensive Plan Map Amendment approvals do not expire.

Applying for your permits. A building permit, occupancy permit, or development permit must be obtained before carrying out this project. At the time they apply for a permit, permittees must demonstrate compliance with:

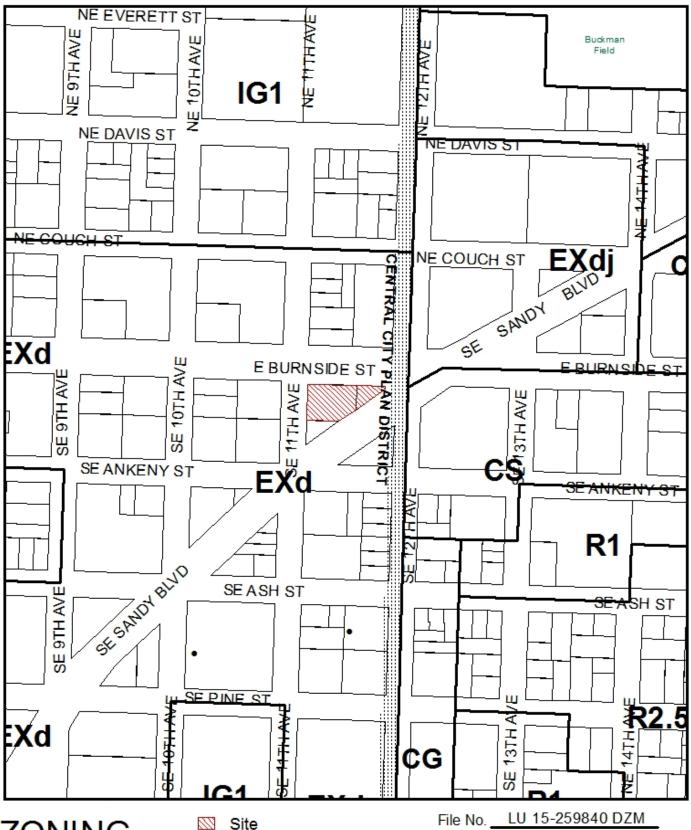
- All conditions imposed here.
- All applicable development standards, unless specifically exempted as part of this land use review.
- All requirements of the building code.
- All provisions of the Municipal Code of the City of Portland, and all other applicable ordinances, provisions and regulations of the city.

The Bureau of Development Services is committed to providing equal access to information and hearings. Please notify us no less than five business days prior to the event if you need special accommodations. Call 503-823-7300 (TTY 503-823-6868).

Jeff Mitchem January 25, 2016

EXHIBITS - NOT ATTACHED UNLESS INDICATED

- A. Applicant's Statement
- B. Zoning Map (attached)
- C. Plan & Drawings
 - 1. Design Review Drawing Set (Sheet C.1-C.45)
 - Sheet C.17, Ground Level Floor Plan (attached)
 - Sheet C.18, Level One Floor Plan (attached)
 - Sheet C.22, North Elevation (attached)
 - Sheet C.23, South Elevation (attached)
- D. Notification information:
 - 1. Request for response
 - 2. Posting letter sent to applicant
 - 3. Notice to be posted
 - 4. Applicant's statement certifying posting
 - 5. Mailed notice
 - 6. Mailing list
- E. Agency Responses:
 - 1. Bureau of Environmental Services
 - 2. Bureau of Transportation Engineering and Development Review
 - 3. Water Bureau
 - 4. Fire Bureau
 - 5. Bureau of Parks, Forestry Division
- F. Letters None
- G. Other
 - 1. Original LUR Application
- H. Hearing



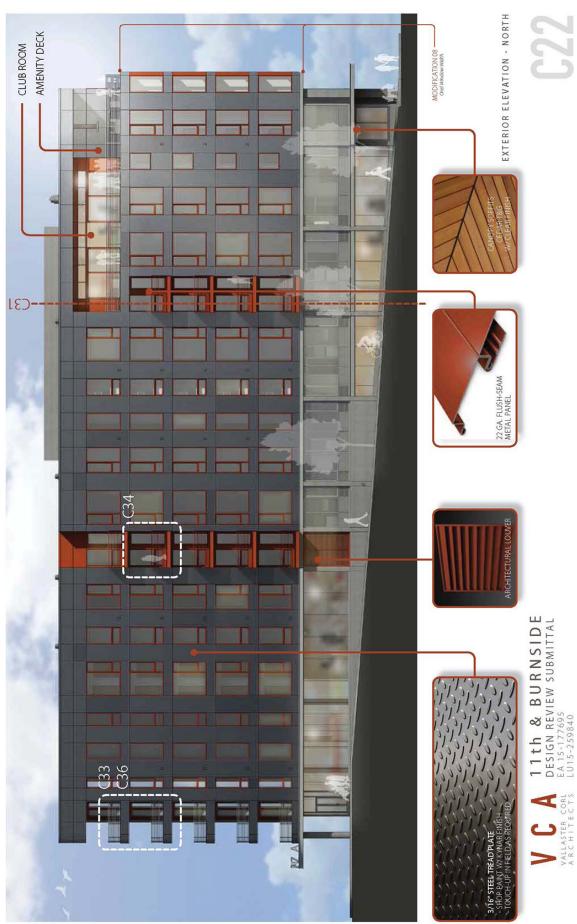
ZONING

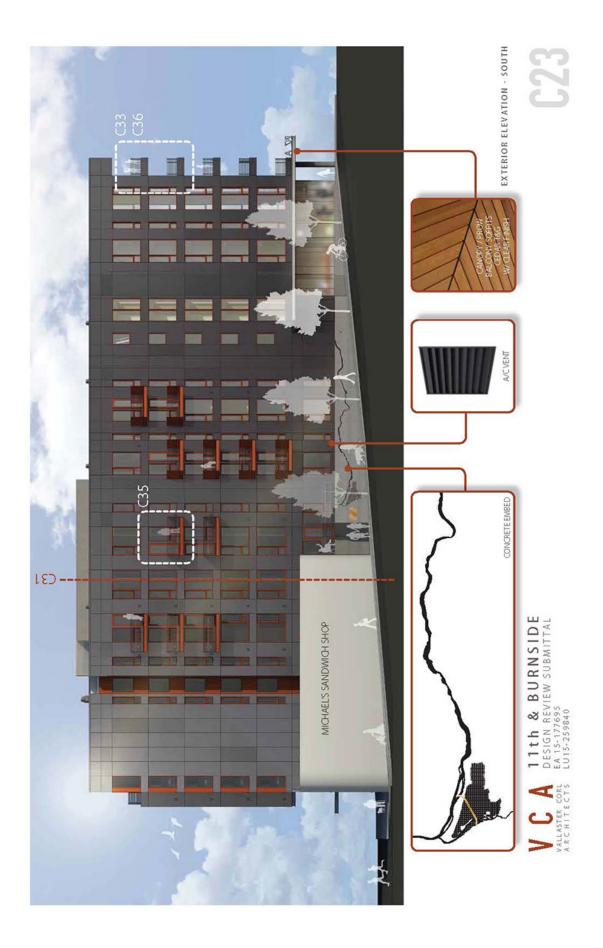
Historic Landmark

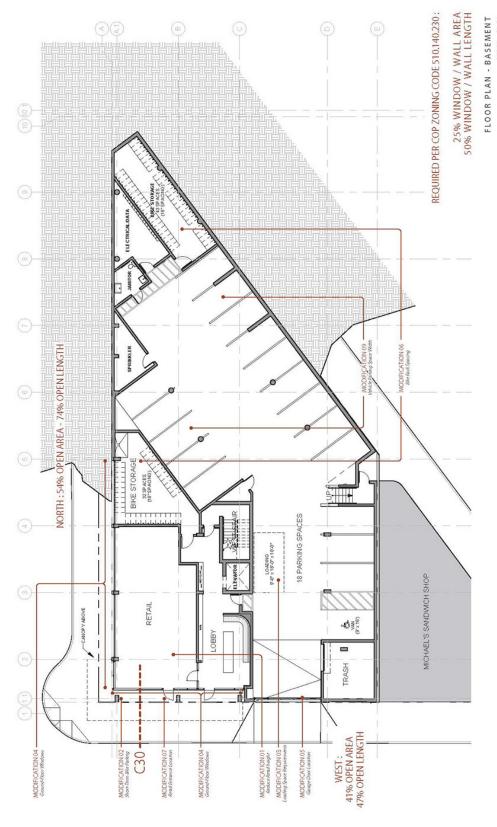
3031 1/4 Section 1 inch = 200 feet Scale. 1N1E35CD 800 State Id В (Nov 06, 2015) Exhibit,



This site lies within the: CENTRAL CITY PLAN DISTRICT CENTRAL EASTSIDE SUBDISTRICT

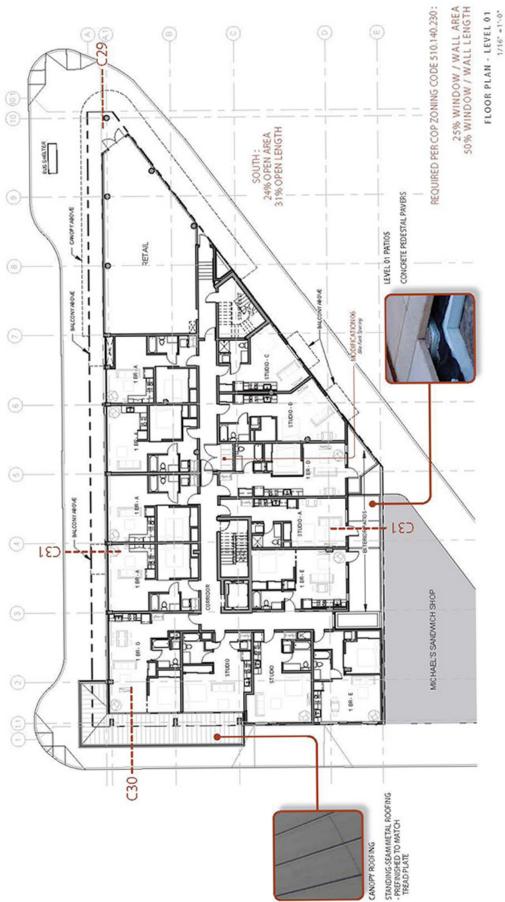








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11th & BURNSIDE
DESIGN REVIEW SUBMITTAL
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